



**Fiscal Year 2010**  
**(ending June 30, 2010)**

Annual Financial & Operating Data

**Mountain States Health Alliance  
Patient Origin  
FY 2010 (ended June 30, 2010)**

County	IP Cases	% of Total	Cumulative %
Washington, TN	15,835	26.3%	26.3%
Sullivan, TN	7,612	12.7%	39.0%
Carter, TN	6,408	10.7%	49.7%
Wise, VA	4,365	7.3%	56.9%
Smyth, VA	3,593	6.0%	62.9%
Washington, VA	3,536	5.9%	68.8%
Russell, VA	2,841	4.7%	73.5%
Greene, TN	2,647	4.4%	77.9%
Johnson, TN	1,941	3.2%	81.2%
Unicoi, TN	1,884	3.1%	84.3%
Hawkins, TN	1,527	2.5%	86.8%
Dickenson, VA	1,430	2.4%	89.2%
All Other	6,483	10.8%	100.0%
<b>Grand Total</b>	<b>60,102</b>	<b>100.0%</b>	

Source: JARS, Paragon, and Internal VA Facility reports

Note: excludes Franklin Marion Manor

Note2: Excludes normal newborns

**Mountain States Health Alliance  
Patient Origin  
FY 2010 (ended June 30, 2010)**

County	IP Cases	% of Total	Cumulative %
<b>Core Service Area</b>			
Washington, TN	15,835	26.3%	26.3%
Sullivan, TN	7,612	12.7%	39.0%
Carter, TN	6,408	10.7%	49.7%
Wise, VA	4,365	7.3%	56.9%
Smyth, VA	3,593	6.0%	62.9%
Washington, VA	3,536	5.9%	68.8%
Russell, VA	2,841	4.7%	73.5%
Greene, TN	2,647	4.4%	77.9%
Johnson, TN	1,941	3.2%	81.2%
Unicoi, TN	1,884	3.1%	84.3%
Hawkins, TN	1,527	2.5%	86.8%
Dickenson, VA	1,430	2.4%	89.2%
Scott, VA	799	1.3%	90.5%
Core Service Area	54,418	90.5%	
<b>Non-Core Service Area</b>			
Tazewell, VA	500	0.8%	91.4%
Buchanan, VA	251	0.4%	91.8%
Avery, NC	232	0.4%	92.2%
Wythe, VA	180	0.3%	92.5%
Mitchell, NC	159	0.3%	92.7%
Lee, VA	157	0.3%	93.0%
Hamblen, TN	156	0.3%	93.3%
Letcher, KY	147	0.2%	93.5%
Cocke, TN	131	0.2%	93.7%
Harlan, KY	124	0.2%	93.9%
Grayson, VA	98	0.2%	94.1%
Hancock, TN	49	0.1%	94.2%
Watauga, NC	3	0.0%	94.2%
Yancey, NC	3	0.0%	94.2%
Non-Core Service Area	2,190	3.6%	
Core & Non-Core	56,608	94.2%	
All Other	3,494	5.8%	100.0%
<b>Grand Total</b>	<b>60,102</b>	<b>100.0%</b>	

Source: JARS, Paragon, and Internal VA Facility reports

Note: excludes Franklin Marion Manor

Note2: Excludes normal newborns

**Mountain States Health Alliance**  
**Gross Patient Revenues by Source of Payment (Payor Mix)**  
**FY 2010 (ended June 30, 2010)**

	Fiscal Year Ended <u>June 30, 2010</u>
Medicare	43.4%
TennCare/Medicaid	14.3
Managed Care/ Commercial and Other	34.2
<u>Private Pay</u>	<u>8.2</u>
Total	100.0%

Source: Mountain States Health Alliance

**Mountain States Health Alliance  
Utilization Information  
FY 2010 (ended June 30, 2010)**

	Fiscal Year Ended <u>June 30, 2010</u>
Average Daily Census	800
Occupancy Rate	46.2%
Patient Days	291,986
Admissions	60,102
Average Length of Stay	4.86
Outpatient Visits	1,607,790
Licensed Beds	1,789

Source: Mountain States Health Alliance

MOUNTAIN STATES HEALTH ALLIANCE (Consolidated)  
 UNAUDITED QUARTERLY DISCLOSURE - FY 2010  
 Historical Maximum Annual Debt Service Coverage

	First Quarter Ended	Second Quarter Ended	Third Quarter Ended	Fourth Quarter Ended	Twelve Months Ended	Twelve Months Ended	Twelve Months Ended	Twelve Months Ended	<i>Obligated Group</i>
<u>Calculation:</u>	Sept. 30, 2009 <sup>1</sup>	Dec. 31, 2009 <sup>1</sup>	March 31, 2010 <sup>1</sup>	June 30, 2010 <sup>1</sup>	Sept. 30, 2009	Dec. 31, 2009	March 30, 2010	June 30, 2010	Audited Year-End
Income available for debt service									June 30, 2010 <sup>2</sup>
Excess of revenue over expenses (before extraord. items)	\$ 3,236,871	\$ 12,165,862	\$ 6,225,171	\$ 22,163,150	\$ 29,781,379	\$ 42,802,162	\$ 39,430,252	\$ 41,932,739	
Plus depreciation expense	16,535,240	17,045,395	17,501,848	17,370,624	58,544,379	62,970,190	67,845,061	68,453,105	
Plus amortization expense	1,486,304	3,251,451	3,199,498	3,327,134	10,723,405	11,071,873	11,354,342	13,122,700	
Plus interest expense	13,224,853	8,772,593	9,589,626	11,225,726	48,066,366	43,105,894	42,711,129	42,862,665	
Total income available for debt service	<u>137,933,072</u>	<u>164,941,204</u>	<u>146,064,572</u>	<u>216,346,536</u>	<u>147,115,529</u>	<u>159,950,119</u>	<u>161,340,784</u>	<u>166,371,209</u>	<u>141,077,000</u>
Maximum annual debt service	<u>78,282,495</u>	<u>69,701,000</u>	<u>69,674,000</u>	<u>79,730,000</u>	<u>78,282,495</u>	<u>69,701,000</u>	<u>69,674,000</u>	<u>79,730,000</u>	<u>77,187,000</u>
Maximum annual debt service coverage	<u>1.8</u>	<u>2.4</u>	<u>2.1</u>	<u>2.7</u>	<u>1.9</u>	<u>2.3</u>	<u>2.3</u>	<u>2.1</u>	<u>1.8</u>

Footnotes

1- Annualized quarterly total income available for debt service

2- *Obligated Group only*, Audited Historical Maximum Annual Debt Service Coverage, Total income available for debt service includes *Depreciation, Amortization, and Interest expenses*



**Fiscal Year 2011**  
**(ending June 30, 2011)**

Annual Financial & Operating Data

**Mountain States Health Alliance  
Facilities Patient Origin  
FY 2010 (ended June 30, 2010)**

<b>County</b>	<b>Discharges</b>	<b>% of Total</b>
Washington, TN	16,167	26.9%
Sullivan, TN	7,753	12.9%
Carter, TN	6,371	10.6%
Wise, VA <sup>1</sup>	4,327	7.2%
Greene, TN	2,644	4.4%
Smyth, VA	3,606	6.0%
Unicoi, TN	1,863	3.1%
Johnson, TN	1,923	3.2%
Hawkins, TN	1,503	2.5%
Russell, VA	3,306	5.5%
Dickenson, VA	1,442	2.4%
Scott, VA	902	1.5%
Washington, VA <sup>2</sup>	4,207	7.0%
Core Subtotal	56,014	93.2%
Non-Core Subtotal	3,006	5.0%
Other Areas Subtotal	1,082	1.8%
<b>Grand Total</b>	<b>60,102</b>	<b>100.0%</b>

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Source: Mountain States Health Alliance - Fiscal year data excludes normal newborns. Acquired facilities have been included from date of acquisition forward.

**Mountain States Health Alliance**  
**Gross Patient Revenues by Source of Payment (Payor Mix)**  
**FY 2011 (ended June 30, 2011)**

	Fiscal Year Ended <u>June 30, 2011</u>
Medicare	43.7%
TennCare/Medicaid	13.7
Managed Care/ Commercial and Other	34.2
<u>Private Pay</u>	<u>8.4</u>
Total	100.0%

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Source: Mountain States Health Alliance



**Mountain States Health Alliance**  
**Utilization Information**  
**FY 2011 (ended June 30, 2011)**

	Fiscal Year Ended <u>June 30, 2011</u>
Occupancy Rate (licensed)	47%
Patient Days	288,167
Admissions	61,035
Average Daily Census	789
Average Length of Stay (days)	4.7
Outpatient Visits	1,590,962
ER Visits	242,677
Surgical Cases	39,230
Births	4,511
Newborn Days	9,287
Licensed Beds	1,749

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Source: Mountain States Health Alliance

MOUNTAIN STATES HEALTH ALLIANCE (Consolidated)  
 UNAUDITED QUARTERLY DISCLOSURE - FY 2011  
 Historical Maximum Annual Debt Service Coverage

	First Quarter Ended	Second Quarter Ended	Third Quarter Ended	Fourth Quarter Ended	Twelve Months Ended	Twelve Months Ended	Twelve Months Ended	Twelve Months Ended	<i>Obligated Group</i> Audited Year-End
Calculation:	Sept. 30, 2010 <sup>1</sup>	Dec. 31, 2010 <sup>1</sup>	March 31, 2011 <sup>1</sup>	June 30, 2011 <sup>1</sup>	Sept. 30, 2010	Dec. 31, 2010	March 31, 2011	June 30, 2011	June 30, 2011 <sup>2</sup>
Income available for debt service									
Excess of revenue over expenses (before extraord. items)	\$ 1,711,973	\$ 6,875,346	\$ 10,390,905	\$ 19,425,059	\$ 42,266,156	\$ 36,975,640	\$ 41,141,374	\$ 38,403,281	
Plus depreciation expense	21,008,221	21,836,099	21,874,052	22,781,081	72,926,088	77,716,792	82,088,996	87,499,453	
Plus amortization expense	517,483	623,485	620,188	797,985	10,295,566	7,667,600	5,088,290	2,559,141	
Plus interest expense	12,902,670	11,790,091	10,836,477	9,801,705	42,490,615	45,508,113	46,754,964	45,330,943	
Total income available for debt service	<u>144,561,388</u>	<u>164,500,084</u>	<u>174,886,488</u>	<u>211,223,320</u>	<u>167,978,425</u>	<u>167,868,145</u>	<u>175,073,624</u>	<u>173,792,818</u>	<u>145,340,000</u>
Maximum annual debt service	<u>77,187,000</u>	<u>75,202,000</u>	<u>70,580,000</u>	<u>67,624,650</u>	<u>77,187,000</u>	<u>75,202,000</u>	<u>70,580,000</u>	<u>67,624,650</u>	<u>65,678,000</u>
Maximum annual debt service coverage	<u>1.9</u>	<u>2.2</u>	<u>2.5</u>	<u>3.1</u>	<u>2.2</u>	<u>2.2</u>	<u>2.5</u>	<u>2.6</u>	<u>2.2</u>

Footnotes

1- Annualized quarterly total income available for debt service

2- *Obligated Group only*, Audited Historical Maximum Annual Debt Service Coverage, Total income available for debt service includes *Depreciation, Amortization, and Interest expenses*



**Fiscal Year 2012  
(ending June 30, 2012)**

Annual Financial & Operating Data

**Mountain States Health Alliance  
Facilities Patient Origin  
FY 2012 (ended June 30, 2012)**

<b>County</b>	<b>Discharges</b>	<b>% of Total</b>
Washington, TN	16,724	26.9%
Sullivan, TN	7,971	12.8%
Carter, TN	6,738	10.8%
Wise, VA <sup>1</sup>	4,286	6.9%
Greene, TN	2,450	3.9%
Smyth, VA	3,582	5.8%
Unicoi, TN	2,092	3.4%
Johnson, TN	2,052	3.3%
Hawkins, TN	1,520	2.4%
Russell, VA	3,183	5.1%
Dickenson, VA	1,407	2.3%
Scott, VA	963	1.6%
Washington, VA <sup>2</sup>	5,109	8.2%
Core Subtotal	58,077	93.5%
Non-Core Subtotal	2,840	4.6%
Other Areas Subtotal	1,185	1.9%
<b>Grand Total</b>	<b>62,102</b>	<b>100.0%</b>

Source: Mountain States Health Alliance - Fiscal year data excludes normal newborns. Acquired facilities have been included from date of acquisition forward.

**Mountain States Health Alliance**  
**Gross Patient Revenues by Source of Payment (Payor Mix)**  
**FY 2012 (ended June 30, 2012)**

	Fiscal Year Ended <u>June 30, 2012</u>
Medicare	44.1%
TennCare/Medicaid	14.2
Managed Care/ Commercial and Other	33.2
<u>Private Pay</u>	<u>8.5</u>
Total	100.0%

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Source: Mountain States Health Alliance

**Mountain States Health Alliance**  
**Utilization Information**  
**FY 2012 (ended June 30, 2012)**

	Fiscal Year Ended <u>June 30, 2011</u>
Occupancy Rate (licensed)	48%
Patient Days	292,910
Admissions	61,154
Average Daily Census	800
Average Length of Stay (days)	4.8
Outpatient Visits	1,592,335
ER Visits	246,821
Surgical Cases	36,971
Births	4,288
Newborn Days	9,116
Licensed Beds	1,623

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Source: Mountain States Health Alliance

**MOUNTAIN STATES HEALTH ALLIANCE (Consolidated)**

UNAUDITED QUARTERLY DISCLOSURE - FY 2012

Historical Maximum Annual Debt Service Coverage

	First Quarter Ended Sept. 30, 2011 <sup>1</sup>	Second Quarter Ended Dec. 31, 2011 <sup>1</sup>	Third Quarter Ended March 31, 2012 <sup>1</sup>	Fourth Quarter Ended June 30, 2012 <sup>1</sup>	Twelve Months Ended Sept. 30, 2011	Twelve Months Ended Dec. 31, 2011	Twelve Months Ended March 31, 2012	Twelve Months Ended June 30, 2012	<i>Obligated Group</i> Audited Year-End June 30, 2012 <sup>2</sup>
<b>Calculation:</b>									
Income available for debt service									
Excess of revenue over expenses (before extraord. items)	\$ 14,663,165	\$ 1,831,046	\$ 3,366,688	\$ 25,813,207	\$ 51,354,475	\$ 46,310,175	\$ 39,285,958	\$ 45,674,106	
Plus depreciation expense	17,827,079	17,631,863	18,726,373	18,624,326	84,318,311	80,114,075	76,966,396	72,809,641	
Plus amortization expense	541,220	575,931	555,332	572,842	2,582,878	2,535,324	2,470,468	2,245,325	
Plus interest expense	12,398,271	11,705,382	11,390,297	10,480,259	44,849,920	44,765,211	45,319,031	45,997,585	
Total income available for debt service	<u>181,812,444</u>	<u>126,976,888</u>	<u>136,154,760</u>	<u>221,962,536</u>	<u>183,105,584</u>	<u>173,724,785</u>	<u>164,041,853</u>	<u>166,726,657</u>	<u>145,732,000</u>
Maximum annual debt service	<u>68,198,673</u>	<u>67,893,000</u>	<u>67,879,000</u>	<u>67,854,000</u>	<u>68,198,673</u>	<u>67,893,000</u>	<u>67,879,000</u>	<u>67,854,000</u>	<u>77,211,000</u>
Maximum annual debt service coverage	<u>2.7</u>	<u>1.9</u>	<u>2.0</u>	<u>3.3</u>	<u>2.7</u>	<u>2.6</u>	<u>2.4</u>	<u>2.5</u>	<u>1.9</u>

**Footnotes**

1- Annualized quarterly total income available for debt service

 2- *Obligated Group only*, Audited Historical Maximum Annual Debt Service Coverage, Total income available for debt service includes *Depreciation, Amortization, and Interest expenses*



**Fiscal Year 2013  
(ending June 30, 2013)**

Annual Financial & Operating Data

Historical Maximum Annual Debt Service Coverage Ratio



**Mountain States Health Alliance  
Facilities Patient Origin  
FY 2013 (ending June 30, 2013)**

<b>County</b>	<b>Discharges</b>	<b>% of Total</b>
Washington, TN	16,169	27.18%
Sullivan, TN	7,423	12.48%
Carter, TN	6,532	10.98%
Washington, VA	4,937	8.30%
Wise, VA	4,133	6.95%
Smyth, VA	3,457	5.81%
Russell, VA	2,864	4.81%
Greene, TN	2,170	3.65%
Unicoi, TN	2,085	3.51%
Johnson, TN	1,925	3.24%
Hawkins, TN	1,475	2.48%
Dickenson, VA	1,303	2.19%
Scott, VA	1,027	1.73%
Core Subtotal	55,500	93.30%
Non-Core Subtotal	2,823	4.75%
Other Areas Subtotal	1,160	1.95%
<b>Grand Total</b>	<b>59,483</b>	<b>100.00%</b>

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Source: Mountain States Health Alliance - Fiscal year data excludes normal newborns.

**Mountain States Health Alliance**  
**Gross Patient Revenues by Source of Payment (Payor Mix)**  
**FY 2013 (ending June 30, 2013)**

	Fiscal Year ending <u>June 30, 2013</u>
Medicare	44.5%
TennCare/Medicaid	14.0
Managed Care/ Commercial and Other	32.7
<u>Private Pay</u>	<u>8.8</u>
Total	100.0%

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Source: Mountain States Health Alliance

**Mountain States Health Alliance**  
**Utilization Information**  
**FY 2013 (ending June 30, 2013)**

	Fiscal Year ending <u>June 30, 2013</u>
Occupancy Rate (licensed)	49%
Patient Days	278,559
Admissions	58,103
Average Daily Census	763
Average Length of Stay (days)	4.8
Outpatient Visits	1,664,622
ER Visits	249,415
Surgical Cases	35,914
Births	4,306
Newborn Days	8,567
Licensed Beds	1,623

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Source: Mountain States Health Alliance

**MOUNTAIN STATES HEALTH ALLIANCE (Consolidated)**  
 UNAUDITED QUARTERLY DISCLOSURE - FY 2013  
 Historical Maximum Annual Debt Service Coverage (Audited)

	First Quarter ending Sept. 30, 2012 <sup>1</sup>	Second Quarter ending Dec. 31, 2012 <sup>1</sup>	Third Quarter ending March 31, 2013 <sup>1</sup>	Fourth Quarter ending June 30, 2013 <sup>1</sup>	Twelve Months ending Sept. 30, 2012	Twelve Months ending Dec. 31, 2012	Twelve Months ending March 31, 2012	Twelve Months ending June 30, 2013	<i>Obligated Group</i> Audited Year-End June 30, 2013 <sup>2</sup>
Calculation:									
Income available for debt service									
Excess of revenue over expenses (before extraord. items)	\$ 580,909	\$ 12,922,730	\$ 6,096,225	\$ 19,898,689	\$ 31,591,850	\$ 42,683,534	\$ 45,413,071	\$ 39,498,553	
Plus depreciation expense	18,781,446	18,430,748	19,310,396	20,909,754	73,764,008	74,562,893	75,146,916	77,432,344	
Plus amortization expense	564,570	562,414	560,137	572,416	2,268,675	2,255,158	2,259,963	2,259,537	
Plus interest expense	10,839,700	11,019,640	10,583,341	10,811,975	44,415,638	43,729,896	42,922,940	43,254,656	
Total income available for debt service	<u>123,066,500</u>	<u>171,742,128</u>	<u>146,200,396</u>	<u>208,771,336</u>	<u>152,040,171</u>	<u>163,231,481</u>	<u>165,742,890</u>	<u>162,445,090</u>	<u>132,740,000</u>
Maximum annual debt service	<u>71,229,000</u>	<u>71,601,000</u>	<u>71,589,000</u>	<u>71,554,000</u>	<u>71,229,000</u>	<u>71,601,000</u>	<u>71,589,000</u>	<u>71,554,000</u>	<u>73,739,000</u>
Maximum annual debt service coverage	<u>1.7</u>	<u>2.4</u>	<u>2.0</u>	<u>2.9</u>	<u>2.1</u>	<u>2.3</u>	<u>2.3</u>	<u>2.3</u>	<u>1.8</u>

Footnotes

1- Annualized quarterly total income available for debt service

2- *Obligated Group only*, Audited Historical Maximum Annual Debt Service Coverage, Total income available for debt service (Historical) includes *Depreciation, Amortization, and Interest expenses*



**Fiscal Year 2014  
(ending June 30, 2014)**

Annual Financial & Operating Data

Historical Maximum Annual Debt Service Coverage Ratio

**Mountain States Health Alliance**  
**Facilities Patient Origin**  
**FY 2014 (ending June 30, 2014)**

County	Discharges	% of Total
<b>Core Service Area</b>		
Washington, TN	16,205	27.18%
Sullivan, TN	7,217	12.10%
Carter, TN	6,687	11.21%
Washington, VA	4,822	8.09%
Wise, VA	3,795	6.36%
Smyth, VA	3,397	5.70%
Russell, VA	2,629	4.41%
Greene, TN	2,282	3.83%
Unicoi, TN	3,334	5.59%
Johnson, TN	2,057	3.45%
Hawkins, TN	1,456	2.44%
Dickenson, VA	1,122	1.88%
Scott, VA	924	1.55%
<b>Total - Core</b>	<b>55,927</b>	<b>93.79%</b>
<b>Non-Core</b>	<b>2,760</b>	<b>4.63%</b>
<b>Outside Service Area</b>	<b>945</b>	<b>1.58%</b>
<b>Grand Total</b>	<b>59,632</b>	<b>100.00%</b>

Source: Mountain States Health Alliance - Fiscal year data  
excludes normal newborns.

