



**NASSAU HEALTH CARE CORPORATION  
& SUBSIDIARIES**

**OPERATING BUDGET**

**FISCAL YEAR ENDED DECEMBER 31, 2010**

**Approved:** September 21, 2009  
**Revised** October 28, 2009

**Nassau Health Care Corporation and Subsidiaries**  
**Operating Budget For Twelve Months Ending December 31, 2010**  
**Index I**

	<b><u>PAGE</u></b>
<b>Section 1 - Narrative</b>	
Executive Summary	2
Facility Specific Operating Assumptions:	
Nassau University Medical Center	5
A. Holly Patterson Extended Care Facility	7
Community Health Centers	8
<b>Section 2 - Comparative Financial Statement Presentation</b>	
<b><u>Nassau Health Care Corporation and Subsidiaries- Consolidated</u></b>	
Projected Revenue & Expenses - Comparative	12
Budgeted Revenue & Expenses - FY 2010 monthly	13
Budgeted Cash Flows - FY 2010 monthly	14
<b><u>Nassau University Medical Center</u></b>	
Projected Revenue & Expenses - Comparative	16
Budgeted Revenue & Expenses - FY 2010 monthly	17
Key Operating Statistics	18
Key Operating Statistics - graphs	20
<b><u>A. Holly Patterson Extended Care Facility</u></b>	
Projected Revenue & Expenses - Comparative	28
Budgeted Revenue & Expenses - FY 2010 monthly	29
Key Operating Statistics	30
Key Operating Statistics - graphs	31
<b><u>Community Health Centers</u></b>	
Projected Revenue & Expenses - Comparative	32
Budgeted Revenue & Expenses - FY 2010 monthly	33
Key Operating Statistics	34
<b><u>Physician Faculty Practice Plan</u></b>	
Projected Revenue & Expenses - Comparative	35
Budgeted Revenue & Expenses - FY 2010 monthly	36
<b><u>Nassau Health Care Corp., LTD.</u></b>	
Projected Revenue & Expenses - Comparative	37
Budgeted Revenue & Expenses - FY 2010 monthly	38

## EXECUTIVE SUMMARY

The Nassau Health Care Corporation (NHCC) has had another year of “ups and downs” during 2009. In March of 2008, the credit crisis on Wall Street marked the beginning of what has been a very bumpy road in 2008 and continued in 2009. NHCC’s bond standby letters of credit needed to be restructured and replaced by direct pay letters of credit resulting in approximately \$3 million of unanticipated interest cost for the first four months of 2009, and avoided an additional \$4-\$5 million by executing the transaction by April 1, 2009. The New York State budget cuts in June cost NHCC approximately \$11.2 million. By mid-year these unexpected costs would have NHCC projecting a \$30-\$35 million loss for 2009. On the positive side, we were successful in receiving \$5 million of HEAL VIII funds to help A. Holly Patterson with its transition to a 320 bed nursing home, \$3 million of which was recognized in 2009. Management was successful in working with the New York State Department of Health (DOH) in adjusting its Intergovernmental Transfer Payments (IGT) by approximately \$30 million to offset the impact of budget cuts, etc., noted above. Finally, management was successful in executing a \$9 million expense reduction plan, primarily relating to staffing efficiencies, in June 2009.

NHCC’s projected \$384,000 surplus for 2009, before “Other Operating Items” is comprised of net income (loss); NUMC (\$.8) million; AHP \$4.2 million; and Community Health Centers (\$3) million.

In accordance with NHCC’s Strategic Plan issued in August 2007, NHCC has made the following progress on its long-term strategic initiatives:

- Received the AHP Replacement Certificate of Need (CON) approval from the New York State Department of Health (NYS DOH) on June 30, 2008, and is currently seeking Housing and Urban Development (HUD) financing with the expectation of beginning construction in early 2010.
- August 2009 – Opened a state of the art 29 chair satellite dialysis division at AHP.
- Secured new locations for both the Hempstead and Freeport Community Health Centers.

These programs add significantly to patient volumes and related revenue and have been factored into the 2010 budget accordingly.

## EXECUTIVE SUMMARY (Continued)

The 2010 budget (“budget”), after trending revenues and expenses accordingly and assuming relatively consistent patient volumes compared to 2009 results in a baseline deficit of approximately \$19.6 million (“the baseline gap.”). Management has identified approximately \$11.1 million of gap closing revenue and expense initiatives to essentially produce an \$8.5 million budget deficit for 2010.

Historically, NHCC management was successful in achieving approximately \$260 million of its previous year’s initiatives, which have cumulatively yielded ongoing bottom line improvement. The values of these past initiatives by year are: \$36 million in 2001, \$26 million in 2002, \$41 million in 2003, \$54 million in 2004, \$15 million in 2005, \$16 million in 2006, \$21 million in 2007, \$21 million in 2008 and \$30 million in 2009.

NHCC is budgeted to produce a consolidated baseline net loss of \$19.6 million during fiscal year 2010 before revenue and expense initiatives, and \$8.5 million deficit after the successful implementation of such initiatives (before non-cash items including: 1) change in fair value of derivative instruments and 2) amortization of refunding loss and 3) other post-employment benefits.

This consolidated deficit is divided among the enterprises as follows: Nassau University Medical Center (“NUMC”), A. Holly Patterson Extended Care Facility (“AHPECF”), the Community Health Centers (“CHC’s”) and NHCC, Ltd. (“LTD”) are projected to produce net income (losses) of (\$17.1) million, \$8.7 million, (\$1.1) million, \$1.0 million, respectively.

Consolidated cash flow from operations is budgeted at positive \$9.1 million. Investment income is projected to generate \$.5 million, and budgeted capital expenditures from operations are projected at \$7 million, resulting in a projected ending unrestricted cash balance of \$7.6 million.

The 2010 budget will be an ongoing process and is presented as a working document. Management will be continually reviewing areas of possible expense reduction and revenue enhancement throughout the year. To assure fiscal responsibility and accountability on behalf of NHCC, all expenditures and staffing requirements as presented in this budget will be subject to the review, evaluation and approval of management.

## FACILITY SPECIFIC ASSUMPTIONS

### Nassau University Medical Center

#### Revenue Assumptions

Baseline patient day and discharge volumes for fiscal 2010 are projected on the basis of 8 months of actual utilization in fiscal 2009, and reflect seasonal fluctuations within inpatient service areas. The budget assumes that fiscal 2010 volume will increase by 0.05% or 114 discharges. The 114 discharges relates to inpatient growth from the expansion of the renal dialysis unit from 13 to 29 chairs. The growth will be realized effective 7/1/10.

<b>Year</b>	<b>DISCHARGE VOLUMES</b>	<b>% CHANGE FROM PREVIOUS YEAR</b>
2000	21,554	3.75%
2001	21,914	1.67%
2002	22,475	2.56%
2003	24,043	6.98%
2004	22,728	(5.47%)
2005	22,894	0.73%
2006	22,500	(1.72%)
2007	23,175	3.00%
2008	23,883	3.06%
2009 Projected	23,970	0.36%
2010 Budget	24,084	0.48%

Net Patient service revenue is projected to increase by \$10.4 million over projected 2009 revenue. The increase is related to reimbursement rate increases and appeals of \$5.3 million, revenue cycle improvements of \$2.0 million, and \$3.1 million from increase or expansion of existing services.

Medicaid and Medicare case mix indexes (“CMI”) are budgeted at the 2009 level of 1.13 and 1.30, respectively.

## FACILITY SPECIFIC ASSUMPTIONS

### Nassau University Medical Center (Continued)

#### Expense Assumptions

Salary and Fringe Benefit expense has been budgeted at \$271.6 million, an increase of \$4.0 million from the 2009 projected actual. A zero rate increase effective January 1, 2010, a step increase throughout 2010, nurse staffing efficiencies implemented in July 2009, along with the anticipated fringe benefit changes account for the increase.

Supplies expense are projected to decrease \$463,000 or 2.0% from the 2009 projected actual as a direct result of various supply chain initiatives.

General expenses are projected to increase \$3.8 million or 6.16% from the 2009 projected actual. An overall inflation factor of 3.0% on general expenses and a 7% inflation factor on Pharmaceuticals have been factored into the 2010 Budget.

Utilities are projected to increase \$2.1 million or 9.9% from the 2009 projected actual.

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

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

Bad Debt expense is budgeted at \$42.6 million, which represents 12.74% of total patient revenue compared with 13.30% anticipated for 2009. This reduction directly relates to the addition of cases with a higher proportion of insurance coverage.

## FACILITY SPECIFIC ASSUMPTIONS

### A. Holly Patterson Extended Care Facility

#### **Revenue Assumption**

Occupancy levels are projected at 99.4%, or an average daily census (ADC) of 585 for 2010. This compares to 98.8% or an ADC of 582 projected for 2009.

Operating Revenue is projected to decrease by \$1,313,000. The revenue decrease consists of:

1) Rate & volume increase	\$ 572,000
2) Regional Pricing (Eff. 4/1/10)	(7,052,000)
3) Additional Impact of 2009 budget on 2010	(1,101,000)
4) IGT payment / Mission Payment	17,209,000
5) State Aid	(960,000)
5) Other	<u>19,000</u>
Total	<u>\$8,687,000</u>

#### **Expense Assumptions**

Salary and Fringe Benefit expense has been budgeted at \$44.2 million, an increase of \$2.7 million from the 2009 projected actual. A zero rate increase effective January 1, 2009, a step increase throughout 2010, and full longevity payment per the Stabilization agreement, along with an increase of 7 FTE's account for this increase.

Supplies expense and General expenses are projected to increase \$.9 million or 9% from the 2009 projected actual.

Utilities are projected to increase \$121,000 or 5.3% from the 2009 projected actual.

## FACILITY SPECIFIC ASSUMPTIONS

### Community Health Centers

#### Revenue Assumptions

Visit volumes for fiscal 2010 are based on the August 2009 visits per clinic day with a projected 5.6% increase. This will yield an increase of 4,528 visits for 2010 or \$376,000 in Net Patient Service Revenue.

<b>Year</b>	<b>Visits</b>	<b>% CHANGE FROM PREVIOUS YEAR</b>
2000	66,119	
2001	57,257	(13.4%)
2002	57,278	0.0%
2003	56,196	(1.9%)
2004	50,970	(9.3%)
2005	65,075	27.7%
2006	65,415	0.5%
2007	69,128	5.7%
2008	78,897	14.1%
2009 Projected	81,357	3.1%
2010 Budgeted	85,885	5.6%

Operating revenue is projected to increase by \$1,221,000 over projected 2009 revenue. This increase is related to a \$1,126,000 increase for volume and reimbursement rates, increase in State Aid of \$101,000 offset by a decrease in investment income of \$6,000.

#### Expenses

Salary and Fringe Benefit expense has been budgeted at \$11.4 million, an increase of \$248,000 from the 2009 projected level. A restructuring of Skill Mix at the centers during 2009, offset by a zero rate increase effective January 1, 2009, a step increase throughout 2009, a full longevity payment per the Stabilization agreement, along with the anticipated fringe benefit changes account for the increase.

This page intentionally left blank

This page intentionally left blank

This page intentionally left blank

**SECTION TWO**

**OPERATING BUDGET**

**FISCAL YEAR ENDED DECEMBER 31, 2010**

**COMPARATIVE FINANCIAL STATEMENT  
PRESENTATION**

**Nassau Health Care Corporation and Subsidiaries**  
**Projected Revenue & Expenses**  
**Consolidated**  
**Comparative**  
(In Thousands)

	<u>Audited *</u> <u>FYE</u> <u>12/31/2001</u>	<u>Audited *</u> <u>FYE</u> <u>12/31/2002</u>	<u>Audited *</u> <u>FYE</u> <u>12/31/2003</u>	<u>Audited *</u> <u>FYE</u> <u>12/31/2004</u>	<u>Audited *</u> <u>FYE</u> <u>12/31/2005</u>	<u>Audited *</u> <u>FYE</u> <u>12/31/2006</u>	<u>Audited *</u> <u>FYE</u> <u>12/31/2007</u>	<u>Audited *</u> <u>FYE</u> <u>12/31/2008</u>	<u>Actual</u> <u>YTD</u> <u>08/31/2009</u>	<u>2009</u> <u>Projected</u> <u>SEPT</u>	<u>2009</u> <u>Projected</u> <u>OCT</u>	<u>2009</u> <u>Projected</u> <u>NOV</u>	<u>2009</u> <u>Projected</u> <u>DEC</u>	<u>Projected</u> <u>FYE</u> <u>12/31/2009</u>	<u>Budgeted</u> <u>FYE</u> <u>12/31/2010</u>
<b>Operating Revenues:</b>															
Net patient service revenue	373,413	386,383	396,703	382,419	372,804	383,494	397,313	412,148	277,081	33,144	34,267	32,161	33,226	409,879	415,919
NYS Intergovernmental transfer	9,393	8,853	10,172	13,524	11,339	41,625	31,144	41,664	17,549	2,193	9,985	2,193	23,784	55,704	70,981
Nassau County Billings	26,097	27,987	31,600	26,712	36,642	28,480	33,068	41,383	23,544	2,943	2,943	2,943	2,943	35,316	30,663
Historical Mission Payments	18,000	18,000	18,000	18,000	18,000	2,808	16,064	18,000	12,000	1,500	1,500	1,500	1,500	18,000	5,000
Federal & State Aid	3,801	10,614	7,711	8,716	7,739	3,560	8,449	9,651	2,215	276	276	276	4,321	7,364	5,160
Practice Plan Revenue	-	-	-	-	-	665	-	-	-	-	-	-	-	-	-
Investment Income	6,778	3,730	2,968	4,657	2,078	4,317	5,148	2,802	1,335	155	155	155	155	1,955	1,592
Miscellaneous	8,463	12,155	12,399	12,063	14,094	13,958	14,120	16,408	10,222	1,346	1,346	1,346	1,346	15,606	15,940
<b>Total operating revenue</b>	<b>445,945</b>	<b>467,722</b>	<b>479,553</b>	<b>466,091</b>	<b>462,696</b>	<b>478,907</b>	<b>505,306</b>	<b>542,056</b>	<b>343,946</b>	<b>41,557</b>	<b>50,472</b>	<b>40,574</b>	<b>67,275</b>	<b>543,824</b>	<b>545,255</b>
<b>Operating Expenses:</b>															
Salaries	241,280	232,053	229,566	210,369	207,896	218,299	229,099	251,404	167,158	20,415	21,068	20,415	21,068	250,124	248,710
Fringe Benefits	46,361	53,381	59,831	73,412	70,246	67,095	80,342	82,826	54,500	6,474	6,687	6,474	6,687	80,822	89,179
Supplies	18,593	20,778	23,834	23,404	22,659	23,101	23,737	26,507	17,910	2,285	2,362	2,285	2,362	27,204	26,705
Expenses	84,533	80,423	89,308	81,597	80,386	77,718	77,682	87,767	55,186	6,948	7,148	6,948	7,148	83,378	86,693
Utilities	16,918	15,426	16,398	17,470	20,721	21,934	21,432	23,393	16,413	1,931	1,996	1,933	1,998	24,271	26,462
Depreciation Expense	11,929	12,844	13,880	13,713	14,637	15,549	15,712	16,451	11,547	1,310	1,310	1,310	1,310	16,787	17,818
Interest & Amortization	14,680	14,634	14,769	14,581	12,690	13,271	11,540	13,678	9,898	977	977	977	977	13,806	11,450
Bad Debt Expense	53,139	55,176	49,676	49,751	46,024	53,936	50,624	50,900	32,090	3,654	4,205	3,521	3,578	47,048	46,731
<b>Total operating expenses</b>	<b>487,433</b>	<b>484,715</b>	<b>497,262</b>	<b>484,297</b>	<b>475,259</b>	<b>490,903</b>	<b>510,168</b>	<b>552,926</b>	<b>364,702</b>	<b>43,994</b>	<b>45,753</b>	<b>43,863</b>	<b>45,128</b>	<b>543,440</b>	<b>553,748</b>
<b>Gain (Loss) From Operations</b>	<b>(41,488)</b>	<b>(16,993)</b>	<b>(17,709)</b>	<b>(18,206)</b>	<b>(12,563)</b>	<b>(11,996)</b>	<b>(4,862)</b>	<b>(10,870)</b>	<b>(20,756)</b>	<b>(2,437)</b>	<b>4,719</b>	<b>(3,289)</b>	<b>22,147</b>	<b>384</b>	<b>(8,493)</b>
<b>Other Operating Items:</b>															
Other Post Employment Benefits	-	-	-	-	-	-	(42,482)	(40,708)	(13,808)	(6,904)	(6,904)	(6,904)	(6,904)	(41,424)	(41,424)
Change in Derivative Instruments	-	-	(8,596)	(3,687)	1,477	3,498	(7,181)	(33,616)	17,714	-	-	-	-	17,714	43,715
Grants for Capital Asset Acquisition	-	-	-	-	-	-	20,773	71,888	21,785	7,967	9,766	1,974	30,734	72,226	-
Amortization of Refunding Loss	-	-	-	(991)	(2,371)	(2,353)	(2,334)	(2,308)	(1,534)	(190)	(190)	(190)	(190)	(2,294)	(2,291)
<b>Total Other Operating Items</b>	<b>-</b>	<b>-</b>	<b>(8,596)</b>	<b>(4,678)</b>	<b>(894)</b>	<b>1,145</b>	<b>(31,224)</b>	<b>(4,744)</b>	<b>24,157</b>	<b>873</b>	<b>2,672</b>	<b>(5,120)</b>	<b>23,640</b>	<b>46,222</b>	<b>-</b>
<b>Net income (loss)</b>	<b>(41,488)</b>	<b>(16,993)</b>	<b>(26,305)</b>	<b>(22,884)</b>	<b>(13,457)</b>	<b>(10,851)</b>	<b>(36,086)</b>	<b>(15,614)</b>	<b>3,401</b>	<b>(1,564)</b>	<b>7,391</b>	<b>(8,409)</b>	<b>45,787</b>	<b>46,606</b>	<b>(8,493)</b>