## Mountain States Health Alliance

### Gross Patient Revenues by Source of Payment (Payor Mix) FY 2014 (ending June 30, 2014)

	Fiscal Year ending <u>June 30, 2014</u>
Medicare	31.6%
Managed Medicare	19.5%
TennCare/Medicaid	14.5%
Managed Care/Commercial/Other	26.8%
<u>Private Pay</u>	<u>7.6%</u>
TOTAL	100.0%

### Utilization Information FY 2014 (ending June 30, 2014)

	Fiscal Year ending <u>June 30, 2014</u>
Occupancy Rate (licensed)	48%
Patient Days	274,569
Admissions	57,040
Average Daily Census	752
Average Length of Stay (days)	4.81
Outpatient Visits	1,693,521
ER Visits	239,606
Surgical Cases	30,238
Births	4,213
Newborn Days	7,746
Licensed Beds	1,717

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Source: Mountain States Health Alliance

**MOUNTAIN STATES HEALTH ALLIANCE (Consolidated)**  
**UNAUDITED QUARTERLY DISCLOSURE - FY 2014**  
**Historical Maximum Annual Debt Service Coverage (Audited)**

	Q1 ending	Q2 ending	Q3 ending	Q4 ending	12 mos. ending	12 mos. ending	12 mos. ending	12 mos. ending	<i>Obligated Group</i> Audited Year-End
<u>Calculation:</u>	Sept. 30, 2013	Dec. 31, 2013	March 31, 2014	June 30, 2014	Sept. 30, 2013	Dec. 31, 2013	March 31, 2014	June 30, 2014	June 30, 2014 <sup>1</sup>
Income available for debt service									
Excess of revenue over expenses (before extraord. items)	\$ 4,218,630	\$ (961,068)	\$ (113,320)	\$ 31,607,527	\$ 43,136,274	\$ 29,252,476	\$ 23,042,931	\$ 34,751,769	
Plus depreciation expense	19,284,204	19,047,262	19,273,023	11,832,248	77,935,102	78,551,616	78,514,243	69,436,737	
Plus amortization expense	552,983	400,273	398,992	389,509	2,247,950	2,085,809	1,924,664	1,741,757	
<u>Plus interest expense</u>	<u>11,002,163</u>	<u>11,304,337</u>	<u>11,169,392</u>	<u>10,925,089</u>	<u>43,417,119</u>	<u>43,701,816</u>	<u>44,287,867</u>	<u>44,400,981</u>	
Subtotal	35,057,980	29,790,804	30,728,087	54,754,373	166,736,445	153,591,717	147,769,705	150,331,244	
<i>Annualized quarterly total income available for debt service</i>	<i>x 4</i>	<i>x 4</i>	<i>x 4</i>	<i>x 4</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	<i>n/a</i>	
<b>Total income available for debt service</b>	<b>140,231,920</b>	<b>119,163,216</b>	<b>122,912,348</b>	<b>219,017,492</b>	<b>166,736,445</b>	<b>153,591,717</b>	<b>147,769,705</b>	<b>150,331,244</b>	<b>129,271,000</b>
<b>Maximum annual debt service</b>	<b>70,909,000</b>	<b>70,867,000</b>	<b>70,827,000</b>	<b>70,804,000</b>	<b>70,909,000</b>	<b>70,867,000</b>	<b>70,827,000</b>	<b>70,804,000</b>	<b>73,905,000</b>
<b>Maximum annual debt service coverage</b>	<b>1.98</b>	<b>1.68</b>	<b>1.74</b>	<b>3.09</b>	<b>2.35</b>	<b>2.17</b>	<b>2.09</b>	<b>2.12</b>	<b>1.75</b>

Footnotes

1- *Obligated Group only*, Audited Historical Maximum Annual Debt Service Coverage, Total income available for debt service (Historical) includes *Depreciation, Amortization, and Interest expenses*.





**First Quarter ending September 30, 2009**

Quarterly Financial Information  
&  
Historical Maximum Annual Debt Service Coverage Ratio

*Consolidated & Unaudited*

**Mountain States Health Alliance**  
**Statement of Revenue and Expense**  
**For the Period Ended September 30, 2009**

	<b>Actual</b>	<b>THREE MONTHS YEAR TO DATE</b>
<u>Patient Revenue</u>		
Inpatient Revenue	461,325,969	
Outpatient Revenue	417,669,048	
Total Gross Patient Revenue	878,995,017	
<u>Deductions from Revenue</u>		
Contractual Adjustments	602,017,671	
Charity	12,235,478	
Contra Revenue - Self Pay	33,496,289	
Cost of Goods Sold	368,844	
Total Deductions	648,118,281	
<b>Net Patient Service Revenue</b>	<b>230,876,735</b>	
Other Operating Revenue	4,560,660	
<b>Total Operating Revenue</b>	<b>235,437,396</b>	
<u>Operating Expense</u>		
Salaries	81,368,607	
Physician Salaries	13,148,857	
Contract Labor	2,295,050	
Employee Benefits	18,966,469	
Fees	20,982,702	
Supplies	45,143,128	
Utilities	4,154,350	
Other Expense	16,666,166	
Depreciation	16,535,240	
Amortization	3,344,620	
Bad Debt	2,004,430	
Interest & Taxes	13,249,787	
Management Fees	0	
<b>Total Operating Expense</b>	<b>237,859,406</b>	
<b>Net Operating Income</b>	<b>(2,422,010)</b>	
Net Investment Income	4,997,693	
Realized Gain on Investments	346,650	
Gain / (Loss) from Affiliates	188,523	
Gain / (Loss) on Disposal	(8,941)	
Loss on Extinguishment of LTD / Derivatives	0	
Minority Interest	(2,078,365)	
Taxes - Non Operating	(24,933)	
Incentive Pay	(13,543)	
Other Non Operating Income / (Expense)	393,482	
<b>Total Revenue Over Expense Before CFV of Derivatives</b>	<b>1,378,556</b>	
Change in Fair Value of Interest Rate Swaps	9,717,658	
Change in Fair Value of Call Option	(4,304,815)	
<b>Total Excess Revenue Over Expense</b>	<b>6,791,398</b>	
Net Unrealized Gain / (Loss) on Investments	16,750,429	
<b>Total Increase in Unrestricted Net Assets</b>	<b>23,541,828</b>	
<b>EBITDA</b>	<b>34,533,136</b>	

**Mountain States Health Alliance**  
**Consolidated Balance Sheet**  
**At September 30, 2009**

	<b>Consolidated</b>
<b><u>ASSETS</u></b>	
<b><u>CURRENT ASSETS</u></b>	
Cash and Cash Equivalents	259,740,449
Current Portion AWUIL	2,693,512
Accounts Receivable (Net)	130,388,642
Other Receivables	16,052,742
Due From Affiliates	(0)
Due From Third Party Payors	(0)
Inventories	18,814,488
Prepaid Expense	11,563,012
	<u>439,252,845</u>
 <b><u>ASSETS WHOSE USE IS LIMITED</u></b>	 <u>305,180,746</u>
 <b><u>OTHER INVESTMENTS</u></b>	 <u>285,031,276</u>
 <b><u>PROPERTY, PLANT AND EQUIPMENT</u></b>	
Land, Buildings and Equipment	1,128,821,466
Less Allowances for Depreciation	<u>522,027,499</u>
	<u>606,793,967</u>
 <b><u>OTHER ASSETS</u></b>	
Pledges Receivable	5,888,327
Long Term Compensation Investment	13,635,963
Investments in Unconsolidated Subsidiaries	4,212,739
Land / Equipment Held for Resale	33,062
Assets Held for Expansion	10,898,042
Investments in Subsidiaries	(0)
Goodwill	159,843,518
Deferred Charges and Other	<u>31,171,409</u>
	<u>225,683,060</u>
 <b><u>TOTAL ASSETS</u></b>	 <u><u>1,861,941,893</u></u>
 <b><u>LIABILITIES AND FUND BALANCE</u></b>	
<b><u>CURRENT LIABILITIES</u></b>	
Accounts Payable and Accrued Expense	86,814,701
Accrued Salaries, Benefits, and PTO	55,967,466
Accrued Interest	8,361,368
Due to Affiliates	108
Due to Third Party Payors	12,453,757
Current Portion of Long Term Debt	<u>33,313,161</u>
	<u>196,910,561</u>
 <b><u>OTHER NON CURRENT LIABILITIES</u></b>	
Long Term Compensation Payable	6,301,849
Long Term Debt	1,019,561,041
Estimated Fair Value of Interest Rate Swaps	38,345,026
Call Option Liability	82,326,922
Deferred Income	21,171,148
Professional Liability Self-Insurance and Other	<u>20,379,008</u>
	<u>1,188,084,993</u>
 <b><u>TOTAL LIABILITIES</u></b>	 <u>1,384,995,555</u>
 <b><u>MINORITY INTEREST</u></b>	 <u>167,527,530</u>
 <b><u>FUND BALANCE</u></b>	 <u>309,418,808</u>
 <b><u>TOTAL LIABILITIES AND FUND BALANCE</u></b>	 <u><u>1,861,941,893</u></u>

MOUNTAIN STATES HEALTH ALLIANCE (Consolidated)  
 UNAUDITED QUARTERLY DISCLOSURE - FY 2010 - First Quarter ended September 30, 2009  
 Historical Maximum Annual Debt Service Coverage

	First Quarter Ended Sept. 30, 2009 <sup>1</sup>	Twelve Months Ended Sept 30, 2009
<u>Calculation:</u>		
Income available for debt service		
Excess of revenue over expenses (before extraord. items)	\$ 3,236,871	\$ 29,781,379
Plus depreciation expense	16,535,240	58,544,379
Plus amortization expense	1,486,304	10,723,405
<u>Plus interest expense</u>	<u>13,224,853</u>	<u>48,066,366</u>
Total income available for debt service	<u>137,933,072</u>	<u>147,115,529</u>
Maximum annual debt service	<u>78,282,495</u>	<u>78,282,495</u>
Maximum annual debt service coverage	<u>1.8</u>	<u>1.9</u>

Footnotes

1- Annualized quarterly total income available for debt service



**First Quarter ending September 30, 2010**

Quarterly Financial Information  
&  
Historical Maximum Annual Debt Service Coverage Ratio

*Consolidated & Unaudited*

**Mountain States Health Alliance**  
**Consolidated Balance Sheet**  
**At September 30, 2010**

	<b>Consolidated</b>
<b><u>ASSETS</u></b>	
<b><u>CURRENT ASSETS</u></b>	
Cash and Cash Equivalents	213,674,908
Current Portion AWUIL	2,788,012
Accounts Receivable (Net)	135,195,389
Other Receivables	16,774,612
Due From Affiliates	(0)
Due From Third Party Payors	(0)
Inventories	22,106,563
Prepaid Expense	6,637,788
	<u>397,177,272</u>
 <b><u>ASSETS WHOSE USE IS LIMITED</u></b>	 <u>264,897,418</u>
 <b><u>OTHER INVESTMENTS</u></b>	 <u>340,679,685</u>
 <b><u>PROPERTY, PLANT AND EQUIPMENT</u></b>	
Land, Buildings and Equipment	1,315,549,053
Less Allowances for Depreciation	590,888,356
	<u>724,660,697</u>
 <b><u>OTHER ASSETS</u></b>	
Pledges Receivable	6,241,385
Long Term Compensation Investment	13,766,693
Investments in Unconsolidated Subsidiaries	4,179,248
Land / Equipment Held for Resale	57,635
Assets Held for Expansion	2,561,921
Investments in Subsidiaries	(0)
Goodwill	151,351,899
Deferred Charges and Other	30,437,591
	<u>208,596,372</u>
 <b><u>TOTAL ASSETS</u></b>	 <u><u>1,936,011,443</u></u>
 <b><u>LIABILITIES AND FUND BALANCE</u></b>	
<b><u>CURRENT LIABILITIES</u></b>	
Accounts Payable and Accrued Expense	99,737,209
Accrued Salaries, Benefits, and PTO	55,849,614
Accrued Interest	10,688,761
Due to Affiliates	60,889
Due to Third Party Payors	15,033,777
Current Portion of Long Term Debt	30,552,667
	<u>211,922,918</u>
 <b><u>OTHER NON CURRENT LIABILITIES</u></b>	
Long Term Compensation Payable	6,691,229
Long Term Debt	1,034,369,760
Estimated Fair Value of Interest Rate Swaps	43,870,367
Call Option Liability	92,342,944
Deferred Income	20,493,472
Professional Liability Self-Insurance and Other	16,800,112
	<u>1,214,567,884</u>
 <b><u>TOTAL LIABILITIES</u></b>	 <u>1,426,490,802</u>
 <b><u>MINORITY INTEREST</u></b>	 <u>169,724,968</u>
 <b><u>FUND BALANCE</u></b>	 <u>339,795,674</u>
 <b><u>TOTAL LIABILITIES AND FUND BALANCE</u></b>	 <u><u>1,936,011,443</u></u>

NOTE: JCMC includes Home Care Services

**Mountain States Health Alliance**  
**Statement of Revenue and Expense**  
**For the Period Ended September 30, 2010**

	THREE MONTHS YEAR TO DATE
	<u>Actual</u>
<u>Patient Revenue</u>	
Inpatient Revenue	481,282,306
Outpatient Revenue	451,293,466
Total Gross Patient Revenue	<u>932,575,772</u>
<u>Deductions from Revenue</u>	
Contractual Adjustments	643,928,302
Charity	17,583,897
Contra Revenue - Self Pay	34,055,939
Cost of Goods Sold	370,216
Total Deductions	<u>695,938,354</u>
<b>Net Patient Service Revenue</b>	<u><b>236,637,418</b></u>
Other Operating Revenue	4,129,800
<b>Total Operating Revenue</b>	<u><b>240,767,218</b></u>
<u>Operating Expense</u>	
Salaries	83,438,082
Physician Salaries	14,375,328
Contract Labor	1,579,455
Employee Benefits	16,854,103
Fees	22,096,615
Supplies	43,719,753
Utilities	4,768,128
Other Expense	18,804,028
Depreciation	21,008,221
Amortization	517,483
Bad Debt	2,090,721
Interest & Taxes	12,878,291
Consolidation Allocation	(0)
<b>Total Operating Expense</b>	<u><b>242,130,208</b></u>
<b>Net Operating Income</b>	<u><b>(1,362,990)</b></u>
Net Investment Income	4,100,830
Realized Gain on Investments	248,185
Gain / (Loss) from Affiliates	266,366
Gain / (Loss) on Disposal	100
Loss on Extinguishment of LTD / Derivatives	0
Minority Interest	(1,314,650)
Taxes - Non Operating	(24,380)
Incentive Pay	(26,586)
Other Non Operating Income / (Expense)	(174,903)
<b>Total Revenue Over Expense Before CFV of Derivatives</b>	<u><b>1,711,972</b></u>
Change in Fair Value of Interest Rate Swaps	647,956
Change in Fair Value of Call Option	(2,692,508)
<b>Total Excess Revenue Over Expense</b>	<u><b>(332,580)</b></u>
Net Unrealized Gain / (Loss) on Investments	9,737,722
<b>Total Increase in Unrestricted Net Assets</b>	<u><b>9,405,143</b></u>
<b>EBITDA</b>	<u><b>36,140,347</b></u>

MOUNTAIN STATES HEALTH ALLIANCE (Consolidated)  
 UNAUDITED QUARTERLY DISCLOSURE - FY 2011 - First Quarter ended September 30, 2010  
 Historical Maximum Annual Debt Service Coverage

	First Quarter Ended Sept. 30, 2010 <sup>1</sup>	Twelve Months Ended Sept 30, 2010
<u>Calculation:</u>		
Income available for debt service		
Excess of revenue over expenses (before extraord. items)	\$ 1,711,973	\$ 42,266,156
Plus depreciation expense	21,008,221	72,926,088
Plus amortization expense	517,483	10,295,566
<u>Plus interest expense</u>	<u>12,902,670</u>	<u>42,490,615</u>
Total income available for debt service	<u>144,561,388</u>	<u>167,978,425</u>
Maximum annual debt service	<u>77,187,000</u>	<u>77,187,000</u>
Maximum annual debt service coverage	<u>1.9</u>	<u>2.2</u>

Footnotes

1- Annualized quarterly total income available for debt service





**First Quarter ending September 30, 2011**

Quarterly Financial Information  
&  
Historical Maximum Annual Debt Service Coverage Ratio

*Consolidated & Unaudited*

**Mountain States Health Alliance**  
**Consolidated Balance Sheet**  
**At September 30, 2011**

	<b>Consolidated</b>
<b><u>ASSETS</u></b>	
<b><u>CURRENT ASSETS</u></b>	
Cash and Cash Equivalents	64,300,196
Current Portion AWUIL	109,199,591
Accounts Receivable (Net)	149,341,619
Other Receivables	20,152,422
Due From Affiliates	4,030
Due From Third Party Payors	(0)
Inventories	23,859,579
Prepaid Expense	7,540,923
	<u>374,398,359</u>
 <b><u>ASSETS WHOSE USE IS LIMITED</u></b>	 <u>115,741,993</u>
 <b><u>OTHER INVESTMENTS</u></b>	 <u>449,962,997</u>
 <b><u>PROPERTY, PLANT AND EQUIPMENT</u></b>	
Land, Buildings and Equipment	1,420,882,984
Less Allowances for Depreciation	599,341,389
	<u>821,541,594</u>
 <b><u>OTHER ASSETS</u></b>	
Pledges Receivable	5,138,314
Long Term Compensation Investment	16,174,730
Investments in Unconsolidated Subsidiaries	2,229,839
Land / Equipment Held for Resale	72,215
Assets Held for Expansion	4,172,572
Investments in Subsidiaries	(0)
Goodwill	153,044,114
Deferred Charges and Other	28,699,891
	<u>209,531,675</u>
 <b><u>TOTAL ASSETS</u></b>	 <u><u>1,971,176,619</u></u>
 <b><u>LIABILITIES AND NET ASSETS</u></b>	
<b><u>CURRENT LIABILITIES</u></b>	
Accounts Payable and Accrued Expense	90,150,023
Accrued Salaries, Benefits, and PTO	48,981,245
Accrued Interest	11,147,685
Due to Affiliates	(0)
Due to Third Party Payors	18,737,435
Call Option Liability	96,720,200
Current Portion of Long Term Debt	38,169,177
	<u>303,905,765</u>
 <b><u>OTHER NON CURRENT LIABILITIES</u></b>	
Long Term Compensation Payable	8,170,566
Long Term Debt	1,029,138,229
Estimated Fair Value of Interest Rate Swaps	31,931,345
Deferred Income	22,492,593
Professional Liability Self-Insurance and Other	15,866,850
	<u>1,107,599,581</u>
 <b><u>TOTAL LIABILITIES</u></b>	 <u>1,411,505,346</u>
 <b><u>NET ASSETS</u></b>	 392,344,900
<b><u>NONCONTROLLING INTERESTS IN SUBSIDIARIES</u></b>	167,326,373
 <b><u>TOTAL LIABILITIES AND NET ASSETS</u></b>	 <u><u>1,971,176,619</u></u>

**Mountain States Health Alliance**  
**Statement of Revenue and Expense**  
**For the Period Ended September 30, 2011**

	THREE MONTHS YEAR TO DATE
	<b>Actual</b>
<u>Patient Revenue</u>	
Inpatient Revenue	516,300,287
Outpatient Revenue	497,252,005
Total Gross Patient Revenue	1,013,552,292
<u>Deductions from Revenue</u>	
Contractual Adjustments	718,898,800
Charity	23,744,659
Contra Revenue - Charity	26,410,270
Total Deductions	769,053,728
<b>Net Patient Service Revenue</b>	<b>244,498,564</b>
Other Operating Revenue	5,130,084
<b>Total Operating Revenue</b>	<b>249,628,648</b>
<u>Operating Expense</u>	
Salaries	88,084,292
Provider Salaries	15,641,333
Contract Labor	1,341,337
Employee Benefits	17,033,289
Fees	24,150,387
Supplies	42,262,882
Utilities	4,889,861
Other Expense	19,752,155
Depreciation	17,827,079
Amortization	541,220
Bad Debt	1,578,344
Interest & Taxes	12,398,271
Consolidation Allocation	1
<b>Total Operating Expense</b>	<b>245,500,452</b>
<b>Net Operating Income</b>	<b>4,128,196</b>
Net Investment Income	5,377,592
Realized Gain on Investments	17,983
Gain / (Loss) from Affiliates	45,573
Gain / (Loss) on Disposal	81,701
Loss on Extinguishment of LTD / Derivatives	0
Minority Interest	4,714,526
Taxes - Non Operating	(23,376)
Incentive Pay	(955)
Other Non Operating Income / (Expense)	321,924
<b>Total Revenue Over Expense Before CFV of Derivatives</b>	<b>14,663,165</b>
Change in Fair Value of Interest Rate Swaps	(13,372,957)
Change in Fair Value of Call Option	(4,676,167)
<b>Total Excess Revenue Over Expense</b>	<b>(3,385,960)</b>
Net Unrealized Gain / (Loss) on Investments	(14,372,757)
<b>Increase in Unrestricted Net Assets Before Change in Accounting Principle</b>	<b>(17,758,716)</b>
Cumulative Effect of Change in Accounting Principle	0
<b>Total Increase in Unrestricted Net Assets</b>	<b>(17,758,716)</b>
<b>EBITDA</b>	<b>45,453,111</b>

MOUNTAIN STATES HEALTH ALLIANCE (Consolidated)  
 UNAUDITED QUARTERLY DISCLOSURE - FY 2012 - First Quarter ended September 30, 2011  
 Historical Maximum Annual Debt Service Coverage

	First Quarter Ended Sept. 30, 2011 <sup>1</sup>	Twelve Months Ended Sept 30, 2011
<u>Calculation:</u>		
Income available for debt service		
Excess of revenue over expenses (before extraord. items)	\$ 14,663,165	\$ 51,354,475
Plus depreciation expense	17,827,079	84,318,311
Plus amortization expense	541,220	2,582,878
<u>Plus interest expense</u>	<u>12,398,271</u>	<u>44,849,920</u>
Total income available for debt service	<u><u>181,812,444</u></u>	<u><u>183,105,584</u></u>
Maximum annual debt service	<u>68,198,673</u>	<u>68,198,673</u>
Maximum annual debt service coverage	<u><u>2.7</u></u>	<u><u>2.7</u></u>

Footnotes

1- Annualized quarterly total income available for debt service



**First Quarter ending September 30, 2012**

Quarterly Financial Information  
&  
Historical Maximum Annual Debt Service Coverage Ratio

*Consolidated & Unaudited*

**Mountain States Health Alliance**  
**Consolidated Balance Sheet**  
**At September 30, 2012**

	<b>Consolidated</b>
<b><u>ASSETS</u></b>	
<b><u>CURRENT ASSETS</u></b>	
Cash and Cash Equivalents	95,135,962
Current Portion AWUJL	16,320,622
Accounts Receivable (Net)	155,912,321
Other Receivables	22,734,190
Due From Affiliates	2,138
Due From Third Party Payors	(0)
Inventories	23,494,167
Prepaid Expense	7,023,481
	<u>320,622,881</u>
<b><u>ASSETS WHOSE USE IS LIMITED</u></b>	<u>127,745,513</u>
<b><u>OTHER INVESTMENTS</u></b>	<u>477,553,250</u>
<b><u>PROPERTY, PLANT AND EQUIPMENT</u></b>	
Land, Buildings and Equipment	1,512,780,071
Less Allowances for Depreciation	645,372,485
	<u>867,407,586</u>
<b><u>OTHER ASSETS</u></b>	
Pledges Receivable	4,373,669
Long Term Compensation Investment	19,693,049
Investments in Unconsolidated Subsidiaries	2,074,042
Land / Equipment Held for Resale	57,635
Assets Held for Expansion	2,561,921
Investments in Subsidiaries	0
Goodwill	154,391,425
Deferred Charges and Other	29,446,672
	<u>212,598,413</u>
<b><u>TOTAL ASSETS</u></b>	<u>2,005,927,643</u>
<b><u>LIABILITIES AND NET ASSETS</u></b>	
<b><u>CURRENT LIABILITIES</u></b>	
Accounts Payable and Accrued Expense	88,841,293
Accrued Salaries, Benefits, and PTO	54,992,519
Accrued Interest	10,256,641
Due to Affiliates	0
Due to Third Party Payors	19,714,606
Call Option Liability	0
Current Portion of Long Term Debt	32,268,476
	<u>206,073,535</u>
<b><u>OTHER NON CURRENT LIABILITIES</u></b>	
Long Term Compensation Payable	9,927,484
Long Term Debt	1,117,046,085
Estimated Fair Value of Interest Rate Swaps	11,805,149
Deferred Income	17,460,510
Professional Liability Self-Insurance and Other	17,096,816
	<u>1,173,336,045</u>
<b><u>TOTAL LIABILITIES</u></b>	<u>1,379,409,580</u>
<b><u>NET ASSETS</u></b>	460,351,620
<b><u>NONCONTROLLING INTERESTS IN SUBSIDIARIES</u></b>	166,166,444
<b><u>TOTAL LIABILITIES AND NET ASSETS</u></b>	<u>2,005,927,643</u>

**Mountain States Health Alliance**  
**Statement of Revenue and Expense**  
**For the Period Ended September 30, 2012**

	THREE MONTHS YEAR TO DATE
	<b>Actual</b>
<u>Patient Revenue</u>	
Inpatient Revenue	513,368,161
Outpatient Revenue	521,455,394
Total Gross Patient Revenue	1,034,823,555
<u>Deductions from Revenue</u>	
Contractual Adjustments	749,947,356
Charity	23,176,465
Contra Revenue - Charity	32,010,141
Provision for Bad Debt	2,025,973
Total Deductions	807,159,935
<b>Net Patient Service Revenue</b>	<b>227,663,620</b>
Premium Revenue	0
Other Operating Revenue	10,922,537
<b>Total Other Operating Revenue</b>	<b>10,922,537</b>
<b>Total Operating Revenue</b>	<b>238,586,157</b>
<u>Operating Expense</u>	
Salaries	88,263,642
Provider Salaries	17,322,931
Contract Labor	1,342,146
Employee Benefits	16,580,956
Fees	26,804,479
Supplies	38,406,897
Utilities	4,762,610
Other Expense	20,030,752
Medical Costs	0
Depreciation	18,781,447
Amortization	564,571
Interest & Taxes	10,824,107
Consolidation Allocation	0
<b>Total Operating Expense</b>	<b>243,684,538</b>
<b>Net Operating Income</b>	<b>(5,098,381)</b>
Net Investment Income	4,296,224
Realized Gain on Investments	3,227,757
Gain / (Loss) from Affiliates	159,553
Gain / (Loss) on Disposal	(6,393)
Loss on Extinguishment of LTD / Derivatives	0
Minority Interest	(2,042,117)
Taxes - Non Operating	(15,593)
Incentive Pay	(1,369)
Other Non Operating Income / (Expense)	61,227
<b>Total Revenue Over Expense Before CFV of Derivatives</b>	<b>580,909</b>
Change in Fair Value of Interest Rate Swaps	7,448,107
Gain / (Loss) in Swaption / Call Option	0
<b>Total Excess Revenue Over Expense</b>	<b>8,029,016</b>
Net Unrealized Gain / (Loss) on Investments	5,726,184
<b>Increase in Unrestricted Net Assets Before Change in Accounting Principle</b>	<b>13,755,200</b>
Cumulative Effect of Change in Accounting Principle	0
<b>Total Increase in Unrestricted Net Assets</b>	<b>13,755,200</b>
<b>EBITDA</b>	<b>30,766,626</b>

MOUNTAIN STATES HEALTH ALLIANCE (Consolidated)  
 UNAUDITED QUARTERLY DISCLOSURE - FY 2013 - First Quarter ended September 30, 2012  
 Historical Maximum Annual Debt Service Coverage

	First Quarter Ended Sept. 30, 2012 <sup>1</sup>	Twelve Months Ended Sept. 30, 2012
<u>Calculation:</u>		
Income available for debt service		
Excess of revenue over expenses (before extraord. items)	\$ 580,909	\$ 31,591,850
Plus depreciation expense	18,781,446	73,764,008
Plus amortization expense	564,570	2,268,675
Plus interest expense	10,839,700	44,415,638
Total income available for debt service	<u>123,066,500</u>	<u>152,040,171</u>
Maximum annual debt service	<u>71,229,000</u>	<u>71,229,000</u>
Maximum annual debt service coverage	<u>1.7</u>	<u>2.1</u>

Footnotes

1- Annualized quarterly total income available for debt service





**First Quarter ending September 30, 2013**

Quarterly Financial Information  
&  
Historical Maximum Annual Debt Service Coverage Ratio

*Consolidated & Unaudited*

**Mountain States Health Alliance**  
**Consolidated Balance Sheet**  
**At September 30, 2013**

	<b>Consolidated</b>
<b>ASSETS</b>	
<b><i>CURRENT ASSETS</i></b>	
Cash and Cash Equivalents	53,053,082
Current Portion AWUIL	4,218,870
Accounts Receivable (Net)	165,633,374
Other Receivables	35,761,272
Due From Affiliates	40,510
Due From Third Party Payors	0
Inventories	23,773,081
Prepaid Expense	8,398,963
	<u>290,879,154</u>
<b><i>ASSETS WHOSE USE IS LIMITED</i></b>	<u>73,542,745</u>
<b><i>OTHER INVESTMENTS</i></b>	<u>553,286,955</u>
<b><i>PROPERTY, PLANT AND EQUIPMENT</i></b>	
Land, Buildings and Equipment	1,610,275,566
Less Allowances for Depreciation	723,300,565
	<u>886,975,002</u>
<b><i>OTHER ASSETS</i></b>	
Pledges Receivable	4,026,182
Long Term Compensation Investment	20,559,873
Investments in Unconsolidated Subsidiaries	1,985,032
Land / Equipment Held for Resale	7,508,959
Assets Held for Expansion	12,710,794
Investments in Subsidiaries	(0)
Goodwill	154,391,425
Deferred Charges and Other	26,992,274
	<u>228,174,538</u>
<b><i>TOTAL ASSETS</i></b>	<u>2,032,858,393</u>
<b>LIABILITIES AND NET ASSETS</b>	
<b><i>CURRENT LIABILITIES</i></b>	
Accounts Payable and Accrued Expense	91,417,634
Accrued Salaries, Benefits, and PTO	56,413,240
Accrued Interest	9,694,752
Due to Affiliates	0
Due to Third Party Payors	28,631,019
Current Portion of Long Term Debt	26,047,888
	<u>212,204,533</u>
<b><i>OTHER NON CURRENT LIABILITIES</i></b>	
Long Term Compensation Payable	9,799,813
Long Term Debt	1,081,595,702
Estimated Fair Value of Interest Rate Swaps	10,209,645
Deferred Income	9,197,050
Professional Liability Self-Insurance and Other	17,553,898
	<u>1,128,356,108</u>
<b><i>TOTAL LIABILITIES</i></b>	<u>1,340,560,641</u>
<b><i>NET ASSETS</i></b>	521,545,936
<b><i>NONCONTROLLING INTERESTS IN SUBSIDIARIES</i></b>	170,751,816
<b><i>TOTAL LIABILITIES AND NET ASSETS</i></b>	<u>2,032,858,393</u>

**Mountain States Health Alliance**  
**Statement of Revenue and Expense**  
**For the Period Ended September 30, 2013**

	<b>Actual</b>	<b>THREE MONTHS YEAR TO DATE</b>
<i>Patient Revenue</i>		
Inpatient Revenue	549,595,104	
Outpatient Revenue	584,371,070	
Total Gross Patient Revenue	1,133,966,174	
<i>Deductions from Revenue</i>		
Contractual Adjustments	847,578,602	
Charity	26,372,445	
Contra Revenue - Charity	30,169,144	
Provision for Bad Debt	1,911,927	
Total Deductions	906,032,117	
<b>Net Patient Service Revenue</b>	<b>227,934,057</b>	
Premium Revenue	574,348	
Other Operating Revenue	13,643,777	
<b>Total Other Operating Revenue</b>	<b>14,218,125</b>	
<b>Total Operating Revenue</b>	<b>242,152,181</b>	
<i>Operating Expense</i>		
Salaries	84,520,923	
Provider Salaries	19,367,769	
Contract Labor	1,139,990	
Employee Benefits	16,321,814	
Fees	28,609,361	
Supplies	40,594,679	
Utilities	4,439,581	
Other Expense	19,713,728	
Medical Costs	484,379	
Depreciation	19,284,204	
Amortization	552,983	
Interest & Taxes	10,990,317	
Consolidation Allocation	(0)	
<b>Total Operating Expense</b>	<b>246,019,729</b>	
<b>Net Operating Income</b>	<b>(3,867,547)</b>	
Net Investment Income	3,892,133	
Realized Gain on Investments	977,572	
Gain / (Loss) from Affiliates	184,358	
Gain / (Loss) on Disposal	2,615,175	
Loss on Extinguishment of LTD / Derivatives	(4,622,060)	
Minority Interest	271,702	
Taxes - Non Operating	(11,847)	
Incentive Pay	17,008	
Other Non Operating Income / (Expense)	148,877	
<b>Total Revenue Over Expense Before CFV of Derivatives</b>	<b>(394,629)</b>	
Change in Fair Value of Interest Rate Swaps	(2,111,258)	
Gain / (Loss) in Swaption / Call Option	0	
<b>Total Excess Revenue Over Expense</b>	<b>(2,505,888)</b>	
Net Unrealized Gain / (Loss) on Investments	21,780,005	
<b>Increase in Unrestricted Net Assets Before Change in Accounting Principle</b>	<b>19,274,118</b>	
Cumulative Effect of Change in Accounting Principle	0	
<b>Total Increase in Unrestricted Net Assets</b>	<b>19,274,118</b>	
<b>EBITDA</b>	<b>35,066,781</b>	

MOUNTAIN STATES HEALTH ALLIANCE (Consolidated)  
 UNAUDITED QUARTERLY DISCLOSURE - FY 2014 - First Quarter ended September 30, 2013  
 Historical Maximum Annual Debt Service Coverage

	First Quarter Ended Sept. 30, 2013 <sup>1</sup>	Twelve Months Ended Sept. 30, 2013
<u>Calculation:</u>		
Income available for debt service		
Excess of revenue over expenses (before extraord. items)	\$ 4,218,630	\$ 43,136,274
Plus depreciation expense	19,284,204	77,935,102
Plus amortization expense	552,983	2,247,950
Plus interest expense	11,002,163	43,417,119
Total income available for debt service	<u>140,231,920</u>	<u>166,736,445</u>
Maximum annual debt service	<u>70,909,000</u>	<u>70,909,000</u>
Maximum annual debt service coverage	<u>2.0</u>	<u>2.4</u>

Footnotes

1- Annualized quarterly total income available for debt service



**Fiscal Year 2015**  
**First Quarter ending September 30, 2014**

Quarterly Financial Information  
&  
Historical Maximum Annual Debt Service Coverage Ratio

*Consolidated & Unaudited*

**Mountain States Health Alliance**  
Consolidated Balance Sheet (Unaudited)  
At September 30, 2014

	<u>Consolidated</u>
<b><u>ASSETS</u></b>	
<b><u>CURRENT ASSETS</u></b>	
Cash and Cash Equivalents	51,813,063
Current Portion AWUIL	3,742,881
Accounts Receivable (Net)	160,897,853
Other Receivables	37,048,436
Due From Affiliates	2,130
Due From Third Party Payors	(0)
Inventories	25,641,856
Prepaid Expense	8,040,432
	<u>287,186,651</u>
 <b><u>ASSETS WHOSE USE IS LIMITED</u></b>	 <u>53,739,173</u>
 <b><u>OTHER INVESTMENTS</u></b>	 <u>590,088,596</u>
 <b><u>PROPERTY, PLANT AND EQUIPMENT</u></b>	
Land, Buildings and Equipment	1,648,718,208
Less Allowances for Depreciation	<u>773,631,534</u>
	<u>875,086,673</u>
 <b><u>OTHER ASSETS</u></b>	
Pledges Receivable	3,344,315
Long Term Compensation Investment	23,544,007
Investments in Unconsolidated Subsidiaries	1,196,104
Land / Equipment Held for Resale	7,508,959
Assets Held for Expansion	13,314,006
Investments in Subsidiaries	0
Goodwill	156,608,494
Deferred Charges and Other	<u>25,437,528</u>
	<u>230,953,413</u>
 <b><u>TOTAL ASSETS</u></b>	 <u><u>2,037,054,506</u></u>
 <b><u>LIABILITIES AND NET ASSETS</u></b>	
<b><u>CURRENT LIABILITIES</u></b>	
Accounts Payable and Accrued Expense	86,667,302
Accrued Salaries, Benefits, and PTO	51,372,395
Claims Payable	4,915,330
Accrued Interest	9,453,588
Due to Affiliates	(0)
Due to Third Party Payors	12,753,133
Current Portion of Long Term Debt	<u>31,006,721</u>
	<u>196,168,468</u>
 <b><u>OTHER NON CURRENT LIABILITIES</u></b>	
Long Term Compensation Payable	11,337,511
Long Term Debt	1,052,372,136
Estimated Fair Value of Interest Rate Swaps	10,328,246
Deferred Income	14,095,374
Professional Liability Self-Insurance and Other	<u>20,379,020</u>
	<u>1,108,512,286</u>
 <b><u>TOTAL LIABILITIES</u></b>	 <u>1,304,680,754</u>
 <b><u>NET ASSETS</u></b>	 551,940,190
<b><u>NONCONTROLLING INTERESTS IN SUBSIDIARIES</u></b>	180,433,562
 <b><u>TOTAL LIABILITIES AND NET ASSETS</u></b>	 <u><u>2,037,054,506</u></u>

**Mountain States Health Alliance**  
**Statement of Revenue and Expense (Unaudited)**  
**For the Period Ended September 30, 2014**

**THREE MONTHS YEAR TO DATE**

	<u><b>Actual</b></u>
<b><u>Revenue, Gains and Support</u></b>	
Patient Service Revenue, Net of Contractual Allowances and Discounts	271,180,538
<u>Provision for Bad Debt</u>	<u>(30,017,572)</u>
<b>Net Patient Service Revenue</b>	<b>241,162,965</b>
 Premium Revenue	 5,507,322
Net Investment Gain	(6,100,738)
Net Derivative Gain	1,752,202
Other Revenue, Gains and Support	6,013,836
 <b>Total Revenue, Gains and Support</b>	 <b><u>248,335,587</u></b>
 <b><u>Expense</u></b>	
Salaries and Wages	84,106,971
Provider Salaries	19,446,678
Contract Labor	1,523,287
Employee Benefits	15,598,994
Fees	28,535,746
Supplies	42,385,574
Utilities	4,697,635
Medical Costs	5,066,012
Other Expense	20,950,211
Loss on Extinguishment of LTD / Derivatives	-
Depreciation	16,853,152
Amortization	405,277
Interest & Taxes	11,092,737
<u>Consolidation Allocation</u>	<u>-</u>
<b>Total Expenses</b>	<b><u>250,662,273</u></b>
 <b>Excess of Revenue, Gains and Support over Expenses and Losses</b>	 <b><u><u>(2,326,686)</u></u></b>

**MOUNTAIN STATES HEALTH ALLIANCE (Consolidated)**  
**UNAUDITED QUARTERLY DISCLOSURE - FY 2015 - First Quarter ending Sept 30, 2014**  
**Historical Maximum Annual Debt Service Coverage**

<u>Calculation:</u>	<u>First Quarter ending September 30, 2014</u>	<u>Twelve Months ending September 30, 2014</u>
Income available for debt service		
Excess of revenue over expenses (before extraord. items)	\$ 5,265,220	\$ 35,798,359
Plus depreciation expense	16,853,152	67,005,685
Plus amortization expense	405,276	1,594,050
<u>Plus interest expense</u>	<u>11,104,959</u>	<u>44,503,777</u>
Subtotal	33,628,607	148,901,871
<i>Annualized quarterly total income available for debt service</i>	<i>x 4</i>	<i>n/a</i>
<b>Total income available for debt service</b>	<b><u>134,514,428</u></b>	<b><u>148,901,871</u></b>
<b>Maximum annual debt service</b>	<b><u>67,252,000</u></b>	<b><u>67,252,000</u></b>
<b>Maximum annual debt service coverage</b>	<b><u>2.0</u></b>	<b><u>2.2</u></b>





**Second Quarter ending December 31, 2009**

Quarterly Financial Information  
&  
Historical Maximum Annual Debt Service Coverage Ratio

*Consolidated & Unaudited*

**Mountain States Health Alliance**  
**Consolidated Balance Sheet**  
**At December 31, 2009**

	<b>Consolidated</b>
<b><u>ASSETS</u></b>	
<b><u>CURRENT ASSETS</u></b>	
Cash and Cash Equivalents	250,959,242
Current Portion AWUIL	5,029,407
Accounts Receivable (Net)	134,921,848
Other Receivables	16,853,163
Due From Affiliates	0
Due From Third Party Payors	0
Inventories	19,869,237
Prepaid Expense	9,760,362
	<u>437,393,259</u>
 <b><u>ASSETS WHOSE USE IS LIMITED</u></b>	 <u>268,359,916</u>
 <b><u>OTHER INVESTMENTS</u></b>	 <u>315,814,039</u>
 <b><u>PROPERTY, PLANT AND EQUIPMENT</u></b>	
Land, Buildings and Equipment	1,164,796,789
Less Allowances for Depreciation	538,318,261
	<u>626,478,528</u>
 <b><u>OTHER ASSETS</u></b>	
Pledges Receivable	5,682,523
Long Term Compensation Investment	13,585,860
Investments in Unconsolidated Subsidiaries	4,253,856
Land / Equipment Held for Resale	46,971
Assets Held for Expansion	10,902,042
Investments in Subsidiaries	(0)
Goodwill	157,067,477
Deferred Charges and Other	30,559,897
	<u>222,098,626</u>
 <b><u>TOTAL ASSETS</u></b>	 <u><u>1,870,144,368</u></u>
 <b><u>LIABILITIES AND FUND BALANCE</u></b>	
<b><u>CURRENT LIABILITIES</u></b>	
Accounts Payable and Accrued Expense	84,786,620
Accrued Salaries, Benefits, and PTO	46,023,310
Accrued Interest	15,065,099
Due to Affiliates	8,474
Due to Third Party Payors	16,814,205
Current Portion of Long Term Debt	30,649,911
	<u>193,347,619</u>
 <b><u>OTHER NON CURRENT LIABILITIES</u></b>	
Long Term Compensation Payable	6,755,022
Long Term Debt	1,019,776,932
Estimated Fair Value of Interest Rate Swaps	18,223,457
Call Option Liability	83,147,451
Deferred Income	21,583,249
Professional Liability Self-Insurance and Other	20,224,854
	<u>1,169,710,964</u>
 <b><u>TOTAL LIABILITIES</u></b>	 <u>1,363,058,584</u>
 <b><u>MINORITY INTEREST</u></b>	 <u>167,626,539</u>
 <b><u>FUND BALANCE</u></b>	 <u>339,459,245</u>
 <b><u>TOTAL LIABILITIES AND FUND BALANCE</u></b>	 <u><u>1,870,144,368</u></u>

NOTE: JCMC includes Home Care Services

**Mountain States Health Alliance**  
**Statement of Revenue and Expense**  
**For the Period Ended December 31, 2009**

	<b>SIX MONTHS YEAR TO DATE</b>
	<b>Actual</b>
<u>Patient Revenue</u>	
Inpatient Revenue	941,164,396
Outpatient Revenue	842,243,568
Total Gross Patient Revenue	1,783,407,964
<u>Deductions from Revenue</u>	
Contractual Adjustments	1,229,969,923
Charity	27,235,155
Contra Revenue - Self Pay	58,186,601
Cost of Goods Sold	778,321
Total Deductions	1,316,170,000
<b>Net Patient Service Revenue</b>	<b>467,237,964</b>
Other Operating Revenue	8,852,074
<b>Total Operating Revenue</b>	<b>476,090,038</b>
<u>Operating Expense</u>	
Salaries	160,879,021
Physician Salaries	27,222,226
Contract Labor	3,676,434
Employee Benefits	42,610,826
Fees	41,555,821
Supplies	89,529,390
Utilities	8,078,169
Other Expense	33,936,860
Depreciation	33,580,634
Amortization	6,596,070
Bad Debt	3,674,005
Interest & Taxes	25,847,619
Management Fees	0
<b>Total Operating Expense</b>	<b>477,187,075</b>
<b>Net Operating Income</b>	<b>(1,097,037)</b>
Net Investment Income	11,320,428
Realized Gain on Investments	967,704
Gain / (Loss) from Affiliates	376,467
Gain / (Loss) on Disposal	(45,485)
Loss on Extinguishment of LTD / Derivatives	(0)
Minority Interest	(2,229,774)
Taxes - Non Operating	(50,315)
Incentive Pay	(37,013)
Other Non Operating Income / (Expense)	488,822
<b>Total Revenue Over Expense Before CFV of Derivatives</b>	<b>9,693,798</b>
Change in Fair Value of Interest Rate Swaps	29,707,026
Change in Fair Value of Call Option	(5,125,344)
<b>Total Excess Revenue Over Expense</b>	<b>34,275,480</b>
Net Unrealized Gain / (Loss) on Investments	19,275,269
<b>Total Increase in Unrestricted Net Assets</b>	<b>53,550,749</b>
<b>EBITDA</b>	<b>75,768,436</b>

MOUNTAIN STATES HEALTH ALLIANCE (Consolidated)  
 UNAUDITED QUARTERLY DISCLOSURE - FY 2010 - Second Quarter ended December 31, 2009  
 Historical Maximum Annual Debt Service Coverage

	Second Quarter Ended Dec. 31, 2009 <sup>1</sup>	Twelve Months Ended Dec. 31, 2009
<u>Calculation:</u>		
Income available for debt service		
Excess of revenue over expenses (before extraord. items)	\$ 12,165,862	\$ 42,802,162
Plus depreciation expense	17,045,395	62,970,190
Plus amortization expense	3,251,451	11,071,873
<u>Plus interest expense</u>	<u>8,772,593</u>	<u>43,105,894</u>
Total income available for debt service	<u>164,941,204</u>	<u>159,950,119</u>
Maximum annual debt service	<u>69,701,000</u>	<u>69,701,000</u>
Maximum annual debt service coverage	<u>2.4</u>	<u>2.3</u>