\* Captive not eliminated / NHCF Eliminated

**Nassau Health Care Corporation and Subsidiaries**

**Budgeted Revenue & Expenses**

**Consolidated**

For the twelve months ended 12/31/10

(In Thousands)

	2010 Budgeted												2010	Projected FYE	Audited FYE
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	12/31/2009	12/31/2008
<b>Operating Revenues:</b>															
Net patient service revenue	35,012	33,134	35,644	34,904	34,413	34,276	35,754	34,844	34,100	35,571	33,547	34,720	415,919	409,879	412,148
NYS Intergovernmental transfer	5,915	5,915	5,915	5,915	5,915	5,915	5,915	5,915	5,915	5,915	5,915	5,916	70,981	55,704	41,664
Nassau County Billings	2,555	2,555	2,555	2,555	2,555	2,555	2,555	2,555	2,555	2,556	2,556	2,556	30,663	35,316	41,383
Historical Mission Payments	417	417	417	417	417	417	417	417	416	416	416	416	5,000	18,000	18,000
Federal & State Aid	430	430	430	430	430	430	430	430	430	430	430	430	5,160	7,364	9,651
Practice Plan Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment Income	133	133	133	133	133	133	133	133	132	132	132	132	1,592	1,955	2,802
Miscellaneous	1,328	1,328	1,328	1,328	1,328	1,328	1,328	1,328	1,329	1,329	1,329	1,329	15,940	15,606	16,408
<b>Total operating revenue</b>	<b>45,790</b>	<b>43,912</b>	<b>46,422</b>	<b>45,682</b>	<b>45,191</b>	<b>45,054</b>	<b>46,532</b>	<b>45,622</b>	<b>44,877</b>	<b>46,349</b>	<b>44,325</b>	<b>45,499</b>	<b>545,255</b>	<b>543,824</b>	<b>542,056</b>
<b>Operating Expenses:</b>															
Salaries	21,457	19,492	20,757	20,102	21,107	20,102	21,107	20,757	20,452	21,107	21,152	21,118	248,710	250,124	251,404
Fringe Benefits	7,879	7,152	7,614	7,368	7,714	7,279	7,572	7,373	7,190	7,384	7,363	7,291	89,179	80,822	82,826
Supplies	2,268	2,048	2,268	2,196	2,268	2,196	2,268	2,268	2,196	2,268	2,196	2,265	26,705	27,204	26,507
Expenses	7,346	6,723	7,346	7,138	7,346	7,138	7,346	7,346	7,138	7,346	7,138	7,342	86,693	83,378	87,767
Utilities	2,247	2,031	2,247	2,175	2,247	2,175	2,247	2,247	2,175	2,247	2,175	2,249	26,462	24,271	23,393
Depreciation Expense	1,485	1,485	1,485	1,485	1,485	1,485	1,485	1,485	1,485	1,485	1,484	1,484	17,818	16,787	16,451
Interest & Amortization	955	955	955	955	955	955	955	953	953	953	953	953	11,450	13,806	13,678
Bad Debt Expense	4,769	4,007	4,062	3,733	3,606	3,679	4,183	3,731	3,663	4,162	3,519	3,617	46,731	47,048	50,900
<b>Total operating expenses</b>	<b>48,406</b>	<b>43,893</b>	<b>46,734</b>	<b>45,152</b>	<b>46,728</b>	<b>45,009</b>	<b>47,163</b>	<b>46,160</b>	<b>45,252</b>	<b>46,952</b>	<b>45,980</b>	<b>46,319</b>	<b>553,748</b>	<b>543,440</b>	<b>552,926</b>
<b>Gain (Loss) From Operations</b>	<b>(2,616)</b>	<b>19</b>	<b>(312)</b>	<b>530</b>	<b>(1,537)</b>	<b>45</b>	<b>(631)</b>	<b>(538)</b>	<b>(375)</b>	<b>(603)</b>	<b>(1,655)</b>	<b>(820)</b>	<b>(8,493)</b>	<b>384</b>	<b>(10,870)</b>
<b>Other Operating Items:</b>															
Other Post Employment Benefits	(3,452)	(3,452)	(3,452)	(3,452)	(3,452)	(3,452)	(3,452)	(3,452)	(3,452)	(3,452)	(3,452)	(3,452)	(41,424)	(41,424)	(40,708)
Change in Derivative Instruments	3,644	3,644	3,644	3,644	3,644	3,644	3,644	3,642	3,642	3,641	3,641	3,641	43,715	17,714	(33,616)
Grants for Capital Asset Acquisition	-	-	-	-	-	-	-	-	-	-	-	-	-	72,226	71,888
Amortization of Refunding Loss	(192)	(192)	(192)	(192)	(192)	(192)	(192)	(190)	(190)	(189)	(189)	(189)	(2,291)	(2,294)	(2,308)
<b>Total Other Operating Items</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>46,222</b>	<b>(4,744)</b>
<b>Net income (loss)</b>	<b>(2,616)</b>	<b>19</b>	<b>(312)</b>	<b>530</b>	<b>(1,537)</b>	<b>45</b>	<b>(631)</b>	<b>(538)</b>	<b>(375)</b>	<b>(603)</b>	<b>(1,655)</b>	<b>(820)</b>	<b>(8,493)</b>	<b>46,606</b>	<b>(15,614)</b>