Footnotes

1- Annualized quarterly total income available for debt service



**Second Quarter ending December 31, 2010**

Quarterly Financial Information  
&  
Historical Maximum Annual Debt Service Coverage Ratio

*Consolidated & Unaudited*

**Mountain States Health Alliance**  
**Consolidated Balance Sheet**  
**At December 31, 2010**

	<b>Consolidated</b>
<b><u>ASSETS</u></b>	
<b><u>CURRENT ASSETS</u></b>	
Cash and Cash Equivalents	228,461,122
Current Portion AWUIL	4,091,145
Accounts Receivable (Net)	128,049,621
Other Receivables	17,007,252
Due From Affiliates	11,241
Due From Third Party Payors	0
Inventories	22,270,441
Prepaid Expense	7,550,483
	<u>407,441,304</u>
 <b><u>ASSETS WHOSE USE IS LIMITED</u></b>	 <u>230,760,493</u>
 <b><u>OTHER INVESTMENTS</u></b>	 <u>349,292,980</u>
 <b><u>PROPERTY, PLANT AND EQUIPMENT</u></b>	
Land, Buildings and Equipment	1,348,176,585
Less Allowances for Depreciation	611,593,936
	<u>736,582,649</u>
 <b><u>OTHER ASSETS</u></b>	
Pledges Receivable	6,062,966
Long Term Compensation Investment	14,280,228
Investments in Unconsolidated Subsidiaries	2,341,676
Land / Equipment Held for Resale	1,680,908
Assets Held for Expansion	2,561,921
Investments in Subsidiaries	(0)
Goodwill	151,626,899
Deferred Charges and Other	30,180,135
	<u>208,734,732</u>
 <b><u>TOTAL ASSETS</u></b>	 <u>1,932,812,158</u>
 <b><u>LIABILITIES AND FUND BALANCE</u></b>	
<b><u>CURRENT LIABILITIES</u></b>	
Accounts Payable and Accrued Expense	88,073,194
Accrued Salaries, Benefits, and PTO	46,439,013
Accrued Interest	20,768,063
Due to Affiliates	49,340
Due to Third Party Payors	15,201,781
Current Portion of Long Term Debt	30,499,252
	<u>201,030,643</u>
 <b><u>OTHER NON CURRENT LIABILITIES</u></b>	
Long Term Compensation Payable	7,204,764
Long Term Debt	1,031,400,862
Estimated Fair Value of Interest Rate Swaps	27,565,593
Call Option Liability	89,539,951
Deferred Income	19,341,393
Professional Liability Self-Insurance and Other	17,386,022
	<u>1,192,438,584</u>
 <b><u>TOTAL LIABILITIES</u></b>	 <u>1,393,469,228</u>
 <b><u>MINORITY INTEREST</u></b>	 <u>169,785,137</u>
 <b><u>FUND BALANCE</u></b>	 <u>369,557,793</u>
 <b><u>TOTAL LIABILITIES AND FUND BALANCE</u></b>	 <u>1,932,812,158</u>

**Mountain States Health Alliance**  
**Statement of Revenue and Expense**  
**For the Period Ended December 31, 2010**

	<b>SIX MONTHS YEAR TO DATE</b>
	<b>Actual</b>
<u>Patient Revenue</u>	
Inpatient Revenue	974,966,163
Outpatient Revenue	888,262,809
Total Gross Patient Revenue	1,863,228,972
<u>Deductions from Revenue</u>	
Contractual Adjustments	1,305,435,656
Charity	32,490,763
Contra Revenue - Self Pay	56,043,105
Cost of Goods Sold	715,303
Total Deductions	1,394,684,827
<b>Net Patient Service Revenue</b>	<b>468,544,145</b>
Other Operating Revenue	8,320,365
<b>Total Operating Revenue</b>	<b>476,864,510</b>
<u>Operating Expense</u>	
Salaries	164,986,537
Physician Salaries	29,571,698
Contract Labor	3,207,143
Employee Benefits	32,695,380
Fees	43,836,666
Supplies	85,803,262
Utilities	9,001,354
Other Expense	36,791,484
Depreciation	42,844,321
Amortization	1,140,968
Bad Debt	3,350,346
Interest & Taxes	24,643,879
Consolidation Allocation	(2)
<b>Total Operating Expense</b>	<b>477,873,036</b>
<b>Net Operating Income</b>	<b>(1,008,525)</b>
Net Investment Income	10,667,284
Realized Gain on Investments	452,246
Gain / (Loss) from Affiliates	497,691
Gain / (Loss) on Disposal	26,478
Loss on Extinguishment of LTD / Derivatives	0
Minority Interest	(1,417,820)
Taxes - Non Operating	(48,884)
Incentive Pay	(42,248)
Other Non Operating Income / (Expense)	(538,903)
<b>Total Revenue Over Expense Before CFV of Derivatives</b>	<b>8,587,318</b>
Change in Fair Value of Interest Rate Swaps	16,821,907
Change in Fair Value of Call Option	110,485
<b>Total Excess Revenue Over Expense</b>	<b>25,519,710</b>
Net Unrealized Gain / (Loss) on Investments	15,533,357
<b>Total Increase in Unrestricted Net Assets</b>	<b>41,053,067</b>
<b>EBITDA</b>	<b>77,265,368</b>

MOUNTAIN STATES HEALTH ALLIANCE (Consolidated)  
 UNAUDITED QUARTERLY DISCLOSURE - FY 2011 - Second Quarter ended December 31, 2010  
 Historical Maximum Annual Debt Service Coverage

	First Quarter Ended Dec. 31, 2010 <sup>1</sup>	Twelve Months Ended Dec 31, 2010
<u>Calculation:</u>		
Income available for debt service		
Excess of revenue over expenses (before extraord. items)	\$ 6,875,346	\$ 36,975,640
Plus depreciation expense	21,836,099	77,716,792
Plus amortization expense	623,485	7,667,600
<u>Plus interest expense</u>	<u>11,790,091</u>	<u>45,508,113</u>
Total income available for debt service	<u>164,500,084</u>	<u>167,868,145</u>
Maximum annual debt service	<u>75,202,000</u>	<u>75,202,000</u>
Maximum annual debt service coverage	<u>2.2</u>	<u>2.2</u>

Footnotes

1- Annualized quarterly total income available for debt service





**Second Quarter ending December 31, 2011**

Quarterly Financial Information  
&  
Historical Maximum Annual Debt Service Coverage Ratio

*Consolidated & Unaudited*

**Mountain States Health Alliance**  
**Consolidated Balance Sheet**  
**At December 31, 2011**

	<b>Consolidated</b>
<b><u>ASSETS</u></b>	
<b><u>CURRENT ASSETS</u></b>	
Cash and Cash Equivalents	81,053,337
Current Portion AWUIL	21,654,148
Accounts Receivable (Net)	152,452,826
Other Receivables	19,872,272
Due From Affiliates	2,131
Due From Third Party Payors	(0)
Inventories	24,724,080
Prepaid Expense	6,496,847
	<u>306,255,642</u>
 <b><u>ASSETS WHOSE USE IS LIMITED</u></b>	 <u>115,107,811</u>
 <b><u>OTHER INVESTMENTS</u></b>	 <u>458,349,572</u>
 <b><u>PROPERTY, PLANT AND EQUIPMENT</u></b>	
Land, Buildings and Equipment	1,424,255,602
Less Allowances for Depreciation	589,490,992
	<u>834,764,610</u>
 <b><u>OTHER ASSETS</u></b>	
Pledges Receivable	5,028,709
Long Term Compensation Investment	17,169,413
Investments in Unconsolidated Subsidiaries	2,475,775
Land / Equipment Held for Resale	82,785
Assets Held for Expansion	4,172,572
Investments in Subsidiaries	(0)
Goodwill	152,767,657
Deferred Charges and Other	28,861,665
	<u>210,558,575</u>
 <b><u>TOTAL ASSETS</u></b>	 <u><u>1,925,036,209</u></u>
 <b><u>LIABILITIES AND NET ASSETS</u></b>	
<b><u>CURRENT LIABILITIES</u></b>	
Accounts Payable and Accrued Expense	92,555,814
Accrued Salaries, Benefits, and PTO	51,971,362
Accrued Interest	19,465,976
Due to Affiliates	(3,438)
Due to Third Party Payors	23,386,222
Call Option Liability	0
Current Portion of Long Term Debt	30,864,716
	<u>218,240,651</u>
 <b><u>OTHER NON CURRENT LIABILITIES</u></b>	
Long Term Compensation Payable	8,798,592
Long Term Debt	1,057,698,338
Estimated Fair Value of Interest Rate Swaps	26,234,487
Deferred Income	29,984,080
Professional Liability Self-Insurance and Other	16,095,909
	<u>1,138,811,406</u>
 <b><u>TOTAL LIABILITIES</u></b>	 <u>1,357,052,057</u>
 <b><u>NET ASSETS</u></b>	 401,058,217
<b><u>NONCONTROLLING INTERESTS IN SUBSIDIARIES</u></b>	166,925,936
 <b><u>TOTAL LIABILITIES AND NET ASSETS</u></b>	 <u><u>1,925,036,209</u></u>

**Mountain States Health Alliance**  
**Statement of Revenue and Expense**  
**For the Period Ended December 31, 2011**

	<b>SIX MONTHS YEAR TO DATE</b>
	<b>Actual</b>
<u>Patient Revenue</u>	
Inpatient Revenue	1,049,086,418
Outpatient Revenue	989,925,112
Total Gross Patient Revenue	2,039,011,531
<u>Deductions from Revenue</u>	
Contractual Adjustments	1,457,464,984
Charity	48,910,746
Contra Revenue - Charity	50,595,885
Total Deductions	1,556,971,614
<b>Net Patient Service Revenue</b>	<b>482,039,916</b>
Other Operating Revenue	10,468,203
<b>Total Operating Revenue</b>	<b>492,508,119</b>
<u>Operating Expense</u>	
Salaries	176,165,601
Provider Salaries	32,294,569
Contract Labor	3,064,189
Employee Benefits	33,605,394
Fees	48,000,878
Supplies	85,261,609
Utilities	9,027,912
Other Expense	39,189,202
Depreciation	35,458,942
Amortization	1,117,151
Bad Debt	3,361,725
Interest & Taxes	24,079,649
Consolidation Allocation	(0)
<b>Total Operating Expense</b>	<b>490,626,818</b>
<b>Net Operating Income</b>	<b>1,881,301</b>
Net Investment Income	12,051,021
Realized Gain on Investments	(2,842,240)
Gain / (Loss) from Affiliates	276,486
Gain / (Loss) on Disposal	81,421
Loss on Extinguishment of LTD / Derivatives	(2,636,011)
Minority Interest	4,968,713
Taxes - Non Operating	(47,382)
Incentive Pay	(14,492)
Other Non Operating Income / (Expense)	139,382
<b>Total Revenue Over Expense Before CFV of Derivatives</b>	<b>13,858,199</b>
Change in Fair Value of Interest Rate Swaps	(8,119,147)
Change in Fair Value of Call Option	(4,676,167)
<b>Total Excess Revenue Over Expense</b>	<b>1,062,885</b>
Net Unrealized Gain / (Loss) on Investments	(10,219,779)
<b>Increase in Unrestricted Net Assets Before Change in Accounting Principle</b>	<b>(9,156,894)</b>
Cumulative Effect of Change in Accounting Principle	0
<b>Total Increase in Unrestricted Net Assets</b>	<b>(9,156,894)</b>
<b>EBITDA</b>	<b>77,197,333</b>

MOUNTAIN STATES HEALTH ALLIANCE (Consolidated)  
 UNAUDITED QUARTERLY DISCLOSURE - FY 2012 - Second Quarter ended December 31, 2011  
 Historical Maximum Annual Debt Service Coverage

	Second Quarter Ended Dec. 31, 2011 <sup>1</sup>	Twelve Months Ended Dec. 31, 2011
<u>Calculation:</u>		
Income available for debt service		
Excess of revenue over expenses (before extraord. items)	\$ 1,831,046	\$ 46,310,175
Plus depreciation expense	17,631,863	80,114,075
Plus amortization expense	575,931	2,535,324
<u>Plus interest expense</u>	<u>11,705,382</u>	<u>44,765,211</u>
Total income available for debt service	<u>126,976,888</u>	<u>173,724,785</u>
Maximum annual debt service	<u>67,893,000</u>	<u>67,893,000</u>
Maximum annual debt service coverage	<u>1.9</u>	<u>2.6</u>

Footnotes

1- Annualized quarterly total income available for debt service



**Second Quarter ending December 31, 2012**

Quarterly Financial Information  
&  
Historical Maximum Annual Debt Service Coverage Ratio

*Consolidated & Unaudited*

**Mountain States Health Alliance**  
**Consolidated Balance Sheet**  
**At December 31, 2012**

	<b>Consolidated</b>
<b><u>ASSETS</u></b>	
<b><u>CURRENT ASSETS</u></b>	
Cash and Cash Equivalents	72,522,316
Current Portion AWUIL	18,371,776
Accounts Receivable (Net)	161,171,175
Other Receivables	26,900,445
Due From Affiliates	0
Due From Third Party Payors	(0)
Inventories	23,547,473
Prepaid Expense	6,897,408
	<u>309,410,592</u>
 <b><u>ASSETS WHOSE USE IS LIMITED</u></b>	 <u>117,319,461</u>
 <b><u>OTHER INVESTMENTS</u></b>	 <u>486,289,022</u>
 <b><u>PROPERTY, PLANT AND EQUIPMENT</u></b>	
Land, Buildings and Equipment	1,544,089,935
Less Allowances for Depreciation	663,881,642
	<u>880,208,294</u>
 <b><u>OTHER ASSETS</u></b>	
Pledges Receivable	4,304,553
Long Term Compensation Investment	18,650,484
Investments in Unconsolidated Subsidiaries	2,075,377
Land / Equipment Held for Resale	57,635
Assets Held for Expansion	2,561,921
Investments in Subsidiaries	(0)
Goodwill	154,391,425
Deferred Charges and Other	29,164,429
	<u>211,205,823</u>
 <b><u>TOTAL ASSETS</u></b>	 <u><u>2,004,433,193</u></u>
 <b><u>LIABILITIES AND NET ASSETS</u></b>	
<b><u>CURRENT LIABILITIES</u></b>	
Accounts Payable and Accrued Expense	87,954,363
Accrued Salaries, Benefits, and PTO	56,984,043
Accrued Interest	19,631,277
Due to Affiliates	1,632
Due to Third Party Payors	20,777,422
Call Option Liability	0
Current Portion of Long Term Debt	31,166,563
	<u>216,515,299</u>
 <b><u>OTHER NON CURRENT LIABILITIES</u></b>	
Long Term Compensation Payable	8,856,219
Long Term Debt	1,097,503,333
Estimated Fair Value of Interest Rate Swaps	(1,003,336)
Deferred Income	20,837,959
Professional Liability Self-Insurance and Other	17,832,002
	<u>1,144,026,176</u>
 <b><u>TOTAL LIABILITIES</u></b>	 <u>1,360,541,476</u>
 <b><u>NET ASSETS</u></b>	 <u>476,607,779</u>
<b><u>NONCONTROLLING INTERESTS IN SUBSIDIARIES</u></b>	<u>167,283,937</u>
 <b><u>TOTAL LIABILITIES AND NET ASSETS</u></b>	 <u><u>2,004,433,193</u></u>

**Mountain States Health Alliance**  
**Statement of Revenue and Expense**  
**For the Period Ended December 31, 2012**

	SIX MONTHS YEAR TO DATE
	<u>Actual</u>
<u>Patient Revenue</u>	
Inpatient Revenue	1,044,578,961
Outpatient Revenue	1,040,531,773
Total Gross Patient Revenue	<u>2,085,110,734</u>
<u>Deductions from Revenue</u>	
Contractual Adjustments	1,508,394,194
Charity	45,109,393
Contra Revenue - Charity	59,916,824
Provision for Bad Debt	3,676,413
Total Deductions	<u>1,617,096,824</u>
<b>Net Patient Service Revenue</b>	<u>468,013,910</u>
Premium Revenue	0
Other Operating Revenue	26,613,621
<b>Total Other Operating Revenue</b>	<u>26,613,621</u>
<b>Total Operating Revenue</b>	<u>494,627,531</u>
<u>Operating Expense</u>	
Salaries	175,067,697
Provider Salaries	36,510,784
Contract Labor	1,979,395
Employee Benefits	34,768,201
Fees	52,886,638
Supplies	81,033,755
Utilities	8,905,789
Other Expense	41,026,789
Medical Costs	0
Depreciation	37,212,195
Amortization	1,126,985
Interest & Taxes	21,828,156
Consolidation Allocation	0
<b>Total Operating Expense</b>	<u>492,346,385</u>
<b>Net Operating Income</b>	<u>2,281,146</u>
Net Investment Income	10,509,870
Realized Gain on Investments	3,508,255
Gain / (Loss) from Affiliates	364,238
Gain / (Loss) on Disposal	17,009
Loss on Extinguishment of LTD / Derivatives	0
Minority Interest	(3,159,610)
Taxes - Non Operating	(31,184)
Incentive Pay	(2,386)
Other Non Operating Income / (Expense)	16,302
<b>Total Revenue Over Expense Before CFV of Derivatives</b>	<u>13,503,640</u>
Change in Fair Value of Interest Rate Swaps	9,815,602
Gain / (Loss) in Swaption / Call Option	0
<b>Total Excess Revenue Over Expense</b>	<u>23,319,242</u>
Net Unrealized Gain / (Loss) on Investments	6,609,380
<b>Increase in Unrestricted Net Assets Before Change in Accounting Principle</b>	<u>29,928,622</u>
Cumulative Effect of Change in Accounting Principle	0
<b>Total Increase in Unrestricted Net Assets</b>	<u>29,928,622</u>
<b>EBITDA</b>	<u>73,702,159</u>

MOUNTAIN STATES HEALTH ALLIANCE (Consolidated)  
 UNAUDITED QUARTERLY DISCLOSURE - FY 2013 - Second Quarter ending December 31, 2012  
 Historical Maximum Annual Debt Service Coverage

	Second Quarter Ended Dec. 31, 2012 <sup>1</sup>	Twelve Months Ended Dec. 31, 2012
<u>Calculation:</u>		
Income available for debt service		
Excess of revenue over expenses (before extraord. items)	\$ 12,922,730	\$ 42,683,534
Plus depreciation expense	18,430,748	74,562,893
Plus amortization expense	562,414	2,255,158
Plus interest expense	11,019,640	43,729,896
Total income available for debt service	<u>171,742,128</u>	<u>163,231,481</u>
Maximum annual debt service	<u>71,601,000</u>	<u>71,601,000</u>
Maximum annual debt service coverage	<u>2.4</u>	<u>2.3</u>

Footnotes

1- Annualized quarterly total income available for debt service





**Second Quarter ending December 31, 2013**

Quarterly Financial Information  
&  
Historical Maximum Annual Debt Service Coverage Ratio

*Consolidated & Unaudited*

**Mountain States Health Alliance**  
**Consolidated Balance Sheet**  
**At December 31, 2013**

	<b>Consolidated</b>
<b><u>ASSETS</u></b>	
<b><u>CURRENT ASSETS</u></b>	
Cash and Cash Equivalents	27,595,930
Current Portion AWUIL	21,735,663
Accounts Receivable (Net)	165,644,754
Other Receivables	35,297,064
Due From Affiliates	394
Due From Third Party Payors	(0)
Inventories	25,196,779
Prepaid Expense	7,525,857
	<u>282,996,440</u>
<b><u>ASSETS WHOSE USE IS LIMITED</u></b>	<u>69,656,659</u>
<b><u>OTHER INVESTMENTS</u></b>	<u>577,438,013</u>
<b><u>PROPERTY, PLANT AND EQUIPMENT</u></b>	
Land, Buildings and Equipment	1,612,871,088
Less Allowances for Depreciation	731,630,943
	<u>881,240,144</u>
<b><u>OTHER ASSETS</u></b>	
Pledges Receivable	3,998,250
Long Term Compensation Investment	21,983,850
Investments in Unconsolidated Subsidiaries	1,663,053
Land / Equipment Held for Resale	7,508,959
Assets Held for Expansion	13,134,006
Investments in Subsidiaries	(0)
Goodwill	155,715,265
Deferred Charges and Other	26,755,592
	<u>230,758,975</u>
<b><u>TOTAL ASSETS</u></b>	<u>2,042,090,231</u>
<b><u>LIABILITIES AND NET ASSETS</u></b>	
<b><u>CURRENT LIABILITIES</u></b>	
Accounts Payable and Accrued Expense	89,776,021
Accrued Salaries, Benefits, and PTO	58,443,444
Accrued Interest	18,933,997
Due to Affiliates	0
Due to Third Party Payors	15,672,853
Current Portion of Long Term Debt	23,402,258
	<u>206,228,573</u>
<b><u>OTHER NON CURRENT LIABILITIES</u></b>	
Long Term Compensation Payable	10,801,776
Long Term Debt	1,082,008,813
Estimated Fair Value of Interest Rate Swaps	13,496,134
Deferred Income	13,182,577
Professional Liability Self-Insurance and Other	18,198,587
	<u>1,137,687,887</u>
<b><u>TOTAL LIABILITIES</u></b>	<u>1,343,916,461</u>
<b><u>NET ASSETS</u></b>	528,329,327
<b><u>NONCONTROLLING INTERESTS IN SUBSIDIARIES</u></b>	169,844,443
<b><u>TOTAL LIABILITIES AND NET ASSETS</u></b>	<u>2,042,090,231</u>

**Mountain States Health Alliance**  
**Statement of Revenue and Expense (Consolidated)**  
**For the Period Ended December 31, 2013**

**SIX MONTHS YEAR TO DATE**

	<b>Actual</b>
<b><u>Revenue, Gains and Support</u></b>	
Patient Service Revenue, Net of Contractual Allowances and Discounts	511,421,253
Provision for Bad Debt	(56,453,041)
<b>Net Patient Service Revenue</b>	<b>454,968,212</b>
 Premium Revenue	 1,158,468
Net Investment Gain	45,085,166
Net Derivative Gain	(2,521,780)
Other Revenue, Gains and Support	24,468,138
 <b>Total Revenue, Gains and Support</b>	 <b>523,158,203</b>
 <b><u>Expense</u></b>	
Salaries and Wages	167,248,755
Provider Salaries	38,818,072
Contract Labor	2,038,407
Employee Benefits	33,033,162
Fees	57,891,142
Supplies	80,832,395
Utilities	8,383,068
Medical Costs	1,140,528
Other Expense	42,842,333
Loss on Extinguishment of LTD / Derivatives	4,622,060
Depreciation	38,331,465
Amortization	953,256
Interest & Taxes	22,284,852
<b>Total Expenses</b>	<b>498,419,495</b>
 <b>Excess of Revenue, Gains and Support over Expenses and Losses</b>	 <b>24,738,708</b>

**MOUNTAIN STATES HEALTH ALLIANCE (Consolidated)**  
 UNAUDITED QUARTERLY DISCLOSURE - FY 2014 - Second Quarter ending December 31, 2013  
 Historical Maximum Annual Debt Service Coverage

	Second Quarter ending Dec. 31, 2013	Twelve Months ending Dec. 31, 2013
<u>Calculation:</u>		
Income available for debt service		
Excess of revenue over expenses (before extraord. items)	\$ (961,068)	\$ 29,252,476
Plus depreciation expense	19,047,262	78,551,616
Plus amortization expense	400,273	2,085,809
<u>Plus interest expense</u>	<u>11,304,337</u>	<u>43,701,816</u>
Subtotal	29,790,804	153,591,717
<i>Annualized quarterly total income available for debt service</i>	<i>x 4</i>	<i>n/a</i>
<b>Total income available for debt service</b>	<u><u>119,163,216</u></u>	<u><u>153,591,717</u></u>
<b>Maximum annual debt service</b>	<u>70,867,000</u>	<u>70,867,000</u>
<b>Maximum annual debt service coverage</b>	<u><u>1.7</u></u>	<u><u>2.2</u></u>



**Fiscal Year 2015**  
**Second Quarter ending December 31, 2014**

Quarterly Financial Information  
&  
Historical Maximum Annual Debt Service Coverage Ratio

*Consolidated & Unaudited*

**Mountain States Health Alliance**  
Consolidated Balance Sheet (Unaudited)  
At December 31, 2014

	<u>Consolidated</u>
<b><u>ASSETS</u></b>	
<b><u>CURRENT ASSETS</u></b>	
Cash and Cash Equivalents	75,917,297
Current Portion AWUIL	21,343,233
Accounts Receivable (Net)	164,636,729
Other Receivables	30,394,689
Due From Affiliates	(0)
Due From Third Party Payors	(0)
Inventories	26,381,249
Prepaid Expense	7,442,748
	<u>326,115,945</u>
 <b><u>ASSETS WHOSE USE IS LIMITED</u></b>	 <u>54,550,132</u>
 <b><u>OTHER INVESTMENTS</u></b>	 <u>587,217,484</u>
 <b><u>PROPERTY, PLANT AND EQUIPMENT</u></b>	
Land, Buildings and Equipment	1,638,495,196
Less Allowances for Depreciation	<u>782,954,710</u>
	<u>855,540,486</u>
 <b><u>OTHER ASSETS</u></b>	
Pledges Receivable	3,320,065
Long Term Compensation Investment	24,342,806
Investments in Unconsolidated Subsidiaries	5,131,425
Land / Equipment Held for Resale	7,508,959
Assets Held for Expansion	13,344,006
Investments in Subsidiaries	0
Goodwill	156,602,310
Deferred Charges and Other	<u>25,030,972</u>
	<u>235,280,541</u>
 <b><u>TOTAL ASSETS</u></b>	 <u><u>2,058,704,588</u></u>
 <b><u>LIABILITIES AND NET ASSETS</u></b>	
<b><u>CURRENT LIABILITIES</u></b>	
Accounts Payable and Accrued Expense	85,971,554
Accrued Salaries, Benefits, and PTO	55,967,615
Claims Payable	7,325,569
Accrued Interest	18,358,521
Due to Affiliates	22
Due to Third Party Payors	11,142,946
Current Portion of Long Term Debt	<u>24,634,754</u>
	<u>203,400,982</u>
 <b><u>OTHER NON CURRENT LIABILITIES</u></b>	
Long Term Compensation Payable	11,786,311
Long Term Debt	1,052,239,157
Estimated Fair Value of Interest Rate Swaps	8,388,107
Deferred Income	24,469,405
Professional Liability Self-Insurance and Other	<u>21,249,203</u>
	<u>1,118,132,182</u>
 <b><u>TOTAL LIABILITIES</u></b>	 <u>1,321,533,164</u>
 <b><u>NET ASSETS</u></b>	 555,450,609
<b><u>NONCONTROLLING INTERESTS IN SUBSIDIARIES</u></b>	<u>181,720,814</u>
 <b><u>TOTAL LIABILITIES AND NET ASSETS</u></b>	 <u><u>2,058,704,588</u></u>

**Mountain States Health Alliance**  
**Statement of Revenue and Expense (Unaudited)**  
**For the Period Ended December 31, 2014**

**SIX MONTHS YEAR TO DATE**

	<u>Actual</u>
<b><u>Revenue, Gains and Support</u></b>	
Patient Service Revenue, Net of Contractual Allowances and Discounts	548,325,880
Provision for Bad Debt	(58,876,681)
<b>Net Patient Service Revenue</b>	<u>489,449,200</u>
 Premium Revenue	 11,326,369
Net Investment Gain	(9,342,493)
Net Derivative Gain	5,140,372
Other Revenue, Gains and Support	14,405,497
 <b>Total Revenue, Gains and Support</b>	 <u><u>510,978,944</u></u>
 <b><u>Expense</u></b>	
Salaries and Wages	167,224,674
Provider Salaries	39,167,751
Contract Labor	2,833,258
Employee Benefits	34,500,734
Fees	57,512,860
Supplies	87,365,444
Utilities	8,649,766
Medical Costs	10,682,295
Other Expense	44,029,561
Loss on Extinguishment of LTD / Derivatives	0
Depreciation	33,837,702
Amortization	812,576
Interest & Taxes	22,165,123
Consolidation Allocation	1
<b>Total Expenses</b>	<u><u>508,781,746</u></u>
 <b>Excess of Revenue, Gains and Support over Expenses and Losses</b>	 <u><u>2,197,198</u></u>

**MOUNTAIN STATES HEALTH ALLIANCE (Consolidated)**  
**UNAUDITED QUARTERLY DISCLOSURE - FY 2015 - Second Quarter ending Dec. 31, 2014**  
**Historical Maximum Annual Debt Service Coverage**

<u>Calculation:</u>	<u>Second Quarter ending December 31, 2014</u>	<u>Twelve Months ending December 31, 2014</u>
Income available for debt service		
Excess of revenue over expenses (before extraord. items)	\$ 11,362,660	\$ 48,122,087
Plus depreciation expense	16,984,550	64,942,973
Plus amortization expense	407,299	1,601,076
<u>Plus interest expense</u>	<u>11,082,686</u>	<u>44,282,126</u>
Subtotal	39,837,195	158,948,262
<i>Annualized quarterly total income available for debt service</i>	<i>x 4</i>	<i>n/a</i>
<b>Total income available for debt service</b>	<b><u>159,348,780</u></b>	<b><u>158,948,262</u></b>
<b>Maximum annual debt service</b>	<b><u>67,240,000</u></b>	<b><u>67,240,000</u></b>
<b>Maximum annual debt service coverage</b>	<b><u>2.4</u></b>	<b><u>2.4</u></b>





**Third Quarter ending March 31, 2010**

Quarterly Financial Information  
&  
Historical Maximum Annual Debt Service Coverage Ratio

*Consolidated & Unaudited*

**Mountain States Health Alliance**  
**Consolidated Balance Sheet**  
**At March 31, 2010**

	<b>Consolidated</b>
<b><u>ASSETS</u></b>	
<b><u>CURRENT ASSETS</u></b>	
Cash and Cash Equivalents	250,877,461
Current Portion AWUIL	5,917,078
Accounts Receivable (Net)	144,068,420
Other Receivables	16,829,054
Due From Affiliates	0
Due From Third Party Payors	(0)
Inventories	19,376,076
Prepaid Expense	9,863,536
	<u>446,931,625</u>
 <b><u>ASSETS WHOSE USE IS LIMITED</u></b>	 <u>253,142,906</u>
 <b><u>OTHER INVESTMENTS</u></b>	 <u>322,980,410</u>
 <b><u>PROPERTY, PLANT AND EQUIPMENT</u></b>	
Land, Buildings and Equipment	1,201,717,327
Less Allowances for Depreciation	554,169,632
	<u>647,547,695</u>
 <b><u>OTHER ASSETS</u></b>	
Pledges Receivable	5,610,067
Long Term Compensation Investment	13,226,130
Investments in Unconsolidated Subsidiaries	4,231,164
Land / Equipment Held for Resale	57,635
Assets Held for Expansion	10,905,673
Investments in Subsidiaries	(0)
Goodwill	153,948,082
Deferred Charges and Other	30,200,635
	<u>218,179,386</u>
 <b><u>TOTAL ASSETS</u></b>	 <u>1,888,782,022</u>
 <b><u>LIABILITIES AND FUND BALANCE</u></b>	
<b><u>CURRENT LIABILITIES</u></b>	
Accounts Payable and Accrued Expense	87,165,133
Accrued Salaries, Benefits, and PTO	52,840,668
Accrued Interest	8,143,646
Due to Affiliates	349
Due to Third Party Payors	21,401,780
Current Portion of Long Term Debt	29,962,606
	<u>199,514,183</u>
 <b><u>OTHER NON CURRENT LIABILITIES</u></b>	
Long Term Compensation Payable	6,869,364
Long Term Debt	1,017,552,370
Estimated Fair Value of Interest Rate Swaps	22,857,545
Call Option Liability	88,849,412
Deferred Income	22,397,944
Professional Liability Self-Insurance and Other	20,797,942
	<u>1,179,324,576</u>
 <b><u>TOTAL LIABILITIES</u></b>	 <u>1,378,838,759</u>
 <b><u>MINORITY INTEREST</u></b>	 <u>167,916,925</u>
 <b><u>FUND BALANCE</u></b>	 <u>342,026,338</u>
 <b><u>TOTAL LIABILITIES AND FUND BALANCE</u></b>	 <u>1,888,782,022</u>

NOTE: JCMC includes Home Care Services

**Mountain States Health Alliance**  
**Statement of Revenue and Expense**  
**For the Period Ended March 31, 2010**

	<b>NINE MONTHS YEAR TO DATE</b>
	<b>Actual</b>
<u>Patient Revenue</u>	
Inpatient Revenue	1,414,876,256
Outpatient Revenue	1,258,787,337
Total Gross Patient Revenue	2,673,663,593
<u>Deductions from Revenue</u>	
Contractual Adjustments	1,839,488,989
Charity	43,720,250
Contra Revenue - Self Pay	86,737,745
Cost of Goods Sold	1,201,089
Total Deductions	1,971,148,074
<b>Net Patient Service Revenue</b>	<b>702,515,519</b>
Other Operating Revenue	13,104,118
<b>Total Operating Revenue</b>	<b>715,619,636</b>
<u>Operating Expense</u>	
Salaries	242,569,879
Physician Salaries	40,724,039
Contract Labor	4,914,098
Employee Benefits	66,429,941
Fees	61,812,659
Supplies	134,048,731
Utilities	12,165,321
Other Expense	51,817,096
Depreciation	51,082,481
Amortization	9,795,567
Bad Debt	5,346,184
Interest & Taxes	31,561,158
Management Fees	0
<b>Total Operating Expense</b>	<b>712,267,153</b>
<b>Net Operating Income</b>	<b>3,352,483</b>
Net Investment Income	15,819,379
Realized Gain on Investments	2,012,591
Gain / (Loss) from Affiliates	545,507
Gain / (Loss) on Disposal	23,148
Loss on Extinguishment of LTD / Derivatives	(0)
Minority Interest	(2,541,659)
Taxes - Non Operating	(75,781)
Incentive Pay	(40,723)
Other Non Operating Income / (Expense)	674,643
<b>Total Revenue Over Expense Before CFV of Derivatives</b>	<b>19,769,589</b>
Change in Fair Value of Interest Rate Swaps	24,943,613
Change in Fair Value of Call Option	(10,827,305)
<b>Total Excess Revenue Over Expense</b>	<b>33,885,897</b>
Net Unrealized Gain / (Loss) on Investments	22,233,993
<b>Total Increase in Unrestricted Net Assets</b>	<b>56,119,891</b>
<b>EBITDA</b>	<b>112,284,576</b>

MOUNTAIN STATES HEALTH ALLIANCE (Consolidated)  
 UNAUDITED QUARTERLY DISCLOSURE - FY 2010 - Third Quarter ended March 31, 2010  
 Historical Maximum Annual Debt Service Coverage

	Third Quarter Ended March 31, 2010 <sup>1</sup>	Twelve Months Ended March 31, 2010
<u>Calculation:</u>		
Income available for debt service		
Excess of revenue over expenses (before extraord. items)	\$ 6,225,171	\$ 39,430,252
Plus depreciation expense	17,501,848	67,845,061
Plus amortization expense	3,199,498	11,354,342
<u>Plus interest expense</u>	<u>9,589,626</u>	<u>42,711,129</u>
Total income available for debt service	<u>146,064,572</u>	<u>161,340,784</u>
Maximum annual debt service	<u>69,674,000</u>	<u>69,674,000</u>
Maximum annual debt service coverage	<u>2.1</u>	<u>2.3</u>

Footnotes

1- Annualized quarterly total income available for debt service



**Third Quarter ending March 31, 2011**

Quarterly Financial Information  
&  
Historical Maximum Annual Debt Service Coverage Ratio

*Consolidated & Unaudited*

**Mountain States Health Alliance**  
**Consolidated Balance Sheet**  
**At March 31, 2011**

	<b>Consolidated</b>
<b><u>ASSETS</u></b>	
<b><u>CURRENT ASSETS</u></b>	
Cash and Cash Equivalents	196,814,231
Current Portion AWUIL	19,731,901
Accounts Receivable (Net)	132,866,321
Other Receivables	19,583,403
Due From Affiliates	0
Due From Third Party Payors	0
Inventories	21,969,267
Prepaid Expense	6,941,489
	<u>397,906,613</u>
 <b><u>ASSETS WHOSE USE IS LIMITED</u></b>	 <u>206,560,463</u>
 <b><u>OTHER INVESTMENTS</u></b>	 <u>398,079,527</u>
 <b><u>PROPERTY, PLANT AND EQUIPMENT</u></b>	
Land, Buildings and Equipment	1,379,991,528
Less Allowances for Depreciation	630,305,152
	<u>749,686,376</u>
 <b><u>OTHER ASSETS</u></b>	
Pledges Receivable	6,029,966
Long Term Compensation Investment	15,616,802
Investments in Unconsolidated Subsidiaries	2,484,458
Land / Equipment Held for Resale	57,635
Assets Held for Expansion	4,172,572
Investments in Subsidiaries	(0)
Goodwill	151,626,899
Deferred Charges and Other	29,868,130
	<u>209,856,461</u>
 <b><u>TOTAL ASSETS</u></b>	 <u>1,962,089,440</u>
 <b><u>LIABILITIES AND FUND BALANCE</u></b>	
<b><u>CURRENT LIABILITIES</u></b>	
Accounts Payable and Accrued Expense	93,267,778
Accrued Salaries, Benefits, and PTO	57,159,150
Accrued Interest	11,831,754
Due to Affiliates	8,848
Due to Third Party Payors	20,110,463
Current Portion of Long Term Debt	30,088,797
	<u>212,466,791</u>
 <b><u>OTHER NON CURRENT LIABILITIES</u></b>	
Long Term Compensation Payable	8,512,637
Long Term Debt	1,030,849,599
Estimated Fair Value of Interest Rate Swaps	16,866,827
Call Option Liability	89,533,470
Deferred Income	19,460,577
Professional Liability Self-Insurance and Other	17,768,104
	<u>1,182,991,214</u>
 <b><u>TOTAL LIABILITIES</u></b>	 <u>1,395,458,005</u>
 <b><u>MINORITY INTEREST</u></b>	 <u>170,465,340</u>
 <b><u>FUND BALANCE</u></b>	 <u>396,166,095</u>
 <b><u>TOTAL LIABILITIES AND FUND BALANCE</u></b>	 <u>1,962,089,440</u>

NOTE: JCMC includes Home Care Services

**Mountain States Health Alliance**  
**Statement of Revenue and Expense**  
**For the Period Ended March 31, 2011**

	Actual	NINE MONTHS YEAR TO DATE
<u>Patient Revenue</u>		
Inpatient Revenue	1,488,076,618	
Outpatient Revenue	1,347,028,744	
Total Gross Patient Revenue	2,835,105,361	
<u>Deductions from Revenue</u>		
Contractual Adjustments	1,993,905,142	
Charity	53,416,054	
Contra Revenue - Self Pay	77,786,546	
Cost of Goods Sold	1,068,764	
Total Deductions	2,126,176,506	
<b>Net Patient Service Revenue</b>	<b>708,928,855</b>	
Other Operating Revenue	12,318,481	
<b>Total Operating Revenue</b>	<b>721,247,336</b>	
<u>Operating Expense</u>		
Salaries	250,469,982	
Physician Salaries	44,332,202	
Contract Labor	4,714,112	
Employee Benefits	50,121,369	
Fees	64,911,158	
Supplies	127,985,969	
Utilities	13,166,390	
Other Expense	54,879,589	
Depreciation	64,718,373	
Amortization	1,761,156	
Bad Debt	4,526,931	
Interest & Taxes	35,456,049	
Consolidation Allocation	(0)	
<b>Total Operating Expense</b>	<b>717,043,280</b>	
<b>Net Operating Income</b>	<b>4,204,056</b>	
Net Investment Income	14,808,828	
Realized Gain on Investments	1,852,843	
Gain / (Loss) from Affiliates	643,704	
Gain / (Loss) on Disposal	287,244	
Loss on Extinguishment of LTD / Derivatives	0	
Minority Interest	(2,205,522)	
Taxes - Non Operating	(73,189)	
Incentive Pay	(47,747)	
Other Non Operating Income / (Expense)	(491,994)	
<b>Total Revenue Over Expense Before CFV of Derivatives</b>	<b>18,978,223</b>	
Change in Fair Value of Interest Rate Swaps	27,392,695	
Change in Fair Value of Call Option	116,967	
<b>Total Excess Revenue Over Expense</b>	<b>46,487,884</b>	
Net Unrealized Gain / (Loss) on Investments	21,132,547	
<b>Total Increase in Unrestricted Net Assets</b>	<b>67,620,432</b>	
<b>EBITDA</b>	<b>120,986,990</b>	

MOUNTAIN STATES HEALTH ALLIANCE (Consolidated)  
 UNAUDITED QUARTERLY DISCLOSURE - FY 2011 - Third Quarter ended March 31, 2011  
 Historical Maximum Annual Debt Service Coverage

	Third Quarter Ended March 31, 2011 <sup>1</sup>	Twelve Months Ended March 31, 2011
<u>Calculation:</u>		
Income available for debt service		
Excess of revenue over expenses (before extraord. items)	\$ 10,390,905	\$ 41,141,374
Plus depreciation expense	21,874,052	82,088,996
Plus amortization expense	620,188	5,088,290
<u>Plus interest expense</u>	10,836,477	46,754,964
Total income available for debt service	<u>174,886,488</u>	<u>175,073,624</u>
Maximum annual debt service	<u>70,580,000</u>	<u>70,580,000</u>
Maximum annual debt service coverage	<u>2.5</u>	<u>2.5</u>

Footnotes

1- Annualized quarterly total income available for debt service





**Third Quarter ending March 31, 2012**

Quarterly Financial Information  
&  
Historical Maximum Annual Debt Service Coverage Ratio

*Consolidated & Unaudited*

**Mountain States Health Alliance**  
**Consolidated Balance Sheet**  
**At March 31, 2012**

	<b>Consolidated</b>
<b><u>ASSETS</u></b>	
<b><u>CURRENT ASSETS</u></b>	
Cash and Cash Equivalents	57,243,110
Current Portion AWUIL	18,913,874
Accounts Receivable (Net)	156,395,275
Other Receivables	19,362,559
Due From Affiliates	683
Due From Third Party Payors	0
Inventories	23,354,508
Prepaid Expense	7,900,145
	<u>283,170,153</u>
<b><u>ASSETS WHOSE USE IS LIMITED</u></b>	<u>102,737,844</u>
<b><u>OTHER INVESTMENTS</u></b>	<u>469,524,957</u>
<b><u>PROPERTY, PLANT AND EQUIPMENT</u></b>	
Land, Buildings and Equipment	1,456,352,073
Less Allowances for Depreciation	608,003,319
	<u>848,348,754</u>
<b><u>OTHER ASSETS</u></b>	
Pledges Receivable	5,033,312
Long Term Compensation Investment	17,739,313
Investments in Unconsolidated Subsidiaries	2,448,586
Land / Equipment Held for Resale	82,785
Assets Held for Expansion	4,172,572
Investments in Subsidiaries	(0)
Goodwill	152,767,657
Deferred Charges and Other	28,680,909
	<u>210,925,134</u>
<b><u>TOTAL ASSETS</u></b>	<u>1,914,706,842</u>
<b><u>LIABILITIES AND NET ASSETS</u></b>	
<b><u>CURRENT LIABILITIES</u></b>	
Accounts Payable and Accrued Expense	92,489,943
Accrued Salaries, Benefits, and PTO	51,056,206
Accrued Interest	10,563,345
Due to Affiliates	0
Due to Third Party Payors	11,968,915
Call Option Liability	0
Current Portion of Long Term Debt	29,963,804
	<u>196,042,213</u>
<b><u>OTHER NON CURRENT LIABILITIES</u></b>	
Long Term Compensation Payable	9,368,492
Long Term Debt	1,051,141,230
Estimated Fair Value of Interest Rate Swaps	15,333,143
Deferred Income	29,320,606
Professional Liability Self-Insurance and Other	16,446,955
	<u>1,121,610,426</u>
<b><u>TOTAL LIABILITIES</u></b>	<u>1,317,652,639</u>
<b><u>NET ASSETS</u></b>	432,011,647
<b><u>NONCONTROLLING INTERESTS IN SUBSIDIARIES</u></b>	165,042,556
<b><u>TOTAL LIABILITIES AND NET ASSETS</u></b>	<u>1,914,706,842</u>