**Nassau Health Care Corporation and Subsidiaries**  
**Budgeted Cash Flow (Unrestricted)**  
**Consolidated**  
**For the twelve months ended 12/31/10**  
(In Thousands)

	<b>2010</b>												
	<b>Budgeted</b>												
	<u>JAN</u>	<u>FEB</u>	<u>MAR</u>	<u>APR</u>	<u>MAY</u>	<u>JUN</u>	<u>JUL</u>	<u>AUG</u>	<u>SEP</u>	<u>OCT</u>	<u>NOV</u>	<u>DEC</u>	<u>TOTAL</u>
<b>Beginning Cash Balance:</b>	\$ 5,000	\$ (2,889)	\$ (872)	\$ 21,888	\$ 19,583	\$ 22,626	\$ 4,547	\$ 1,170	\$ 847	\$ 10,532	\$ 9,702	\$ 17,284	\$ 5,000
<b>Cash Receipts:</b>													
Net patient service revenue	32,022	24,541	26,460	33,316	28,674	26,112	33,805	30,744	26,221	36,165	26,034	26,898	350,992
NYS Intergovernmental transfer	-	-	32,833	-	-	-	-	-	18,917	-	19,231	-	70,981
Nassau County Billings	-	11,125	-	-	11,125	-	-	7,417	-	-	7,417	-	37,084
Historical Mission Payments	417	417	417	417	417	417	417	417	416	416	416	416	5,000
Federal & State Aid	176	744	518	176	744	518	176	744	518	176	744	518	5,752
Practice Plan Revenue	783	783	783	783	783	783	783	783	783	783	783	783	9,396
Miscellaneous	545	545	545	545	545	545	545	545	545	545	545	545	6,540
Investment Income	43	43	43	43	43	43	43	43	43	43	43	43	516
<b>Total cash receipts</b>	<b>33,986</b>	<b>38,198</b>	<b>61,599</b>	<b>35,280</b>	<b>42,331</b>	<b>28,418</b>	<b>35,769</b>	<b>40,693</b>	<b>47,443</b>	<b>38,128</b>	<b>55,213</b>	<b>29,203</b>	<b>486,261</b>
<b>Cash Disbursements:</b>													
Salaries	21,416	17,491	18,636	17,981	18,986	24,581	18,986	18,636	18,331	18,986	25,631	18,997	238,658
Fringe Benefits	7,973	7,263	7,717	7,470	7,816	9,782	7,674	7,476	7,294	7,487	9,867	7,395	95,214
Supplies	2,268	2,048	2,268	2,196	2,268	2,196	2,268	2,268	2,196	2,268	2,196	2,265	26,705
Expenses	6,433	5,810	6,433	6,225	6,433	6,225	6,433	6,433	6,225	6,433	6,225	6,429	75,737
Utilities	2,247	2,031	2,247	2,175	2,247	2,175	2,247	2,247	2,175	2,247	2,175	2,249	26,462
Interest Expense	955	955	955	955	955	955	955	953	953	953	953	953	11,450
Debt Service	-	-	-	-	-	-	-	2,420	-	-	-	-	2,420
<b>Total Cash disbursements</b>	<b>41,292</b>	<b>35,598</b>	<b>38,256</b>	<b>37,002</b>	<b>38,705</b>	<b>45,914</b>	<b>38,563</b>	<b>40,433</b>	<b>37,174</b>	<b>38,374</b>	<b>47,047</b>	<b>38,288</b>	<b>476,646</b>
<b>Cash flow excess(deficit)from operations</b>	<b>(7,306)</b>	<b>2,600</b>	<b>23,343</b>	<b>(1,722)</b>	<b>3,626</b>	<b>(17,496)</b>	<b>(2,794)</b>	<b>260</b>	<b>10,269</b>	<b>(246)</b>	<b>8,166</b>	<b>(9,085)</b>	<b>9,615</b>
<b>Capital Expenditures</b>	<b>583</b>	<b>583</b>	<b>583</b>	<b>583</b>	<b>583</b>	<b>583</b>	<b>583</b>	<b>583</b>	<b>584</b>	<b>584</b>	<b>584</b>	<b>584</b>	<b>7,000</b>
<b>Cash flow excess(deficit)after cap exp</b>	<b>(7,889)</b>	<b>2,017</b>	<b>22,760</b>	<b>(2,305)</b>	<b>3,043</b>	<b>(18,079)</b>	<b>(3,377)</b>	<b>(323)</b>	<b>9,685</b>	<b>(830)</b>	<b>7,582</b>	<b>(9,669)</b>	<b>2,615</b>
<b>Ending Cash Balance:</b>	<b>\$ (2,889)</b>	<b>\$ (872)</b>	<b>\$ 21,888</b>	<b>\$ 19,583</b>	<b>\$ 22,626</b>	<b>\$ 4,547</b>	<b>\$ 1,170</b>	<b>\$ 847</b>	<b>\$ 10,532</b>	<b>\$ 9,702</b>	<b>\$ 17,284</b>	<b>\$ 7,615</b>	<b>\$ 7,615</b>
Restricted Cash	1,400	2,800	4,200	5,600	7,000	8,400	9,800	11,200	12,600	14,000	15,400		
<b>Total Cash</b>	<b>\$ (1,489)</b>	<b>\$ 1,928</b>	<b>\$ 26,088</b>	<b>\$ 25,183</b>	<b>\$ 29,626</b>	<b>\$ 12,947</b>	<b>\$ 10,970</b>	<b>\$ 12,047</b>	<b>\$ 23,132</b>	<b>\$ 23,702</b>	<b>\$ 32,684</b>	<b>\$ 7,615</b>	

*This page intentionally left blank*

**Nassau Health Care Corporation and Subsidiaries**  
**Projected Revenue & Expenses**  
**Nassau University Medical Center**  
**Comparative**  
(In Thousands)