**Mountain States Health Alliance**  
**Statement of Revenue and Expense**  
**For the Period Ended March 31, 2012**

	NINE MONTHS YEAR TO DATE
	<u>Actual</u>
<u>Patient Revenue</u>	
Inpatient Revenue	1,594,461,642
Outpatient Revenue	<u>1,501,008,991</u>
Total Gross Patient Revenue	3,095,470,633
 <u>Deductions from Revenue</u>	
Contractual Adjustments	2,215,121,543
Charity	75,402,523
Contra Revenue - Charity	<u>80,224,504</u>
Total Deductions	2,370,748,569
 <b>Net Patient Service Revenue</b>	 <u>724,722,064</u>
 Other Operating Revenue	 15,817,593
 <b>Total Operating Revenue</b>	 <u>740,539,657</u>
 <u>Operating Expense</u>	
Salaries	267,704,901
Provider Salaries	48,901,790
Contract Labor	4,598,270
Employee Benefits	51,405,717
Fees	72,085,367
Supplies	129,891,857
Utilities	13,080,247
Other Expense	58,055,206
Depreciation	54,185,314
Amortization	1,672,483
Bad Debt	5,065,047
Interest & Taxes	35,445,537
Consolidation Allocation	(0)
 <b>Total Operating Expense</b>	 <u>742,091,735</u>
 <b>Net Operating Income</b>	 <u>(1,552,078)</u>
 Net Investment Income	16,862,123
Realized Gain on Investments	396,150
Gain / (Loss) from Affiliates	483,089
Gain / (Loss) on Disposal	286,246
Loss on Extinguishment of LTD / Derivatives	(2,636,011)
Minority Interest	2,991,994
Taxes - Non Operating	(71,791)
Incentive Pay	(22,433)
Other Non Operating Income / (Expense)	<u>487,596</u>
<b>Total Revenue Over Expense Before CFV of Derivatives</b>	<u>17,224,887</u>
 Change in Fair Value of Interest Rate Swaps	2,654,368
Gain / (Loss) in Swaption / Call Option	<u>(4,676,167)</u>
<b>Total Excess Revenue Over Expense</b>	<u>15,203,088</u>
 Net Unrealized Gain / (Loss) on Investments	2,756,617
<b>Increase in Unrestricted Net Assets Before Change in Accounting Principle</b>	<u>17,959,704</u>
 Cumulative Effect of Change in Accounting Principle	0
<b>Total Increase in Unrestricted Net Assets</b>	<u>17,959,704</u>
 <b>EBITDA</b>	 <u>111,236,022</u>

MOUNTAIN STATES HEALTH ALLIANCE (Consolidated)  
 UNAUDITED QUARTERLY DISCLOSURE - FY 2012 - Third Quarter ended March 31, 2012  
 Historical Maximum Annual Debt Service Coverage

	Third Quarter Ended March 31, 2012 <sup>1</sup>	Twelve Months Ended March 31, 2012
<u>Calculation:</u>		
Income available for debt service		
Excess of revenue over expenses (before extraord. items)	\$ 3,366,688	\$ 39,285,958
Plus depreciation expense	18,726,373	76,966,396
Plus amortization expense	555,332	2,470,468
<u>Plus interest expense</u>	11,390,297	45,319,031
Total income available for debt service	<u>136,154,760</u>	<u>164,041,853</u>
Maximum annual debt service	<u>67,879,000</u>	<u>67,879,000</u>
Maximum annual debt service coverage	<u>2.0</u>	<u>2.4</u>

Footnotes

1- Annualized quarterly total income available for debt service



**Third Quarter ending March 31, 2013**

Quarterly Financial Information  
&  
Historical Maximum Annual Debt Service Coverage Ratio

*Consolidated & Unaudited*

**Mountain States Health Alliance**  
**Consolidated Balance Sheet**  
**At March 31, 2013**

	<u>Consolidated</u>
<b><u>ASSETS</u></b>	
<b><u>CURRENT ASSETS</u></b>	
Cash and Cash Equivalents	73,352,628
Current Portion AWUL	5,212,489
Accounts Receivable (Net)	164,024,912
Other Receivables	23,517,570
Due From Affiliates	636
Due From Third Party Payors	0
Inventories	24,078,303
Prepaid Expense	7,015,190
	<u>297,201,728</u>
<b><u>ASSETS WHOSE USE IS LIMITED</u></b>	<u>102,622,574</u>
<b><u>OTHER INVESTMENTS</u></b>	<u>502,612,889</u>
<b><u>PROPERTY, PLANT AND EQUIPMENT</u></b>	
Land, Buildings and Equipment	1,575,927,555
Less Allowances for Depreciation	683,321,293
	<u>892,606,262</u>
<b><u>OTHER ASSETS</u></b>	
Pledges Receivable	4,458,688
Long Term Compensation Investment	19,575,019
Investments in Unconsolidated Subsidiaries	2,091,800
Land / Equipment Held for Resale	57,635
Assets Held for Expansion	2,561,921
Investments in Subsidiaries	(0)
Goodwill	154,391,425
Deferred Charges and Other	28,172,925
	<u>211,309,413</u>
<b><u>TOTAL ASSETS</u></b>	<u>2,006,352,865</u>
<b><u>LIABILITIES AND NET ASSETS</u></b>	
<b><u>CURRENT LIABILITIES</u></b>	
Accounts Payable and Accrued Expense	90,640,509
Accrued Salaries, Benefits, and PTO	51,014,707
Accrued Interest	10,503,068
Due to Affiliates	0
Due to Third Party Payors	16,375,246
Call Option Liability	0
Current Portion of Long Term Debt	30,190,255
	<u>198,723,784</u>
<b><u>OTHER NON CURRENT LIABILITIES</u></b>	
Long Term Compensation Payable	9,207,056
Long Term Debt	1,095,563,648
Estimated Fair Value of Interest Rate Swaps	(2,698,493)
Deferred Income	26,092,951
Professional Liability Self-Insurance and Other	18,672,249
	<u>1,146,837,411</u>
<b><u>TOTAL LIABILITIES</u></b>	<u>1,345,561,194</u>
<b><u>NET ASSETS</u></b>	492,682,341
<b><u>NONCONTROLLING INTERESTS IN SUBSIDIARIES</u></b>	168,109,330
<b><u>TOTAL LIABILITIES AND NET ASSETS</u></b>	<u>2,006,352,865</u>

**Mountain States Health Alliance**  
**Statement of Revenue and Expense**  
**For the Period Ended March 31, 2013**

	<b>Actual</b>	<b>NINE MONTHS YEAR TO DATE</b>
<i>Patient Revenue</i>		
Inpatient Revenue	1,569,450,231	
Outpatient Revenue	1,562,768,011	
Total Gross Patient Revenue	3,132,218,241	
<i>Deductions from Revenue</i>		
Contractual Adjustments	2,262,494,966	
Charity	74,479,884	
Contra Revenue - Charity	83,546,696	
Provision for Bad Debt	4,848,545	
Total Deductions	2,425,370,091	
<b>Net Patient Service Revenue</b>	<b>706,848,151</b>	
Premium Revenue	471,233	
Other Operating Revenue	36,059,160	
<b>Total Other Operating Revenue</b>	<b>36,530,393</b>	
<b>Total Operating Revenue</b>	<b>743,378,543</b>	
<i>Operating Expense</i>		
Salaries	263,591,834	
Provider Salaries	55,350,206	
Contract Labor	2,998,620	
Employee Benefits	53,321,379	
Fees	79,322,400	
Supplies	122,138,050	
Utilities	12,787,934	
Other Expense	61,605,650	
Medical Costs	435,777	
Depreciation	56,522,591	
Amortization	1,687,121	
Interest & Taxes	32,403,734	
Consolidation Allocation	0	
<b>Total Operating Expense</b>	<b>742,165,296</b>	
<b>Net Operating Income</b>	<b>1,213,247</b>	
Net Investment Income	14,659,126	
Realized Gain on Investments	3,643,343	
Gain / (Loss) from Affiliates	585,187	
Gain / (Loss) on Disposal	17,009	
Loss on Extinguishment of LTD / Derivatives	0	
Minority Interest	(3,985,002)	
Taxes - Non Operating	(38,947)	
Incentive Pay	(4,639)	
Other Non Operating Income / (Expense)	3,510,540	
<b>Total Revenue Over Expense Before CFV of Derivatives</b>	<b>19,599,865</b>	
Change in Fair Value of Interest Rate Swaps	11,425,980	
Gain / (Loss) in Swapion / Call Option	0	
<b>Total Excess Revenue Over Expense</b>	<b>31,025,845</b>	
Net Unrealized Gain / (Loss) on Investments	14,962,030	
<b>Increase in Unrestricted Net Assets Before Change in Accounting Principle</b>	<b>45,987,874</b>	
Cumulative Effect of Change in Accounting Principle	0	
<b>Total Increase in Unrestricted Net Assets</b>	<b>45,987,874</b>	
<b>EBITDA</b>	<b>110,252,258</b>	

MOUNTAIN STATES HEALTH ALLIANCE (Consolidated)  
 UNAUDITED QUARTERLY DISCLOSURE - FY 2013 - Third Quarter ending March 31, 2013  
 Historical Maximum Annual Debt Service Coverage

	Third Quarter Ending March 31, 2013 <sup>1</sup>	Twelve Months Ending March 31, 2013
<u>Calculation:</u>		
Income available for debt service		
Excess of revenue over expenses (before extraord. items)	\$ 6,096,225	\$ 45,413,071
Plus depreciation expense	19,310,396	75,146,916
Plus amortization expense	560,137	2,259,963
Plus interest expense	10,583,341	42,922,940
Total income available for debt service	<u>146,200,396</u>	<u>165,742,890</u>
Maximum annual debt service	<u>71,589,000</u>	<u>71,589,000</u>
Maximum annual debt service coverage	<u>2.0</u>	<u>2.3</u>

Footnotes

1- Annualized quarterly total income available for debt service





**Third Quarter ending March 31, 2014**

Quarterly Financial Information  
&  
Historical Maximum Annual Debt Service Coverage Ratio

*Consolidated & Unaudited*

**Mountain States Health Alliance**  
**Consolidated Balance Sheet**  
**At March 31, 2014**

	<b>Consolidated</b>
<b><u>ASSETS</u></b>	
<b><u>CURRENT ASSETS</u></b>	
Cash and Cash Equivalents	55,626,290
Current Portion AWUIL	8,293,720
Accounts Receivable (Net)	168,414,370
Other Receivables	30,651,417
Due From Affiliates	0
Due From Third Party Payors	0
Inventories	24,976,575
Prepaid Expense	8,958,865
	<u>296,921,238</u>
<b><u>ASSETS WHOSE USE IS LIMITED</u></b>	<u>65,034,653</u>
<b><u>OTHER INVESTMENTS</u></b>	<u>578,879,514</u>
<b><u>PROPERTY, PLANT AND EQUIPMENT</u></b>	
Land, Buildings and Equipment	1,620,770,253
Less Allowances for Depreciation	<u>746,465,808</u>
	<u>874,304,445</u>
<b><u>OTHER ASSETS</u></b>	
Pledges Receivable	4,804,368
Long Term Compensation Investment	22,131,092
Investments in Unconsolidated Subsidiaries	1,402,295
Land / Equipment Held for Resale	7,508,959
Assets Held for Expansion	13,134,006
Investments in Subsidiaries	(0)
Goodwill	155,786,750
Deferred Charges and Other	<u>26,385,796</u>
	<u>231,153,266</u>
<b><u>TOTAL ASSETS</u></b>	<u>2,046,293,116</u>
<b><u>LIABILITIES AND NET ASSETS</u></b>	
<b><u>CURRENT LIABILITIES</u></b>	
Accounts Payable and Accrued Expense	84,580,303
Accrued Salaries, Benefits, and PTO	49,232,075
Claims Payable	4,913,723
Accrued Interest	9,625,764
Due to Affiliates	99
Due to Third Party Payors	15,241,213
Current Portion of Long Term Debt	<u>44,433,183</u>
	<u>208,026,359</u>
<b><u>OTHER NON CURRENT LIABILITIES</u></b>	
Long Term Compensation Payable	10,947,418
Long Term Debt	1,081,616,264
Estimated Fair Value of Interest Rate Swaps	11,553,477
Deferred Income	15,799,291
Professional Liability Self-Insurance and Other	<u>17,386,154</u>
	<u>1,137,302,604</u>
<b><u>TOTAL LIABILITIES</u></b>	<u>1,345,328,964</u>
<b><u>NET ASSETS</u></b>	530,952,971
<b><u>NONCONTROLLING INTERESTS IN SUBSIDIARIES</u></b>	170,011,181
<b><u>TOTAL LIABILITIES AND NET ASSETS</u></b>	<u>2,046,293,116</u>

**Mountain States Health Alliance**  
**Statement of Revenue and Expense (Consolidated)**  
**For the Month Ended March 31, 2014**

**NINE MONTHS YEAR TO DATE**

	<u>Actual</u>
<b><u>Revenue, Gains and Support</u></b>	
Patient Service Revenue, Net of Contractual Allowances and Discounts	769,036,410
Provision for Bad Debt	(81,094,609)
<b>Net Patient Service Revenue</b>	<u>687,941,801</u>
 Premium Revenue	 5,760,058
Net Investment Gain	47,825,620
Net Derivative Gain	814,281
Other Revenue, Gains and Support	34,154,686
 <b>Total Revenue, Gains and Support</b>	 <u><u>776,496,445</u></u>
 <b><u>Expense</u></b>	
Salaries and Wages	250,005,814
Provider Salaries	57,586,519
Contract Labor	2,847,148
Employee Benefits	51,613,788
Fees	87,473,663
Supplies	122,064,425
Utilities	12,625,745
Medical Costs	5,405,232
Other Expense	62,382,085
Loss on Extinguishment of LTD / Derivatives	4,622,060
Depreciation	57,604,488
Amortization	1,352,248
Interest & Taxes	33,443,528
Consolidation Allocation	0
<b>Total Expenses</b>	<u><u>749,026,744</u></u>
 <b>Excess of Revenue, Gains and Support over Expenses and Losses</b>	 <u><u>27,469,701</u></u>

**MOUNTAIN STATES HEALTH ALLIANCE (Consolidated)**  
 UNAUDITED QUARTERLY DISCLOSURE - FY 2014 - Third Quarter ending March 31, 2014  
 Historical Maximum Annual Debt Service Coverage

<u>Calculation:</u>	Third Quarter ending March 31, 2014	Twelve Months ending March 31, 2014
Income available for debt service		
Excess of revenue over expenses (before extraord. items)	\$ (113,320)	\$ 23,042,931
Plus depreciation expense	19,273,023	78,514,243
Plus amortization expense	398,992	1,924,664
Plus interest expense	<u>11,169,392</u>	<u>44,287,867</u>
Subtotal	30,728,087	147,769,705
<i>Annualized quarterly total income available for debt service</i>	<i>x 4</i>	<i>n/a</i>
<b>Total income available for debt service</b>	<b><u>122,912,348</u></b>	<b><u>147,769,705</u></b>
<b>Maximum annual debt service</b>	<b><u>70,827,000</u></b>	<b><u>70,827,000</u></b>
<b>Maximum annual debt service coverage</b>	<b><u>1.7</u></b>	<b><u>2.1</u></b>



**Fiscal Year 2015**  
**Third Quarter ending March 31, 2015**

Quarterly Financial Information  
&  
Historical Maximum Annual Debt Service Coverage Ratio

*Consolidated & Unaudited*

**Mountain States Health Alliance**  
**Consolidated Balance Sheet (Unaudited)**  
**At March 31, 2015**

**ASSETS**

**CURRENT ASSETS**

Cash and Cash Equivalents	66,697,783
Current Portion AWUIL	8,766,960
Accounts Receivable (Net)	177,184,581
Other Receivables	29,556,831
Due From Affiliates	3,607
Due From Third Party Payors	0
Inventories	26,595,071
Prepaid Expense	9,056,403
	<u>317,861,237</u>

**ASSETS WHOSE USE IS LIMITED**

53,472,246

**OTHER INVESTMENTS**

613,990,075

**PROPERTY, PLANT AND EQUIPMENT**

Land, Buildings and Equipment	1,646,398,411
Less Allowances for Depreciation	799,540,545
	<u>846,857,866</u>

**OTHER ASSETS**

Pledges Receivable	3,293,981
Long Term Compensation Investment	24,779,130
Investments in Unconsolidated Subsidiaries	5,150,938
Land / Equipment Held for Resale	7,508,959
Assets Held for Expansion	14,310,717
Investments in Subsidiaries	0
Goodwill	156,596,125
Deferred Charges and Other	24,677,269
	<u>236,317,118</u>

**TOTAL ASSETS**

2,068,498,542

**LIABILITIES AND NET ASSETS**

**CURRENT LIABILITIES**

Accounts Payable and Accrued Expense	86,782,632
Accrued Salaries, Benefits, and PTO	50,937,845
Claims Payable	7,076,164
Accrued Interest	9,380,091
Due to Affiliates	(0)
Due to Third Party Payors	13,390,443
Current Portion of Long Term Debt	24,332,448
	<u>191,899,622</u>

**OTHER NON CURRENT LIABILITIES**

Long Term Compensation Payable	12,186,841
Long Term Debt	1,052,651,287
Estimated Fair Value of Interest Rate Swaps	3,594,920
Deferred Income	24,775,531
Professional Liability Self-Insurance and Other	22,078,311
	<u>1,115,286,890</u>

**TOTAL LIABILITIES**

1,307,186,512

**NET ASSETS**

574,094,938

**NONCONTROLLING INTERESTS IN SUBSIDIARIES**

187,217,092

**TOTAL LIABILITIES AND NET ASSETS**

2,068,498,542

**Mountain States Health Alliance**  
**Statement of Revenue and Expense (Unaudited)**  
**For the Period Ended March 31, 2015**

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**NINE MONTHS YEAR TO DATE**

**Actual**

**Revenue, Gains and Support**

Patient Service Revenue, Net of Contractual Allowances and Discounts	840,390,491
Provision for Bad Debt	-100,375,420
<b>Net Patient Service Revenue</b>	<u>740,015,071</u>

Premium Revenue	21,492,711
Net Investment Gain	1,617,630
Net Derivative Gain	11,382,997
Other Revenue, Gains and Support	16,375,449

<b>Total Revenue, Gains and Support</b>	<u><u>790,883,858</u></u>
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**Expense**

Salaries and Wages	252,527,296
Provider Salaries	56,840,825
Contract Labor	4,316,492
Employee Benefits	54,797,727
Fees	88,105,565
Supplies	131,862,997
Utilities	12,634,273
Medical Costs	20,005,846
Other Expense	64,250,281
Loss on Extinguishment of LTD / Derivatives	0
Depreciation	50,634,568
Amortization	1,174,794
Interest & Taxes	32,931,495
Consolidation Allocation	1
<b>Total Expenses</b>	<u><u>770,082,160</u></u>

<b>Excess of Revenue, Gains and Support over Expenses and Losses</b>	<u><u>20,801,698</u></u>
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**MOUNTAIN STATES HEALTH ALLIANCE (Consolidated)**  
**UNAUDITED QUARTERLY DISCLOSURE - FY 2015 - Third Quarter ending March 31, 2015**  
**Historical Maximum Annual Debt Service Coverage**

<u>Calculation:</u>	<u>Third Quarter ending March 31, 2015</u>	<u>Twelve Months ending March 31, 2015</u>
Income available for debt service		
Excess of revenue over expenses (before extraord. items)	\$ 4,894,660	\$ 53,130,067
Plus depreciation expense	16,796,866	62,466,816
Plus amortization expense	362,218	1,564,302
<u>Plus interest expense</u>	<u>10,776,560</u>	<u>43,889,294</u>
Subtotal	32,830,304	161,050,479
<i>Annualized quarterly total income available for debt service</i>	<i>x 4</i>	<i>n/a</i>
<b>Total income available for debt service</b>	<b><u>131,321,216</u></b>	<b><u>161,050,479</u></b>
<b>Maximum annual debt service</b>	<b><u>67,246,000</u></b>	<b><u>67,246,000</u></b>
<b>Maximum annual debt service coverage</b>	<b><u>2.0</u></b>	<b><u>2.4</u></b>





**Fourth Quarter ending June 30, 2010**

Quarterly Financial Information  
&  
Historical Maximum Annual Debt Service Coverage Ratio

*Consolidated & Unaudited*

**Mountain States Health Alliance**  
**Statement of Revenue and Expense**  
**For the Period Ended June 30, 2010**

	TWELVE MONTHS YEAR TO DATE
	<u>Actual</u>
<u>Patient Revenue</u>	
Inpatient Revenue	1,880,898,728
Outpatient Revenue	<u>1,698,088,934</u>
Total Gross Patient Revenue	3,578,987,662
 <u>Deductions from Revenue</u>	
Contractual Adjustments	2,457,162,327
Charity	61,377,910
Contra Revenue - Self Pay	111,735,699
Cost of Goods Sold	<u>1,687,733</u>
Total Deductions	2,631,963,669
 <b>Net Patient Service Revenue</b>	 <u><b>947,023,994</b></u>
Other Operating Revenue	17,732,528
 <b>Total Operating Revenue</b>	 <u><b>964,756,521</b></u>
 <u>Operating Expense</u>	
Salaries	323,818,274
Physician Salaries	54,465,353
Contract Labor	6,546,022
Employee Benefits	88,857,571
Fees	82,625,555
Supplies	175,332,378
Utilities	16,192,488
Other Expense	67,748,190
Depreciation	68,453,105
Amortization	13,122,700
Bad Debt	7,968,919
Interest & Taxes	42,762,071
Consolidation Allocation	0
 <b>Total Operating Expense</b>	 <u><b>947,892,625</b></u>
 <b>Net Operating Income</b>	 <u><b>16,863,896</b></u>
Net Investment Income	22,110,574
Realized Gain on Investments	2,385,122
Gain / (Loss) from Affiliates	802,540
Gain / (Loss) on Disposal	689,707
Loss on Extinguishment of LTD / Derivatives	(3,028,733)
Minority Interest	(2,409,599)
Taxes - Non Operating	(100,594)
Incentive Pay	(5,127)
Other Non Operating Income / (Expense)	<u>1,596,221</u>
<b>Total Revenue Over Expense Before CFV of Derivatives</b>	<u><b>38,904,006</b></u>
Change in Fair Value of Interest Rate Swaps	(2,452,351)
Change in Fair Value of Call Option	<u>(16,240,044)</u>
<b>Total Excess Revenue Over Expense</b>	<u><b>20,211,611</b></u>
Net Unrealized Gain / (Loss) on Investments	<u>14,613,209</u>
<b>Total Increase in Unrestricted Net Assets</b>	<u><b>34,824,820</b></u>
 <b>EBITDA</b>	 <u><b>166,371,209</b></u>

**Mountain States Health Alliance**  
**Comparative Balance Sheet**

	June 30 2010
<b><u>ASSETS</u></b>	
<b><u>CURRENT ASSETS</u></b>	
Cash and Cash Equivalents	240,828,980
Current Portion AWUIL	11,894,633
Accounts Receivable (Net)	126,059,052
Other Receivables	17,604,233
Due From Affiliates	0
Due From Third Party Payors	0
Inventories	21,654,085
Prepaid Expense	9,268,376
	<u>427,309,360</u>
 <b><u>ASSETS WHOSE USE IS LIMITED</u></b>	 <u>287,643,583</u>
 <b><u>OTHER INVESTMENTS</u></b>	 <u>310,761,535</u>
 <b><u>PROPERTY, PLANT AND EQUIPMENT</u></b>	
Land, Buildings and Equipment	1,261,244,391
Less Allowances for Depreciation	569,929,390
	<u>691,315,001</u>
 <b><u>OTHER ASSETS</u></b>	
Pledges Receivable	4,678,670
Long Term Compensation Investment	13,143,765
Investments in Unconsolidated Subsidiaries	4,176,588
Land / Equipment Held for Resale	57,635
Assets Held for Expansion	7,466,022
Investments in Subsidiaries	(0)
Goodwill	151,351,899
Deferred Charges and Other	29,816,046
	<u>210,690,624</u>
 <b><u>TOTAL ASSETS</u></b>	 <u>1,927,720,104</u>
 <b><u>LIABILITIES AND FUND BALANCE</u></b>	
<b><u>CURRENT LIABILITIES</u></b>	
Accounts Payable and Accrued Expense	93,872,739
Accrued Salaries, Benefits, and PTO	45,347,807
Accrued Interest	16,411,281
Due to Affiliates	15,700
Due to Third Party Payors	10,203,113
Current Portion of Long Term Debt	37,792,529
	<u>203,643,169</u>
 <b><u>OTHER NON CURRENT LIABILITIES</u></b>	
Long Term Compensation Payable	6,068,300
Long Term Debt	1,045,262,277
Estimated Fair Value of Interest Rate Swaps	50,122,746
Call Option Liability	94,262,151
Deferred Income	20,332,071
Professional Liability Self-Insurance and Other	19,809,591
	<u>1,235,857,136</u>
 <b><u>TOTAL LIABILITIES</u></b>	 <u>1,439,500,305</u>
 <b><u>MINORITY INTEREST</u></b>	 <u>167,763,364</u>
 <b><u>FUND BALANCE</u></b>	
Restricted Fund Balance	11,018,722
Unrestricted Fund Balance	309,437,714
	<u>320,456,435</u>
 <b><u>TOTAL LIABILITIES AND FUND BALANCE</u></b>	 <u>1,927,720,104</u>

MOUNTAIN STATES HEALTH ALLIANCE (Consolidated)  
 UNAUDITED QUARTERLY DISCLOSURE - FY 2010 - Fourth Quarter ending June 30, 2010  
 Historical Maximum Annual Debt Service Coverage

	Fourth Quarter Ended June 30, 2010 <sup>1</sup>	Twelve Months Ended June 30, 2010
<u>Calculation:</u>		
Income available for debt service		
Excess of revenue over expenses (before extraord. items)	\$ 22,163,150	\$ 41,932,739
Plus depreciation expense	17,370,624	68,453,105
Plus amortization expense	3,327,134	13,122,700
<u>Plus interest expense</u>	<u>11,225,726</u>	<u>42,862,665</u>
Total income available for debt service	<u>216,346,536</u>	<u>166,371,209</u>
Maximum annual debt service	<u>79,730,000</u>	<u>79,730,000</u>
Maximum annual debt service coverage	<u>2.7</u>	<u>2.1</u>

Footnotes

1- Annualized quarterly total income available for debt service



**Fourth Quarter ending June 30, 2011**

Quarterly Financial Information  
&  
Historical Maximum Annual Debt Service Coverage Ratio

*Consolidated & Unaudited*

**Mountain States Health Alliance**  
**Consolidated Balance Sheet**  
**At June 30, 2011**

	<b>Consolidated</b>
<b><u>ASSETS</u></b>	
<b><u>CURRENT ASSETS</u></b>	
Cash and Cash Equivalents	112,932,971
Current Portion AWUIL	23,454,508
Accounts Receivable (Net)	135,023,319
Other Receivables	19,604,661
Due From Affiliates	28,533
Due From Third Party Payors	10,878,498
Inventories	23,092,574
Prepaid Expense	5,843,619
	<u>330,858,681</u>
 <b><u>ASSETS WHOSE USE IS LIMITED</u></b>	 <u>194,326,848</u>
 <b><u>OTHER INVESTMENTS</u></b>	 <u>479,986,878</u>
 <b><u>PROPERTY, PLANT AND EQUIPMENT</u></b>	
Land, Buildings and Equipment	1,378,817,815
Less Allowances for Depreciation	586,470,519
	<u>792,347,296</u>
 <b><u>OTHER ASSETS</u></b>	
Pledges Receivable	5,098,134
Long Term Compensation Investment	16,800,250
Investments in Unconsolidated Subsidiaries	2,366,851
Land / Equipment Held for Resale	57,635
Assets Held for Expansion	4,172,572
Investments in Subsidiaries	(0)
Goodwill	151,630,733
Deferred Charges and Other	29,192,400
	<u>209,318,575</u>
 <b><u>TOTAL ASSETS</u></b>	 <u><u>2,006,838,277</u></u>
 <b><u>LIABILITIES AND FUND BALANCE</u></b>	
<b><u>CURRENT LIABILITIES</u></b>	
Accounts Payable and Accrued Expense	95,243,819
Accrued Salaries, Benefits, and PTO	57,788,998
Accrued Interest	20,079,964
Due to Affiliates	0
Due to Third Party Payors	25,914,943
Current Portion of Long Term Debt	28,050,459
	<u>227,078,183</u>
 <b><u>OTHER NON CURRENT LIABILITIES</u></b>	
Long Term Compensation Payable	8,796,085
Long Term Debt	1,040,922,529
Estimated Fair Value of Interest Rate Swaps	20,573,187
Call Option Liability	92,044,033
Deferred Income	19,539,126
Professional Liability Self-Insurance and Other	16,189,889
	<u>1,198,064,849</u>
 <b><u>TOTAL LIABILITIES</u></b>	 <u>1,425,143,032</u>
 <b><u>MINORITY INTEREST</u></b>	 <u>171,608,431</u>
 <b><u>FUND BALANCE</u></b>	 <u>410,086,815</u>
 <b><u>TOTAL LIABILITIES AND FUND BALANCE</u></b>	 <u><u>2,006,838,277</u></u>

NOTE: JCMC includes Home Care Services

**Mountain States Health Alliance**  
**Statement of Revenue and Expense**  
**For the Period Ended June 30, 2011**

	<b>Actual</b>
<b>TWELVE MONTHS YEAR TO DATE</b>	
<u>Patient Revenue</u>	
Inpatient Revenue	1,983,339,667
Outpatient Revenue	1,806,960,043
Total Gross Patient Revenue	3,790,299,709
<u>Deductions from Revenue</u>	
Contractual Adjustments	2,647,862,693
Charity	72,431,617
Contra Revenue - Self Pay	109,876,805
Cost of Goods Sold	1,495,076
Total Deductions	2,831,666,192
<b>Net Patient Service Revenue</b>	<b>958,633,517</b>
Other Operating Revenue	17,366,079
<b>Total Operating Revenue</b>	<b>975,999,596</b>
<u>Operating Expense</u>	
Salaries	336,039,676
Physician Salaries	59,248,821
Contract Labor	5,963,680
Employee Benefits	67,209,284
Fees	85,918,912
Supplies	169,362,052
Utilities	17,300,334
Other Expense	68,894,786
Depreciation	87,499,453
Amortization	2,559,141
Bad Debt	6,327,970
Interest & Taxes	45,233,433
Consolidation Allocation	(1)
<b>Total Operating Expense</b>	<b>951,557,540</b>
<b>Net Operating Income</b>	<b>24,442,056</b>
Net Investment Income	21,257,492
Realized Gain on Investments	1,956,856
Gain / (Loss) from Affiliates	829,906
Gain / (Loss) on Disposal	517,406
Loss on Extinguishment of LTD / Derivatives	0
Minority Interest	(3,348,613)
Taxes - Non Operating	(97,510)
Incentive Pay	(6,168,474)
Other Non Operating Income / (Expense)	(985,838)
<b>Total Revenue Over Expense Before CFV of Derivatives</b>	<b>38,403,281</b>
Change in Fair Value of Interest Rate Swaps	23,556,934
Change in Fair Value of Call Option	(2,393,596)
<b>Total Excess Revenue Over Expense</b>	<b>59,566,619</b>
Net Unrealized Gain / (Loss) on Investments	22,168,046
<b>Total Increase in Unrestricted Net Assets</b>	<b>81,734,665</b>
<b>EBITDA</b>	<b>173,792,818</b>

MOUNTAIN STATES HEALTH ALLIANCE (Consolidated)  
 UNAUDITED QUARTERLY DISCLOSURE - FY 2011 - Fourth Quarter ending June 30, 2011  
 Historical Maximum Annual Debt Service Coverage

	Fourth Quarter Ended June 30, 2011 <sup>1</sup>	Twelve Months Ended June 30, 2011
<u>Calculation:</u>		
Income available for debt service		
Excess of revenue over expenses (before extraord. items)	\$ 19,425,059	\$ 38,403,281
Plus depreciation expense	22,781,081	87,499,453
Plus amortization expense	797,985	2,559,141
<u>Plus interest expense</u>	<u>9,801,705</u>	<u>45,330,943</u>
Total income available for debt service	<u>211,223,320</u>	<u>173,792,818</u>
Maximum annual debt service	<u>67,624,650</u>	<u>67,624,650</u>
Maximum annual debt service coverage	<u>3.1</u>	<u>2.6</u>

Footnotes

1- Annualized quarterly total income available for debt service





**Fourth Quarter ending June 30, 2012**

Quarterly Financial Information  
&  
Historical Maximum Annual Debt Service Coverage Ratio

*Consolidated & Unaudited*

**Mountain States Health Alliance**  
**Consolidated Balance Sheet**  
**At June 30, 2012**

	<b>Consolidated</b>
<b><u>ASSETS</u></b>	
<b><u>CURRENT ASSETS</u></b>	
Cash and Cash Equivalents	65,107,478
Current Portion AWUIL	36,556,863
Accounts Receivable (Net)	151,099,630
Other Receivables	23,342,106
Due From Affiliates	(0)
Due From Third Party Payors	(0)
Inventories	23,207,980
Prepaid Expense	5,214,129
	<u>304,528,184</u>
 <b><u>ASSETS WHOSE USE IS LIMITED</u></b>	 <u>94,655,402</u>
 <b><u>OTHER INVESTMENTS</u></b>	 <u>466,043,661</u>
 <b><u>PROPERTY, PLANT AND EQUIPMENT</u></b>	
Land, Buildings and Equipment	1,487,969,557
Less Allowances for Depreciation	<u>626,302,140</u>
	<u>861,667,417</u>
 <b><u>OTHER ASSETS</u></b>	
Pledges Receivable	4,302,229
Long Term Compensation Investment	19,049,718
Investments in Unconsolidated Subsidiaries	2,431,219
Land / Equipment Held for Resale	57,635
Assets Held for Expansion	2,561,921
Investments in Subsidiaries	(0)
Goodwill	153,082,632
Deferred Charges and Other	<u>28,159,300</u>
	<u>209,644,654</u>
 <b><u>TOTAL ASSETS</u></b>	 <u><u>1,936,539,318</u></u>
 <b><u>LIABILITIES AND NET ASSETS</u></b>	
<b><u>CURRENT LIABILITIES</u></b>	
Accounts Payable and Accrued Expense	103,357,075
Accrued Salaries, Benefits, and PTO	55,441,176
Accrued Interest	18,524,949
Due to Affiliates	(0)
Due to Third Party Payors	18,914,006
Call Option Liability	0
Current Portion of Long Term Debt	<u>32,774,037</u>
	<u>229,011,243</u>
 <b><u>OTHER NON CURRENT LIABILITIES</u></b>	
Long Term Compensation Payable	9,375,836
Long Term Debt	1,049,098,131
Estimated Fair Value of Interest Rate Swaps	19,381,031
Deferred Income	3,133,674
Professional Liability Self-Insurance and Other	<u>15,121,888</u>
	<u>1,096,110,560</u>
 <b><u>TOTAL LIABILITIES</u></b>	 <u>1,325,121,803</u>
 <b><u>NET ASSETS</u></b>	 447,711,812
<b><u>NONCONTROLLING INTERESTS IN SUBSIDIARIES</u></b>	<u>163,705,703</u>
 <b><u>TOTAL LIABILITIES AND NET ASSETS</u></b>	 <u><u>1,936,539,318</u></u>

**Mountain States Health Alliance**  
**Statement of Revenue and Expense**  
**For the Period Ended June 30, 2012**

	TWELVE MONTHS YEAR TO DATE
	<b>Actual</b>
<u>Patient Revenue</u>	
Inpatient Revenue	2,095,036,076
Outpatient Revenue	1,982,153,858
Total Gross Patient Revenue	4,077,189,934
<u>Deductions from Revenue</u>	
Contractual Adjustments	2,900,865,230
Charity	102,462,014
Contra Revenue - Charity	115,859,919
Provision for Bad Debt	7,057,091
Total Deductions	3,126,244,253
<b>Net Patient Service Revenue</b>	<b>950,945,681</b>
Premium Revenue	0
Other Operating Revenue	37,558,809
<b>Total Other Operating Revenue</b>	<b>37,558,809</b>
<b>Total Operating Revenue</b>	<b>988,504,490</b>
<u>Operating Expense</u>	
Salaries	355,861,320
Provider Salaries	65,706,018
Contract Labor	6,375,046
Employee Benefits	68,606,885
Fees	97,906,470
Supplies	170,183,926
Utilities	17,289,129
Other Expense	75,578,539
Medical Costs	0
Depreciation	72,809,640
Amortization	2,245,325
Interest & Taxes	45,902,806
Consolidation Allocation	(1)
<b>Total Operating Expense</b>	<b>978,465,103</b>
<b>Net Operating Income</b>	<b>10,039,388</b>
Net Investment Income	22,766,794
Realized Gain on Investments	5,170,970
Gain / (Loss) from Affiliates	644,531
Gain / (Loss) on Disposal	446,228
Loss on Extinguishment of LTD / Derivatives	(2,636,011)
Minority Interest	4,328,847
Taxes - Non Operating	(94,781)
Incentive Pay	(2,741,994)
Other Non Operating Income / (Expense)	5,114,121
<b>Total Revenue Over Expense Before CFV of Derivatives</b>	<b>43,038,093</b>
Change in Fair Value of Interest Rate Swaps	(1,521,348)
Gain / (Loss) in Swaption / Call Option	(4,676,167)
<b>Total Excess Revenue Over Expense</b>	<b>36,840,578</b>
Net Unrealized Gain / (Loss) on Investments	(2,920,893)
<b>Increase in Unrestricted Net Assets Before Change in Accounting Principle</b>	<b>33,919,684</b>
Cumulative Effect of Change in Accounting Principle	0
<b>Total Increase in Unrestricted Net Assets</b>	<b>33,919,684</b>
<b>EBITDA</b>	<b>166,726,657</b>

MOUNTAIN STATES HEALTH ALLIANCE (Consolidated)  
 UNAUDITED QUARTERLY DISCLOSURE - FY 2012 - Fourth Quarter ended June 30, 2012  
 Historical Maximum Annual Debt Service Coverage

	Fourth Quarter ended June 30, 2012 <sup>1</sup>	Twelve Months ended June 30, 2012
<u>Calculation:</u>		
Income available for debt service		
Excess of revenue over expenses (before extraord. items)	\$ 25,813,207	\$ 45,674,106
Plus depreciation expense	18,624,326	72,809,641
Plus amortization expense	572,842	2,245,325
<u>Plus interest expense</u>	10,480,259	45,997,585
Total income available for debt service	<u>221,962,536</u>	<u>166,726,657</u>
Maximum annual debt service	<u>67,854,000</u>	<u>67,854,000</u>
Maximum annual debt service coverage (x)	<u>3.3</u>	<u>2.5</u>

Footnotes

1- Annualized quarterly total income available for debt service



**Fourth Quarter ending June 30, 2013**

Quarterly Financial Information  
&  
Historical Maximum Annual Debt Service Coverage Ratio

*Consolidated & Unaudited*

**Mountain States Health Alliance**  
**Consolidated Balance Sheet**  
**At June 30, 2013**

	<u>Consolidated</u>
<b>ASSETS</b>	
<b><i>CURRENT ASSETS</i></b>	
Cash and Cash Equivalents	74,902,108
Current Portion AWUIL	20,385,598
Accounts Receivable (Net)	168,272,830
Other Receivables	25,523,427
Due From Affiliates	36
Due From Third Party Payors	3,112,967
Inventories	24,043,749
Prepaid Expense	7,029,053
	<u>323,269,769</u>
<b><i>ASSETS WHOSE USE IS LIMITED</i></b>	<u>87,805,220</u>
<b><i>OTHER INVESTMENTS</i></b>	<u>513,575,142</u>
<b><i>PROPERTY, PLANT AND EQUIPMENT</i></b>	
Land, Buildings and Equipment	1,603,510,722
Less Allowances for Depreciation	702,493,560
	<u>901,017,162</u>
<b><i>OTHER ASSETS</i></b>	
Pledges Receivable	4,383,340
Long Term Compensation Investment	19,884,279
Investments in Unconsolidated Subsidiaries	2,066,667
Land / Equipment Held for Resale	57,635
Assets Held for Expansion	2,561,921
Investments in Subsidiaries	(0)
Goodwill	154,391,425
Deferred Charges and Other	28,363,290
	<u>211,708,557</u>
<b><i>TOTAL ASSETS</i></b>	<u>2,037,375,850</u>
<b>LIABILITIES AND NET ASSETS</b>	
<b><i>CURRENT LIABILITIES</i></b>	
Accounts Payable and Accrued Expense	92,173,952
Accrued Salaries, Benefits, and PTO	57,972,900
Accrued Interest	19,706,043
Due to Affiliates	0
Due to Third Party Payors	26,245,178
Current Portion of Long Term Debt	34,416,694
	<u>230,514,768</u>
<b><i>OTHER NON CURRENT LIABILITIES</i></b>	
Long Term Compensation Payable	9,159,811
Long Term Debt	1,090,347,906
Estimated Fair Value of Interest Rate Swaps	8,185,050
Deferred Income	2,216,201
Professional Liability Self-Insurance and Other	16,435,454
	<u>1,126,344,423</u>
<b><i>TOTAL LIABILITIES</i></b>	<u>1,356,859,191</u>
<b><i>NET ASSETS</i></b>	510,256,734
<b><i>NONCONTROLLING INTERESTS IN SUBSIDIARIES</i></b>	170,259,925
<b><i>TOTAL LIABILITIES AND NET ASSETS</i></b>	<u>2,037,375,850</u>

**Mountain States Health Alliance**  
**Statement of Revenue and Expense**  
**For the Period Ended June 30, 2013**

	Actual	TWELVE MONTHS YEAR TO DATE
<i>Patient Revenue</i>		
Inpatient Revenue	2,086,518.100	
Outpatient Revenue	2,120,400.485	
Total Gross Patient Revenue	4,206,918.585	
<i>Deductions from Revenue</i>		
Contractual Adjustments	3,057,729.934	
Charity	103,093.623	
Contra Revenue - Charity	105,565.107	
Provision for Bad Debt	6,931.980	
Total Deductions	3,273,320.644	
<b>Net Patient Service Revenue</b>	<b>933,597.941</b>	
Premium Revenue	1,002.843	
Other Operating Revenue	60,411.972	
<b>Total Other Operating Revenue</b>	<b>61,414.815</b>	
<b>Total Operating Revenue</b>	<b>995,012.756</b>	
<i>Operating Expense</i>		
Salaries	349,840.902	
Provider Salaries	74,257.857	
Contract Labor	3,941.874	
Employee Benefits	74,695.245	
Fees	105,929.651	
Supplies	162,955.174	
Utilities	16,857.010	
Other Expense	78,711.392	
Medical Costs	2,539.401	
Depreciation	77,432.345	
Amortization	2,259.537	
Interest & Taxes	43,202.890	
Consolidation Allocation	0	
<b>Total Operating Expense</b>	<b>992,623.278</b>	
<b>Net Operating Income</b>	<b>2,389.478</b>	
Net Investment Income	20,570.323	
Realized Gain on Investments	3,721.867	
Gain / (Loss) from Affiliates	701,288	
Gain / (Loss) on Disposal	(1,129)	
Loss on Extinguishment of LTD / Derivatives	0	
Minority Interest	(6,135.598)	
Taxes - Non Operating	(51,766)	
Incentive Pay	21,495	
Other Non Operating Income / (Expense)	18,282.597	
<b>Total Revenue Over Expense Before CFV of Derivatives</b>	<b>39,498.554</b>	
Change in Fair Value of Interest Rate Swaps	456,715	
Gain / (Loss) in Swaption / Call Option	0	
<b>Total Excess Revenue Over Expense</b>	<b>39,955.269</b>	
Net Unrealized Gain / (Loss) on Investments	23,376.858	
<b>Increase in Unrestricted Net Assets Before Change in Accounting Principle</b>	<b>63,332.126</b>	
Cumulative Effect of Change in Accounting Principle	0	
<b>Total Increase in Unrestricted Net Assets</b>	<b>63,332.126</b>	
<b>EBITDA</b>	<b>162,445.092</b>	

MOUNTAIN STATES HEALTH ALLIANCE (Consolidated)  
 UNAUDITED QUARTERLY DISCLOSURE - FY 2013 - Fourth Quarter ending June 30, 2013  
 Historical Maximum Annual Debt Service Coverage

	Fourth Quarter Ending June 30, 2013 <sup>1</sup>	Twelve Months Ending June 30, 2013
<u>Calculation:</u>		
Income available for debt service		
Excess of revenue over expenses (before extraord. items)	\$ 19,898,689	\$ 39,498,553
Plus depreciation expense	20,909,754	77,432,344
Plus amortization expense	572,416	2,259,537
Plus interest expense	10,811,975	43,254,656
Total income available for debt service	<u>208,771,336</u>	<u>162,445,090</u>
Maximum annual debt service	<u>71,554,000</u>	<u>71,554,000</u>
Maximum annual debt service coverage	<u>2.9</u>	<u>2.3</u>

Footnotes

1- Annualized quarterly total income available for debt service





**Fourth Quarter ending June 30, 2014**

Quarterly Financial Information  
&  
Historical Maximum Annual Debt Service Coverage Ratio