	<u>Audited FYE 12/31/2001</u>	<u>Audited FYE 12/31/2002</u>	<u>Audited FYE 12/31/2003</u>	<u>Audited FYE 12/31/2004</u>	<u>Audited FYE 12/31/2005</u>	<u>Audited FYE 12/31/2006</u>	<u>Audited FYE 12/31/2007</u>	<u>Audited FYE 12/31/2008</u>	<u>Actual YTD 08/31/2009</u>	<u>2009 Projected SEPT</u>	<u>2009 Projected OCT</u>	<u>2009 Projected NOV</u>	<u>2009 Projected DEC</u>	<u>Projected FYE 12/31/2009</u>	<u>Budgeted FYE 12/31/2010</u>
<b>Operating Revenues:</b>															
Net patient service revenue	294,167	301,930	326,952	318,493	299,567	306,303	315,056	314,158	220,046	26,065	26,945	25,146	26,037	324,239	334,601
NYS Intergovernmental transfer	2,100	2,493	4,349	11,406	10,189	40,475	31,144	26,969	12,768	1,596	9,388	1,596	30,356	55,704	50,964
Nassau County Billings	25,322	26,752	31,020	26,201	36,066	27,904	32,500	40,835	23,176	2,897	2,897	2,897	2,897	34,764	30,099
Historical Mission Payments	10,194	10,192	10,192	10,192	10,192	(5,000)	8,256	10,192	6,792	850	850	850	850	10,192	-
Federal & State Aid	1,900	8,769	5,987	6,530	5,652	1,858	5,089	7,604	1,320	165	165	165	1,210	3,025	1,680
Practice Plan Revenue	2,235	9,942	3,762	5,708	8,780	8,780	7,243	7,500	4,533	588	588	588	588	6,885	9,396
Investment Income	4,010	2,375	1,940	3,134	934	2,730	3,119	1,268	282	27	27	27	27	390	420
Miscellaneous	2,589	3,945	3,993	3,694	6,030	6,501	6,276	7,399	3,915	560	560	560	560	6,155	6,480
<b>Total operating revenue</b>	<b>342,517</b>	<b>366,398</b>	<b>388,195</b>	<b>385,358</b>	<b>377,410</b>	<b>389,551</b>	<b>408,683</b>	<b>415,925</b>	<b>272,832</b>	<b>32,748</b>	<b>41,420</b>	<b>31,829</b>	<b>62,525</b>	<b>441,354</b>	<b>433,640</b>
<b>Operating Expenses:</b>															
Salaries	180,080	174,537	178,342	165,634	160,847	170,719	180,901	201,218	135,169	16,506	17,056	16,506	17,056	202,293	200,013
Fringe Benefits	34,409	39,939	46,128	57,132	53,991	52,399	64,248	65,474	44,096	5,220	5,394	5,220	5,394	65,324	71,615
Supplies	16,866	17,090	16,990	18,994	18,955	19,483	19,857	22,361	15,034	1,912	1,976	1,912	1,976	22,810	22,347
Expenses	57,538	58,802	70,173	62,003	61,135	50,850	56,703	62,051	40,843	5,157	5,329	5,157	5,329	61,815	65,625
Utilities	15,537	14,156	15,164	16,047	18,739	20,022	19,344	21,165	14,485	1,764	1,823	1,764	1,823	21,659	23,799
Depreciation Expense	10,126	11,449	12,581	12,481	13,379	14,270	14,439	15,013	10,538	1,189	1,189	1,189	1,189	15,294	16,318
Interest & Amortization	11,225	11,133	11,267	11,029	9,715	10,247	8,568	9,943	8,114	754	754	754	754	11,130	8,359
Bad Debt Expense	50,785	49,995	47,538	47,550	45,259	50,850	45,773	46,659	29,497	3,319	3,829	3,213	3,258	43,116	42,631
<b>Total operating expenses</b>	<b>376,566</b>	<b>377,101</b>	<b>398,183</b>	<b>390,870</b>	<b>382,020</b>	<b>388,840</b>	<b>409,833</b>	<b>443,884</b>	<b>297,776</b>	<b>35,821</b>	<b>37,350</b>	<b>35,715</b>	<b>36,779</b>	<b>443,441</b>	<b>450,707</b>
<b>Gain (Loss) From Operations</b>	<b>(34,049)</b>	<b>(10,703)</b>	<b>(9,988)</b>	<b>(5,512)</b>	<b>(4,610)</b>	<b>711</b>	<b>(1,150)</b>	<b>(27,959)</b>	<b>(24,944)</b>	<b>(3,073)</b>	<b>4,070</b>	<b>(3,886)</b>	<b>25,746</b>	<b>(2,087)</b>	<b>(17,067)</b>
<b>Other Operating Items:</b>															
Other Post Employment Benefits	-	-	-	-	-	-	(33,893)	(32,476)	(11,016)	(5,508)	(5,508)	(5,508)	(5,508)	(33,048)	(33,048)
Change in Derivative Instruments	-	-	(6,050)	(2,727)	1,091	3,393	(5,314)	(24,748)	12,664	-	-	-	-	12,664	34,749
Grants for Capital Asset Acquisition	-	-	-	-	-	-	20,773	47,583	18,761	7,589	9,388	1,596	30,356	67,690	-
Amortization of Refunding Loss	-	-	-	(733)	(1,755)	(1,741)	(1,727)	(1,708)	(1,135)	(141)	(141)	(141)	(141)	(1,699)	(1,701)
<b>Total Other Operating Items</b>	<b>-</b>	<b>-</b>	<b>(6,050)</b>	<b>(3,460)</b>	<b>(664)</b>	<b>1,652</b>	<b>(20,161)</b>	<b>(11,349)</b>	<b>19,274</b>	<b>1,940</b>	<b>3,739</b>	<b>(4,053)</b>	<b>24,707</b>	<b>45,607</b>	<b>-</b>
<b>Net income (loss)</b>	<b>(34,049)</b>	<b>(10,703)</b>	<b>(16,038)</b>	<b>(8,972)</b>	<b>(5,274)</b>	<b>2,363</b>	<b>(21,311)</b>	<b>(39,308)</b>	<b>(5,670)</b>	<b>(1,133)</b>	<b>7,809</b>	<b>(7,939)</b>	<b>50,453</b>	<b>43,520</b>	<b>(17,067)</b>

**Nassau Health Care Corporation and Subsidiaries**  
**Budgeted Revenue & Expenses**  
**Nassau University Medical Center**  
**For the twelve months ended 12/31/10**  
(In Thousands)

	2010 Budgeted												2010	Projected FYE	Audited FYE
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	12/31/2009	12/31/2008
<b>Operating Revenues:</b>															
Net patient service revenue	27,661	26,233	28,173	28,411	27,839	27,782	29,025	28,085	27,511	28,872	27,048	27,961	334,601	324,239	314,158
NYS Intergovernmental transfers	4,247	4,247	4,247	4,247	4,247	4,247	4,247	4,247	4,247	4,247	4,247	4,247	50,964	55,704	26,969
Nassau County Billings	2,508	2,508	2,508	2,508	2,508	2,508	2,508	2,508	2,508	2,509	2,509	2,509	30,099	34,764	40,835
Historical Mission Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	10,192	10,192
Federal & State Aid	140	140	140	140	140	140	140	140	140	140	140	140	1,680	3,025	7,604
Practice Plan Revenue	783	783	783	783	783	783	783	783	783	783	783	783	9,396	6,885	7,500
Investment Income	35	35	35	35	35	35	35	35	35	35	35	35	420	390	1,268
Miscellaneous	540	540	540	540	540	540	540	540	540	540	540	540	6,480	6,155	7,399
<b>Total operating revenue</b>	<b>35,914</b>	<b>34,486</b>	<b>36,426</b>	<b>36,664</b>	<b>36,092</b>	<b>36,035</b>	<b>37,278</b>	<b>36,338</b>	<b>35,764</b>	<b>37,126</b>	<b>35,302</b>	<b>36,215</b>	<b>433,640</b>	<b>441,354</b>	<b>415,925</b>
<b>Operating Expenses:</b>															
Salaries	17,237	15,593	16,737	16,189	16,987	16,189	16,987	16,737	16,439	16,987	16,939	16,992	200,013	202,293	201,218
Fringe Benefits	6,338	5,749	6,159	5,958	6,218	5,872	6,080	5,925	5,750	5,904	5,847	5,815	71,615	65,324	65,474
Supplies	1,898	1,714	1,898	1,837	1,898	1,837	1,898	1,898	1,837	1,898	1,837	1,897	22,347	22,810	22,361
Expenses	5,574	5,034	5,574	5,394	5,574	5,394	5,574	5,574	5,394	5,574	5,394	5,571	65,625	61,815	62,051
Utilities	2,021	1,826	2,021	1,956	2,021	1,956	2,021	2,021	1,956	2,021	1,956	2,023	23,799	21,659	21,165
Depreciation Expense	1,360	1,360	1,360	1,360	1,360	1,360	1,360	1,360	1,360	1,360	1,359	1,359	16,318	15,294	15,013
Interest & Amortization	697	697	697	697	697	697	697	696	696	696	696	696	8,359	11,130	9,943
Bad Debt Expense	4,448	3,693	3,691	3,376	3,273	3,322	3,837	3,372	3,319	3,829	3,213	3,258	42,631	43,116	46,659
<b>Total operating expenses</b>	<b>39,573</b>	<b>35,666</b>	<b>38,137</b>	<b>36,767</b>	<b>38,028</b>	<b>36,627</b>	<b>38,454</b>	<b>37,583</b>	<b>36,751</b>	<b>38,269</b>	<b>37,241</b>	<b>37,611</b>	<b>450,707</b>	<b>443,441</b>	<b>443,884</b>
<b>Gain (Loss) From Operations</b>	<b>(3,659)</b>	<b>(1,180)</b>	<b>(1,711)</b>	<b>(103)</b>	<b>(1,936)</b>	<b>(592)</b>	<b>(1,176)</b>	<b>(1,245)</b>	<b>(987)</b>	<b>(1,143)</b>	<b>(1,939)</b>	<b>(1,396)</b>	<b>(17,067)</b>	<b>(2,087)</b>	<b>(27,959)</b>
<b>Other Operating Items:</b>															
Other Post Employment Benefit	(2,754)	(2,754)	(2,754)	(2,754)	(2,754)	(2,754)	(2,754)	(2,754)	(2,754)	(2,754)	(2,754)	(2,754)	(33,048)	(33,048)	(32,476)
Change in Derivative Instrument	2,896	2,896	2,896	2,896	2,896	2,896	2,896	2,896	2,896	2,895	2,895	2,895	34,749	12,664	(24,748)
Grants for Capital Asset Acquisition	-	-	-	-	-	-	-	-	-	-	-	-	-	67,690	47,583
Amortization of Refunding Loss	(142)	(142)	(142)	(142)	(142)	(142)	(142)	(142)	(142)	(141)	(141)	(141)	(1,701)	(1,699)	(1,708)
<b>Total Other Operating Items</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>45,607</b>	<b>(11,349)</b>
<b>Net income (loss)</b>	<b>(3,659)</b>	<b>(1,180)</b>	<b>(1,711)</b>	<b>(103)</b>	<b>(1,936)</b>	<b>(592)</b>	<b>(1,176)</b>	<b>(1,245)</b>	<b>(987)</b>	<b>(1,143)</b>	<b>(1,939)</b>	<b>(1,396)</b>	<b>(17,067)</b>	<b>43,520</b>	<b>(39,308)</b>

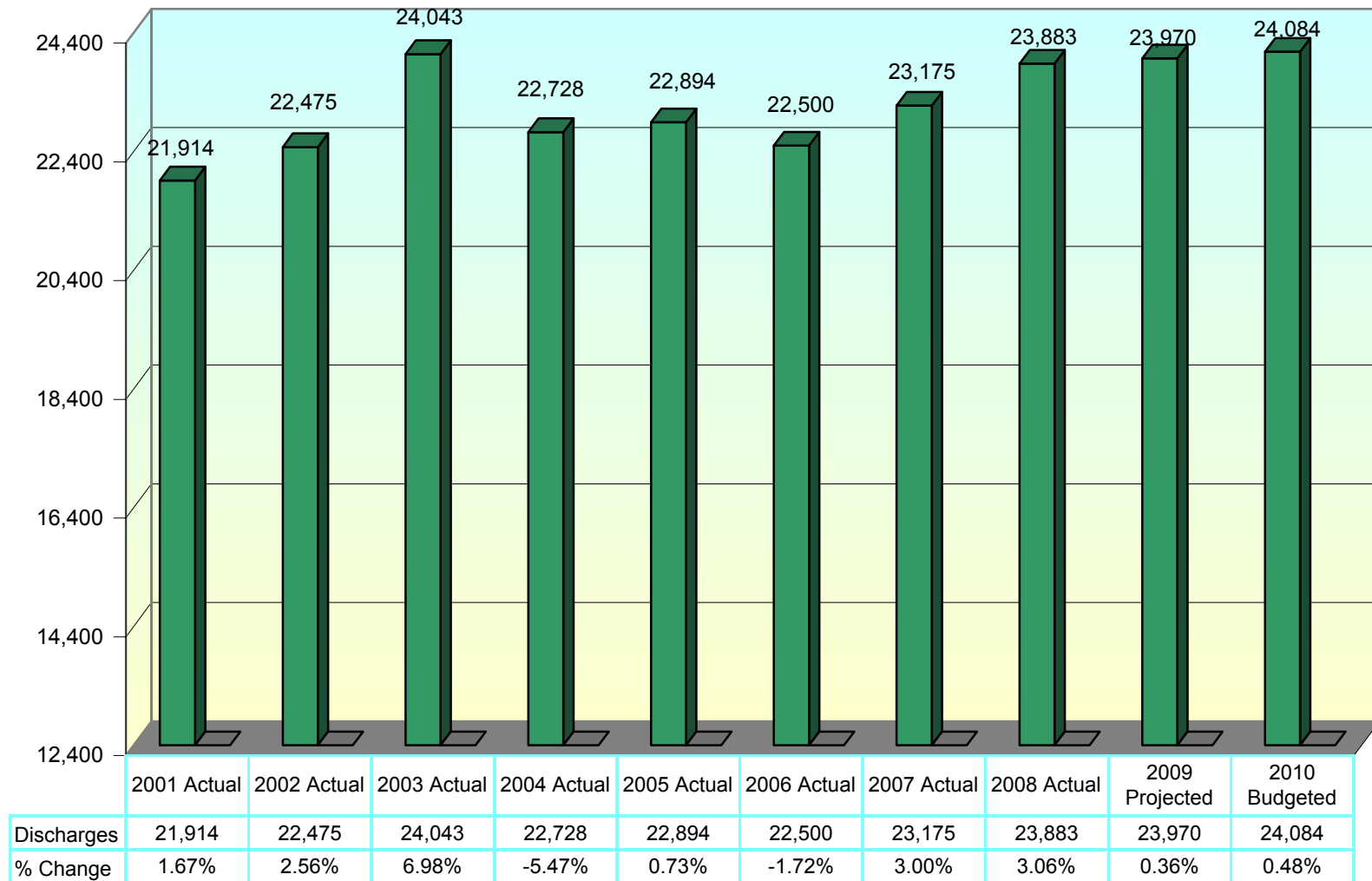
**Nassau Health Care Corporation and Subsidiaries**  
**Key Operating Statistics**  
**Nassau University Medical Center**  
**For the twelve months ended 12/31/10**