*Consolidated & Unaudited*

# Mountain States Health Alliance

## Consolidated Balance Sheet (Unaudited)

At June 30, 2014

	Consolidated
<b><u>ASSETS</u></b>	
<b><u>CURRENT ASSETS</u></b>	
Cash and Cash Equivalents	59,184,792
Current Portion AWUIL	25,028,568
Accounts Receivable (Net)	166,524,980
Other Receivables	44,832,880
Due From Affiliates	124
Due From Third Party Payors	(0)
Inventories	24,527,319
Prepaid Expense	6,310,892
	<u>326,409,555</u>
<b><u>ASSETS WHOSE USE IS LIMITED</u></b>	<u>61,200,439</u>
<b><u>OTHER INVESTMENTS</u></b>	<u>587,274,223</u>
<b><u>PROPERTY, PLANT AND EQUIPMENT</u></b>	
Land, Buildings and Equipment	1,639,069,493
Less Allowances for Depreciation	757,640,754
	<u>881,428,739</u>
<b><u>OTHER ASSETS</u></b>	
Pledges Receivable	3,656,370
Long Term Compensation Investment	22,536,324
Investments in Unconsolidated Subsidiaries	1,426,430
Land / Equipment Held for Resale	7,508,959
Assets Held for Expansion	13,284,006
Investments in Subsidiaries	(0)
Goodwill	156,709,485
Deferred Charges and Other	26,061,706
	<u>231,183,279</u>
<b><u>TOTAL ASSETS</u></b>	<u>2,087,496,235</u>
<b><u>LIABILITIES AND NET ASSETS</u></b>	
<b><u>CURRENT LIABILITIES</u></b>	
Accounts Payable and Accrued Expense	82,812,043
Accrued Salaries, Benefits, and PTO	72,368,503
Claims Payable	4,929,177
Accrued Interest	18,647,518
Due to Affiliates	0
Due to Third Party Payors	10,462,932
Current Portion of Long Term Debt	29,894,210
	<u>219,114,383</u>
<b><u>OTHER NON CURRENT LIABILITIES</u></b>	
Long Term Compensation Payable	11,229,829
Long Term Debt	1,076,099,170
Estimated Fair Value of Interest Rate Swaps	10,602,538
Deferred Income	1,362,811
Professional Liability Self-Insurance and Other	20,065,231
	<u>1,119,359,578</u>
<b><u>TOTAL LIABILITIES</u></b>	<u>1,338,473,961</u>
<b><u>NET ASSETS</u></b>	569,634,105
<b><u>NONCONTROLLING INTERESTS IN SUBSIDIARIES</u></b>	179,388,169
<b><u>TOTAL LIABILITIES AND NET ASSETS</u></b>	<u>2,087,496,235</u>

**Mountain States Health Alliance**  
**Statement of Revenue and Expense (Unaudited)**  
**For the Period Ended June 30, 2014**

**TWELVE MONTHS YEAR TO DATE**

	<u><b>Actual</b></u>
<b><u>Revenue, Gains and Support</u></b>	
Patient Service Revenue, Net of Contractual Allowances and Discounts	1,053,379,301
Provision for Bad Debt	<u>(120,388,269)</u>
<b>Net Patient Service Revenue</b>	932,991,032
 Premium Revenue	 10,682,764
Net Investment Gain	65,425,307
Net Derivative Gain	3,218,556
Other Revenue, Gains and Support	52,072,621
 <b>Total Revenue, Gains and Support</b>	 <u><u>1,064,390,280</u></u>
 <b><u>Expense</u></b>	
Salaries and Wages	340,589,134
Provider Salaries	77,636,096
Contract Labor	4,282,340
Employee Benefits	69,298,183
Fees	116,019,476
Supplies	163,764,999
Utilities	17,072,249
Medical Costs	9,973,675
Other Expense	80,190,905
Loss on Extinguishment of LTD / Derivatives	4,622,060
Depreciation	69,436,735
Amortization	1,741,757
Interest & Taxes	44,354,682
Consolidation Allocation	0
<b>Total Expenses</b>	<u><u>998,982,291</u></u>
 <b>Excess of Revenue, Gains and Support over Expenses and Losses</b>	 <u><u>65,407,989</u></u>

**MOUNTAIN STATES HEALTH ALLIANCE (Consolidated)**  
 UNAUDITED QUARTERLY DISCLOSURE - FY 2014 - Fourth Quarter ending June 30, 2014  
 Historical Maximum Annual Debt Service Coverage

<u>Calculation:</u>	<u>Fourth Quarter ending June 30, 2014</u>	<u>Twelve Months ending June 30, 2014</u>
Income available for debt service		
Excess of revenue over expenses (before extraord. items)	\$ 31,607,527	\$ 34,751,769
Plus depreciation expense	11,832,248	69,436,737
Plus amortization expense	389,509	1,741,757
<u>Plus interest expense</u>	<u>10,925,089</u>	<u>44,400,981</u>
Subtotal	54,754,373	150,331,244
<i>Annualized quarterly total income available for debt service</i>	<i>x 4</i>	<i>n/a</i>
<b>Total income available for debt service</b>	<b><u>219,017,492</u></b>	<b><u>150,331,244</u></b>
<b>Maximum annual debt service</b>	<b><u>70,804,000</u></b>	<b><u>70,804,000</u></b>
<b>Maximum annual debt service coverage</b>	<b><u>3.1</u></b>	<b><u>2.1</u></b>



**Fiscal Year 2015**  
**Fourth Quarter ending June 30, 2015**

Quarterly Financial Information  
&  
Historical Maximum Annual Debt Service Coverage Ratio

*Consolidated & Unaudited*

**Mountain States Health Alliance**  
**Comparative Balance Sheet (Unaudited)**  
**As of June 30, 2015 and June 30, 2014**

	June 30 2015	June 30 2014
<b><u>ASSETS</u></b>		
<b><u>CURRENT ASSETS</u></b>		
Cash and Cash Equivalents	79,713,574	59,184,792
Current Portion AWUIL	19,597,595	25,028,568
Accounts Receivable (Net)	162,379,523	161,318,003
Other Receivables	30,350,162	45,502,067
Due From Affiliates	-0	124
Due From Third Party Payors	-0	-0
Inventories	26,646,561	24,527,319
Prepaid Expense	7,322,824	6,310,892
	<u>326,010,238</u>	<u>321,871,765</u>
 <b><u>ASSETS WHOSE USE IS LIMITED</u></b>	 <u>59,208,918</u>	 <u>61,200,439</u>
 <b><u>OTHER INVESTMENTS</u></b>	 <u>635,332,874</u>	 <u>587,274,223</u>
 <b><u>PROPERTY, PLANT AND EQUIPMENT</u></b>		
Land, Buildings and Equipment	1,662,193,378	1,639,069,493
Less Allowances for Depreciation	815,104,790	757,640,754
	<u>847,088,588</u>	<u>881,428,739</u>
 <b><u>OTHER ASSETS</u></b>		
Pledges Receivable	3,260,254	3,656,370
Long Term Compensation Investment	25,284,264	22,536,324
Investments in Unconsolidated Subsidiaries	5,179,805	1,364,290
Land / Equipment Held for Resale	4,631,959	7,508,959
Assets Held for Expansion	14,684,441	13,284,006
Investments in Subsidiaries	0	-0
Goodwill	156,596,125	156,612,617
Deferred Charges and Other	24,754,992	25,841,391
	<u>234,391,841</u>	<u>230,803,956</u>
 <b><u>TOTAL ASSETS</u></b>	 <u><u>2,102,032,459</u></u>	 <u><u>2,082,579,122</u></u>
 <b><u>LIABILITIES AND NET ASSETS</u></b>		
<b><u>CURRENT LIABILITIES</u></b>		
Accounts Payable and Accrued Expense	90,259,474	81,879,383
Accrued Salaries, Benefits, and PTO	70,482,499	72,180,545
Claims Payable	8,167,693	5,247,746
Accrued Interest	18,159,055	18,647,518
Due to Affiliates	22	0
Due to Third Party Payors	5,484,417	10,462,932
Current Portion of Long Term Debt	40,286,349	30,617,770
	<u>232,839,509</u>	<u>219,035,895</u>
 <b><u>OTHER NON CURRENT LIABILITIES</u></b>		
Long Term Compensation Payable	12,250,293	11,229,829
Long Term Debt	1,031,660,759	1,075,068,610
Estimated Fair Value of Interest Rate Swaps	7,643,937	10,602,538
Deferred Income	15,259,244	13,080,719
Professional Liability Self-Insurance and Other	19,632,236	20,619,965
	<u>1,086,446,470</u>	<u>1,130,601,660</u>
 <b><u>TOTAL LIABILITIES</u></b>	 <u>1,319,285,979</u>	 <u>1,349,637,555</u>
 <b><u>NET ASSETS</u></b>		
Restricted Net Assets	13,676,360	12,416,607
Unrestricted Net Assets	576,600,846	541,894,085
Noncontrolling Interests in Subsidiaries	192,469,274	178,630,875
	<u>782,746,480</u>	<u>732,941,567</u>
 <b><u>TOTAL LIABILITIES AND NET ASSETS</u></b>	 <u><u>2,102,032,459</u></u>	 <u><u>2,082,579,122</u></u>

**Mountain States Health Alliance**  
**Statement of Revenue and Expense (Unaudited)**  
*The quarters and fiscal years to date ended June 30, 2015 and June 30, 2014*

	FY15 QTR 4	FY14 QTR 4	FY15 FYTD	FY14 FYTD
<b><u>Revenue, Gains and Support</u></b>				
Patient Service Revenue, Net of Contractual Allowances and Discounts	289,795,372	281,389,328	1,130,185,863	1,050,425,737
Provision for Bad Debt	-27,144,493	-41,547,073	-127,519,913	-122,641,682
<b>Net Patient Service Revenue</b>	<b>262,650,879</b>	<b>239,842,254</b>	<b>1,002,665,950</b>	<b>927,784,055</b>
Premium Revenue	10,691,293	4,922,706	32,184,004	10,682,764
Net Investment Gain	15,362,124	2,876,463	16,979,754	50,702,083
Net Derivative Gain	-2,563,842	2,404,275	8,819,155	3,218,556
Other Revenue, Gains and Support	4,970,810	22,672,266	21,346,260	56,826,952
<b>Total Revenue, Gains and Support</b>	<b>291,111,264</b>	<b>272,717,964</b>	<b>1,081,995,122</b>	<b>1,049,214,410</b>
<b><u>Expense</u></b>				
Salaries and Wages	92,652,303	90,583,320	345,179,598	340,589,134
Provider Salaries	20,501,384	20,049,577	77,342,209	77,636,096
Contract Labor	1,092,149	1,435,192	5,408,641	4,282,340
Employee Benefits	22,541,095	17,559,713	77,338,822	69,173,502
Fees	32,182,587	28,132,750	120,288,152	115,606,414
Supplies	44,177,145	41,634,341	176,040,142	163,698,766
Utilities	4,162,439	4,426,345	16,796,712	17,052,090
Medical Costs	11,918,777	4,887,012	31,924,623	10,292,244
Other Expense	17,620,554	17,597,906	81,870,835	79,979,992
Loss on Extinguishment of LTD / Derivatives	0	0	0	4,622,060
Depreciation	16,575,758	11,832,247	67,210,326	69,436,735
Amortization	382,197	389,509	1,556,991	1,741,757
Interest & Taxes	10,764,099	10,948,228	43,695,595	44,391,756
Consolidation Allocation	-0	0	1	0
<b>Total Expenses</b>	<b>274,570,488</b>	<b>249,476,141</b>	<b>1,044,652,648</b>	<b>998,502,886</b>
<b>Excess of Revenue, Gains and Support over Expenses and Losses</b>	<b>16,540,776</b>	<b>23,241,823</b>	<b>37,342,474</b>	<b>50,711,524</b>

**MOUNTAIN STATES HEALTH ALLIANCE (Consolidated)**  
**UNAUDITED QUARTERLY DISCLOSURE - FY 2015 - Fourth Quarter ending June 30, 2015**  
**Historical Maximum Annual Debt Service Coverage**

<u>Calculation:</u>	<u>Fourth Quarter ending June 30, 2015</u>	<u>Twelve Months ending June 30, 2015</u>
Income available for debt service		
Excess of revenue over expenses (before extraord. items)	\$ 19,342,946	\$ 40,865,486
Plus depreciation expense	16,575,758	67,210,326
Plus amortization expense	382,197	1,556,990
<u>Plus interest expense</u>	<u>10,773,032</u>	<u>43,737,237</u>
Subtotal	47,073,933	153,370,039
<i>Annualized quarterly total income available for debt service</i>	<i>x 4</i>	<i>n/a</i>
<b>Total income available for debt service</b>	<b><u>188,295,732</u></b>	<b><u>153,370,039</u></b>
<b>Maximum annual debt service</b>	<b><u>67,254,000</u></b>	<b><u>67,254,000</u></b>
<b>Maximum annual debt service coverage</b>	<b><u>2.8</u></b>	<b><u>2.3</u></b>





***Management Discussion  
For the Quarter Ended March 31, 2015  
and Nine Months Fiscal Year to Date 2015***

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**Volumes**

***Quarter ended March 31, 2015 versus quarter ended March 31, 2014***

For the third quarter, strong volume growth continued even with higher than normal inclement winter weather:

Inpatient admissions were up 1,215 or 8.4%

Observation patients were down 241 or 4.1%.

Total "patients in a bed" were up 974 or 4.8%

Emergency room visits were up 3,960 or 6.8%

Urgent care visits were up 1,827 or 7.9%

Surgeries were up 236 or 2.7%

***Fiscal Year to Date (Three Quarters)***

Compared to the prior year fiscal year to date:

Inpatient admissions were up 3,989 or 9.5%

Observation patients were down 965 or 5.2%

Total "patients in a bed" were up 3,024 or 5.0%

Emergency room visits were up 12,675 or 7.1%

Urgent care visits were up 7,425 or 11.4%

Surgeries were up 1,597 or 6.2%

**Statement of Revenue and Expenses**

***Quarter ended March 31, 2015 versus quarter ended March 31, 2014***

**Revenue**

**Net patient service revenue** increased \$17.6 million or 7.6% from the same quarter last year due to the volume increases listed above. **Other** revenue declined \$7.7 million or 79.7% mainly due to an increase in minority interest related to the non-wholly owned hospitals. **Premium** revenue increased \$5.5 million or 120.9% due to an increase in covered lives in the system owned health plan.

**Expenses**

**Salaries and benefits** increased \$3.8 million or 3.2% as a result of the volume noted above. FTEs per AOB for the quarter declined from 4.33 to 4.27 due to a continued focus on daily labor management.

**Supply cost** as a % of net for the quarter increased slightly to 17.8% from 17.7% and is mainly due to the higher costs of specialty drugs.

**Fees** increased \$1.0 million or 3.4% primarily due to an increase in physician fees.

**Medical costs** increased \$5.1 million or 119% due to an increase in covered lives in the system owned health plan.

**All other** expenses increased \$.4 million or 1.8% primarily due to an increase in maintenance contracts.

**Interest** expense declined by \$.4 million or 3.5%.

**Depreciation/Amortization** expense declined by \$2.5 million or 12.8%.

**Operating EBITDA** of \$36.4 million was above the same quarter last year by \$9.1 million or 33.1%.

### ***Fiscal Year to Date (Three Quarters)***

**Net patient service revenue** increased \$52.1 million or 7.6% from the same quarter last year due to the volume increases listed above. **Other** revenue declined \$17.8 million or 52.1% due mainly due an increase in minority interest related to the non-wholly owned hospitals and meaningful use dollars received in the prior year. **Premium** revenue increased \$15.7 million or 273.1% due to an increase in covered lives in the system owned health plan.

**Salaries and benefits** (including contract labor) increased \$6.4 million or 1.8% as a result of the volume noted above. FTEs per AOB of 4.36 declined from 4.54 for the prior fiscal year to date due to a continued focus on daily labor management.

**Supply cost** as a % of net for the fiscal year to date increase slightly to 17.8% from 17.7% in the prior fiscal year to date. The increase is mainly due to the higher costs of specialty drugs.

**Fees** increased \$.6 million or 0.7% primarily due to an increase in physician fees.

**Medical costs** increased \$14.6 million or 270.1% due to an increase in covered lives in the system owned health plan.

**All other** expenses increased \$1.9 million or 2.5% primarily due to an increase in maintenance contracts.

**Interest** expense declined by \$.5 million or 1.5%.

**Depreciation/Amortization** expense declined by \$7.1 million or 12.1%.

**Operating EBITDA** of \$103.1 million was above the same three quarters last year by \$30.2 million or 41.5%.

### ***Balance Sheet***

The only significant changes were a result of the normal annual debt service payments. Other noteworthy items are: (1) increase in net accounts receivable of \$15.9 million due to the increase in volume and increase in utilization of high deductible health plans resulting in an increase in patient liability and a longer collection cycle (2) decrease in the fair value of the interest rate swaps of \$7.0 million and (3) increase in deferred income of \$11.7 million. The deferred income is mainly related to investment earnings and will be included in earnings at the end of the fiscal year.

## Statistics:

The following table contains historical utilization statistics and payor mix for the quarters and fiscal years to date ended March 31, 2015 and March 31, 2014.

	Q3 FY15	Q3 FY14	YTD FY15	YTD FY14
Admissions	15,753	14,538	46,182	42,193
Observation Patients	5,630	5,871	17,469	18,434
<b>Patients in Bed</b>	<b>21,383</b>	<b>20,409</b>	<b>63,651</b>	<b>60,627</b>
Patient Days	74,833	71,613	213,313	204,452
Average Length of Stay	4.75	4.93	4.62	4.85
Average Daily Census (incl. observation patients)	894	861	842	813
Emergency Room Visits	62,282	58,322	190,768	178,093
Urgent Care Visits	24,890	23,063	72,384	64,959
Inpatient Surgeries	2,842	2,660	8,453	8,162
Outpatient Surgeries	5,977	5,923	18,817	17,511
<b>Total Surgical Cases</b>	<b>8,819</b>	<b>8,583</b>	<b>27,270</b>	<b>25,673</b>
FTEs	7,077	6,949	7,012	7,015
FTEs per AOB	4.27	4.33	4.36	4.54

<b>Payor Mix</b>	<b>YTD FY15</b>	<b>YTD FY14</b>
Medicare	29.6%	32.0%
Managed Medicare	21.3%	19.7%
TennCare/Medicaid	14.1%	14.5%
Managed Care/Other	27.8%	26.1%
Self-Pay	7.2%	7.7%
	<b>100.0%</b>	<b>100.0%</b>



## Management Discussion For the Quarter Ended June 30, 2015 and Twelve Months Fiscal Year to Date 2015

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### Volumes

#### **Quarter ended June 30, 2015 versus quarter ended June 30, 2014**

For the fourth quarter, strong volume growth continued.

Inpatient admissions were up 1,020 or 6.9%

Observation patients were up 154 or 2.7%.

Total "patients in a bed" were up 1,174 or 5.7%

Emergency room visits were up 3,576 or 5.8%

Urgent care visits were up 1,695 or 8.7%

Surgeries were down 215 or 2.3%

#### **Fiscal Year to Date (Four Quarters)**

Compared to the prior year fiscal year to date:

Inpatient admissions were up 5,009 or 8.8%

Observation patients were down 811 or 3.3%

Total "patients in a bed" were up 4,198 or 5.2%

Emergency room visits were up 16,251 or 6.8%

Urgent care visits were up 9,120 or 10.8%

Surgeries were up 1,382 or 3.9%

### Statement of Revenue and Expenses

#### **Quarter ended June 30, 2015 versus quarter ended June 30, 2014**

##### **Revenue**

**Net patient service revenue** increased \$22.8 million or 9.5% from the same quarter last year due to the volume increases listed above. **Other** revenue declined \$17.7 million or 78.1% mainly due to a decrease in Meaningful Use and an increase in minority interest related to the non-wholly owned hospitals. **Premium** revenue increased \$5.8 million or 117.2% due to an increase in covered lives in the system owned health plan.

##### **Expenses**

**Salaries and benefits** increased \$7.2 million or 5.5% as a result of increased medical and pharmacy claims and the volume noted above. FTEs per AOB for the quarter increased slightly from 4.34 to 4.37.

**Supply cost** as a % of net for the quarter decreased from 17.4% to 16.8%.

**Fees** increased \$4.0 million or 14.4% primarily due to an increase in physician fees.

**Medical costs** increased \$7.0 million or 143.9% due to an increase in covered lives in the system owned health plan.

**All other** expenses decreased \$.2 million or 1.1% primarily due to a decrease in utilities.

**Interest** expense declined by \$.2 million or 1.7%.

**Depreciation/Amortization** expense increased by \$4.7 million or 38.8%.

**Operating EBITDA** of \$42.7 million was below the same quarter last year by \$10.5 million or 19.7% due mainly to a decrease in meaningful use.

### **Fiscal Year to Date (Four Quarters)**

**Net patient service revenue** increased \$74.9 million or 8.1% from the prior fiscal year due to the volume increases listed above. **Other** revenue declined \$35.5 million or 62.4% due mainly to an increase in minority interest related to the non-wholly owned hospitals, meaningful use dollars and the Medicare Shared Savings received in the prior year. **Premium** revenue increased \$21.5 million or 201.3% due to an increase in covered lives in the system owned health plan.

**Salaries and benefits** (including contract labor) increased \$13.6 million or 2.8% as a result of increased medical and pharmacy claims and the volume noted above. FTEs per AOB of 4.36 declined from 4.49 for the prior fiscal year to date due to a continued focus on daily labor management.

**Supply cost** as a % of net for the fiscal year to date is equal to the prior fiscal year to date at 17.6%.

**Fees** increased \$4.7 million or 4.0% primarily due to an increase in physician fees.

**Medical costs** increased \$21.6 million or 210.2% due to an increase in covered lives in the system owned health plan.

**All other** expenses increased \$1.6 million or 1.7% primarily due to an increase in maintenance contracts.

**Interest** expense declined by \$.7 million or 1.6%.

**Depreciation/Amortization** expense declined by \$2.4 million or 3.4%.

**Operating EBITDA** of \$145.8 million was above the prior fiscal year by \$19.8 million or 15.7%.

### **Balance Sheet**

The only significant changes were a result of the normal annual debt service payments and an increase in cash and investments of 68.6 million due to improved operating results and market performance.

## Statistics:

The following table contains historical utilization statistics and payor mix for the quarters and fiscal years to date ended June 30, 2015 and June 30, 2014.

	Q4 FY15	Q4 FY14	YTD FY15	YTD FY14
Admissions	15,867	14,847	62,049	57,040
Observation Patients	5,938	5,784	23,407	24,218
<b>Patients in Bed</b>	<b>21,805</b>	<b>20,631</b>	<b>85,456</b>	<b>81,258</b>
Patient Days	72,893	70,117	286,206	274,569
Average Length of Stay	4.59	4.72	4.61	4.81
Average Daily Census (incl. observation patients)	866	834	848	819
Emergency Room Visits	65,089	61,513	255,857	239,606
Urgent Care Visits	21,265	19,570	93,649	84,529
Inpatient Surgeries	2,857	2,849	11,310	11,011
Outpatient Surgeries	6,370	6,593	25,187	24,104
<b>Total Surgical Cases</b>	<b>9,227</b>	<b>9,442</b>	<b>36,497</b>	<b>35,115</b>
FTEs	7,251	7,010	7,071	7,014
FTEs per AOB	4.37	4.34	4.36	4.49

	YTD FY15	YTD FY14
<b>Payor Mix</b>		
Medicare	29.3%	31.5%
Managed Medicare	21.7%	19.8%
TennCare/Medicaid	14.0%	14.4%
Managed Care/Other	27.9%	26.7%
Self Pay	7.1%	7.5%
	<b>100.0%</b>	<b>100.0%</b>