	2001 Actual	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Actual	8/2009 Actual	2009 Proj.	2010 Budgeted												
											JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
<b>DISCHARGES:</b>																							
<i>Adult &amp; Peds</i>	17,246	18,359	19,890	19,035	19,250	18,730	18,556	18,893	12,787	19,169	1,556	1,461	1,623	1,643	1,594	1,631	1,657	1,660	1,606	1,644	1,591	1,617	19,283
<i>Psychiatry</i>	2,205	1,709	1,550	1,419	1,414	1,555	1,990	2,168	1,396	2,094	179	182	193	189	187	160	148	158	154	174	169	201	2,094
<i>Chemical Dependency Rehab</i>	-	-	-	-	-	-	239	461	321	479	37	47	42	39	39	37	40	40	39	40	39	40	479
<i>Physical Medicine &amp; Rehab</i>	597	601	740	666	625	535	602	520	300	414	35	33	43	48	32	43	37	29	28	29	28	29	414
<i>Newborn</i>	1,866	1,806	1,863	1,608	1,605	1,680	1,788	1,841	1,188	1,814	156	130	148	159	155	133	148	159	154	159	154	159	1,814
<b>Total</b>	<b>21,914</b>	<b>22,475</b>	<b>24,043</b>	<b>22,728</b>	<b>22,894</b>	<b>22,500</b>	<b>23,175</b>	<b>23,883</b>	<b>15,992</b>	<b>23,970</b>	<b>1,963</b>	<b>1,853</b>	<b>2,049</b>	<b>2,078</b>	<b>2,007</b>	<b>2,004</b>	<b>2,030</b>	<b>2,046</b>	<b>1,981</b>	<b>2,046</b>	<b>1,981</b>	<b>2,046</b>	<b>24,084</b>
<b>PATIENT DAYS:</b>																							
<i>Adult &amp; Peds</i>	87,664	92,598	101,551	89,783	91,568	84,777	80,392	83,941	57,798	88,664	7,436	6,927	7,222	7,424	7,227	7,095	6,831	7,988	7,737	8,090	7,698	8,045	89,720
<i>Psychiatry</i>	29,558	30,626	30,071	30,611	31,246	31,065	35,470	45,839	30,639	45,931	3,885	3,517	3,956	3,897	3,922	3,732	3,812	3,918	3,791	3,813	3,830	3,858	45,931
<i>Chemical Dependency Rehab</i>	-	-	-	-	-	-	5,335	9,836	6,902	10,402	894	772	861	888	832	872	894	889	860	890	860	890	10,402
<i>Physical Medicine &amp; Rehab</i>	8,777	8,151	8,760	7,314	7,391	6,589	6,864	7,323	4,201	5,985	567	538	559	541	519	525	500	452	438	454	438	454	5,985
<i>Newborn</i>	5,405	5,257	5,403	4,808	4,801	4,743	5,143	5,066	3,288	4,972	426	384	418	440	429	368	395	428	414	428	414	428	4,972
<b>Total</b>	<b>131,404</b>	<b>136,632</b>	<b>145,785</b>	<b>132,516</b>	<b>135,006</b>	<b>127,174</b>	<b>133,204</b>	<b>152,005</b>	<b>102,828</b>	<b>155,954</b>	<b>13,208</b>	<b>12,138</b>	<b>13,016</b>	<b>13,190</b>	<b>12,929</b>	<b>12,592</b>	<b>12,432</b>	<b>13,675</b>	<b>13,240</b>	<b>13,675</b>	<b>13,240</b>	<b>13,675</b>	<b>157,010</b>
<b>AVG LENGTH OF STAY:</b>																							
<i>Adult &amp; Peds</i>	5.08	5.04	5.11	4.72	4.76	4.53	4.33	4.44	4.52	4.63	4.78	4.74	4.45	4.52	4.53	4.35	4.12	4.81	4.82	4.92	4.84	4.98	4.65
<i>Psychiatry</i>	13.40	17.92	19.40	21.57	22.10	19.98	17.82	21.14	21.95	21.93	21.70	19.32	20.50	20.62	20.97	23.33	25.76	24.80	24.62	21.91	22.66	19.19	21.93
<i>Chemical Dependency Rehab</i>	-	-	-	-	-	-	22.32	21.34	21.50	21.72	24.16	16.43	20.50	22.77	21.33	23.57	22.35	22.23	22.05	22.25	22.05	22.25	21.72
<i>Physical Medicine &amp; Rehab</i>	14.70	13.56	11.84	10.98	11.83	12.32	11.40	14.08	14.00	14.46	16.20	16.30	13.00	11.27	16.22	12.21	13.51	15.59	15.64	15.66	15.64	15.66	14.46
<i>Newborn</i>	2.90	2.91	2.90	2.99	2.99	2.82	2.88	2.75	2.77	2.74	2.73	2.95	2.82	2.77	2.77	2.77	2.67	2.69	2.69	2.69	2.69	2.69	2.74
<b>Total</b>	<b>6.00</b>	<b>6.08</b>	<b>6.06</b>	<b>5.83</b>	<b>5.90</b>	<b>5.65</b>	<b>5.75</b>	<b>6.36</b>	<b>6.43</b>	<b>6.51</b>	<b>6.73</b>	<b>6.55</b>	<b>6.35</b>	<b>6.35</b>	<b>6.44</b>	<b>6.28</b>	<b>6.12</b>	<b>6.68</b>	<b>6.68</b>	<b>6.68</b>	<b>6.68</b>	<b>6.68</b>	<b>6.52</b>
<b>AVG DAILY CENSUS</b>																							
<i>Adult &amp; Peds</i>	240.2	253.7	278.2	245.3	250.9	232.3	220.3	229.3	237.9	242.9	239.9	247.4	233.0	247.5	233.1	236.5	220.4	257.7	257.9	261.0	256.6	259.5	245.8
<i>Psychiatry</i>	81.0	83.9	82.4	83.6	85.6	85.1	97.2	125.2	126.1	125.8	125.3	125.6	127.6	129.9	126.5	124.4	123.0	126.4	126.4	123.0	127.7	124.5	125.8
<i>Chemical Dependency Rehab</i>	-	-	-	-	-	-	14.6	26.9	28.4	28.5	28.8	27.6	27.8	29.6	26.8	29.1	28.8	28.7	28.7	28.7	28.7	28.7	28.5
<i>Physical Medicine &amp; Rehab</i>	24.0	22.3	24.0	20.0	20.2	18.1	18.8	20.0	17.3	16.4	18.3	19.2	18.0	18.0	16.7	17.5	16.1	14.6	14.6	14.6	14.6	14.6	16.4
<i>Newborn</i>	14.8	14.4	14.8	13.1	13.2	13.0	14.1	13.8	13.5	13.6	13.7	13.7	13.5	14.7	13.8	12.3	12.7	13.8	13.8	13.8	13.8	13.8	13.6
<b>Total</b>	<b>360.0</b>	<b>374.3</b>	<b>399.4</b>	<b>362.0</b>	<b>369.9</b>	<b>348.5</b>	<b>365.0</b>	<b>415.2</b>	<b>423.2</b>	<b>427.2</b>	<b>426.0</b>	<b>433.5</b>	<b>419.9</b>	<b>439.7</b>	<b>416.9</b>	<b>419.8</b>	<b>401.0</b>	<b>441.2</b>	<b>441.4</b>	<b>441.1</b>	<b>441.4</b>	<b>441.1</b>	<b>430.1</b>
<b>CASE MIX INDEX (CMI)</b>																							
<i>Medicare</i>	1.37	1.39	1.40	1.42	1.37	1.31	1.38	1.33	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30
<i>Medicaid</i>	1.07	1.16	1.22	1.25	1.19	1.20	1.22	1.22	1.13	1.13	1.13	1.13	1.13	1.13	1.13	1.13	1.13	1.13	1.13	1.13	1.13	1.13	1.13
<i>Other</i>	1.33	1.21	1.21	1.26	1.26	1.38	1.34	1.45	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.33
<b>Total</b>	<b>1.22</b>	<b>1.21</b>	<b>1.24</b>	<b>1.25</b>	<b>1.21</b>	<b>1.26</b>	<b>1.24</b>	<b>1.27</b>	<b>1.19</b>	<b>1.19</b>	<b>1.19</b>	<b>1.19</b>	<b>1.19</b>	<b>1.19</b>	<b>1.19</b>	<b>1.19</b>	<b>1.19</b>	<b>1.19</b>	<b>1.19</b>	<b>1.19</b>	<b>1.19</b>	<b>1.19</b>	<b>1.19</b>
<b>PERCENT OCCUPANCY:</b>																							
<i>Licensed Beds</i>	54.71%	57.04%	60.95%	55.30%	56.53%	53.16%	55.60%	63.62%	77.29%	78.05%	77.80%	79.20%	76.68%	80.19%	76.08%	76.88%	73.26%	80.63%	80.67%	80.63%	80.67%	80.63%	78.59%
<i>Available Beds</i>	71.77%	74.83%	79.96%	72.54%	74.16%	69.74%	72.94%	83.47%	88.86%	89.73%	89.44%	91.06%	88.15%	92.19%	87.47%	88.39%	84.23%	92.69%	92.74%	92.69%	92.74%	92.69%	90.36%

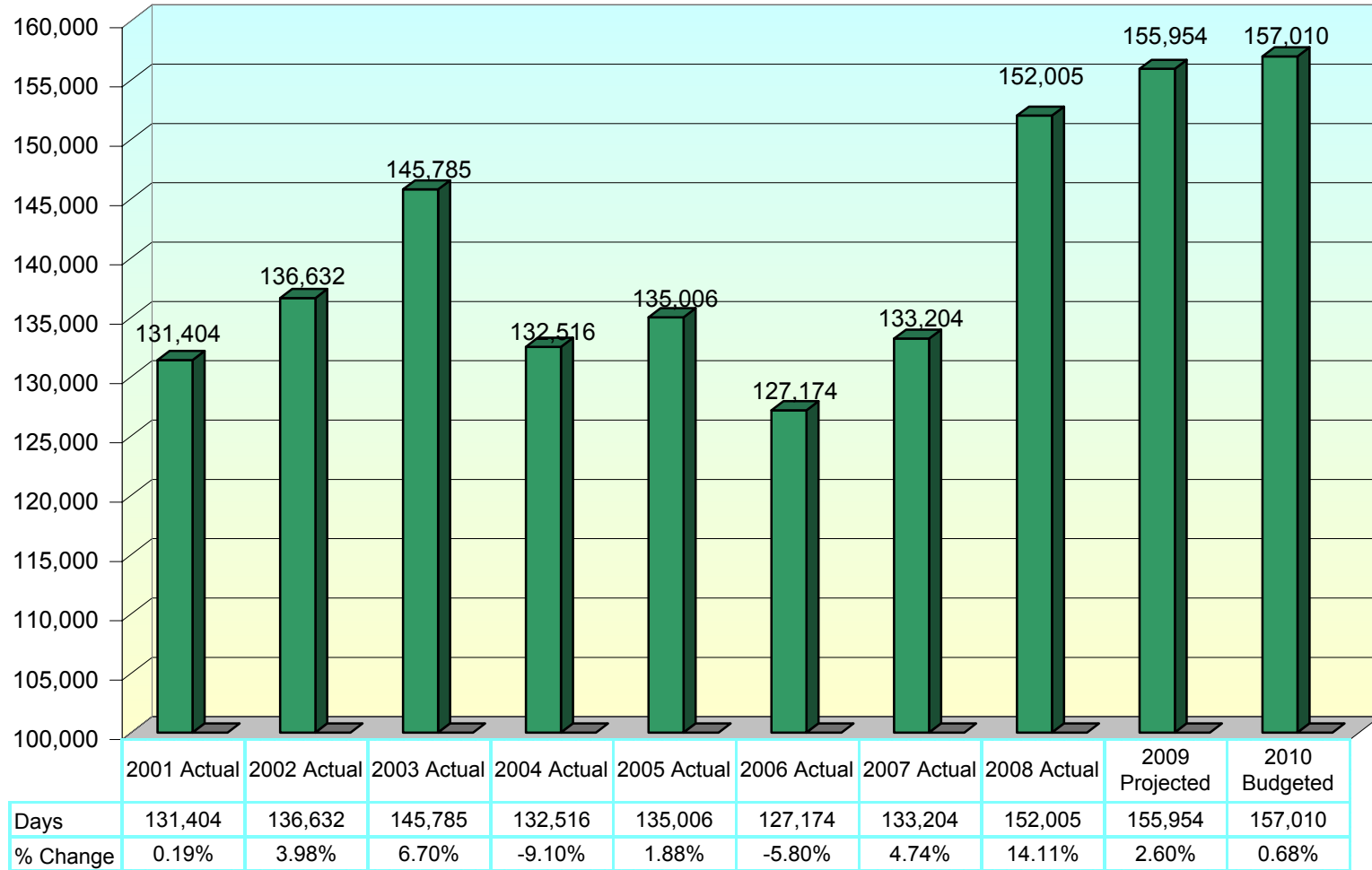
**Nassau Health Care Corporation and Subsidiaries**  
**Key Operating Statistics**  
**Nassau University Medical Center**  
**For the twelve months ended 12/31/10**

	2010																						
											Budgeted												
	2001	2002	2003	2004	2005	2006	2007	2008	8/2009	2009	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Proj.</u>													
<b><u>AMBULATORY VISITS (Exc. Admits)</u></b>																							
General Clinic	228,835	206,236	195,669	161,948	168,605	171,672	171,819	165,201	114,443	173,598	13,596	13,684	15,154	15,182	13,813	14,725	14,125	14,164	15,073	16,093	12,849	15,140	173,598
HIV Clinic	4,804	3,003	4,073	3,857	4,071	4,042	4,224	3,978	2,838	4,197	286	308	325	422	308	418	394	377	326	367	308	358	4,197
Oncology Clinic	3,494	3,378	3,436	3,557	3,596	3,663	3,347	3,550	2,369	3,553	280	225	329	289	286	312	333	315	318	331	231	304	3,553
CDC Clinic	7,430	6,119	5,442	2,245	796	806	701	718	507	773	67	61	70	84	57	53	68	47	70	64	56	76	773
Hyperbaric Clinic	1,546	1,792	1,273	911	3,498	4,390	4,555	3,916	2,202	3,283	323	300	273	301	247	245	225	288	254	314	235	278	3,283
Mental Health	10,632	11,785	9,917	8,600	8,183	7,286	6,808	7,420	5,410	8,202	587	698	611	470	901	719	715	709	825	745	454	768	8,202
Emergency Room (Total)	82,111	82,699	82,521	75,113	74,025	73,774	74,331	75,307	52,718	77,909	6,604	5,871	6,466	6,501	7,192	6,947	6,597	6,540	6,315	6,187	6,179	6,510	77,909
Emergency Room Admits	17,840	17,166	17,605	18,324	18,511	17,867	18,432	18,688	12,782	19,036	1,597	1,472	1,651	1,648	1,604	1,590	1,609	1,611	1,599	1,551	1,523	1,581	19,036
Ambulatory Surgery	3,912	3,511	3,682	3,728	3,377	3,275	3,293	3,587	2,627	4,003	301	300	320	324	326	363	343	350	346	390	283	357	4,003
Hemodialysis	11,346	11,833	12,485	12,757	12,618	12,388	14,327	14,270	9,625	14,640	1,175	1,111	1,205	1,225	1,224	1,237	2,540	2,356	2,456	2,562	2,340	2,672	22,103
Referred Ambulatory	9,764	11,822	7,899	6,730	5,192	4,863	5,018	4,751	2,891	4,200	355	351	435	378	349	327	336	360	312	376	307	314	4,200
<b><u>LABOR STATISTICS:</u></b>																							
Full-Time Equivalent (FTE) Total	3,263	2,992	3,104	2,797	2,624	2,666	2,752	2,912	2,940	2,924	2,924	2,924	2,924	2,924	2,924	2,924	2,924	2,924	2,924	2,924	2,924	2,924	2,924
Labor Cost Per Man Hour	39.12	42.67	43.04	47.27	48.73	49.82	53.02	54.36	54.51	54.47	56.52	56.64	54.89	54.86	55.63	54.65	55.30	54.33	54.97	54.88	56.45	54.67	55.30
FTE's Per Adjusted Occupied Bed	6.17	5.47	5.48	5.54	5.06	5.48	5.30	5.06	4.95	4.88	4.89	4.81	4.97	4.74	5.00	4.97	5.20	4.73	4.72	4.73	4.72	4.73	4.85
Payroll as a % of Gross Patient Revenue	72.91%	71.04%	68.66%	69.94%	71.72%	72.84%	77.81%	81.47%	82.54%	85.23%	81.36%	81.27%	77.95%	83.35%	79.41%	79.47%	80.69%	80.66%	79.28%	84.24%	81.57%	81.18%	81.18%
% of Salary & Benefits Expense	65.84%	65.57%	64.02%	64.89%	63.80%	66.01%	67.34%	67.14%	66.82%	66.85%	67.12%	66.75%	66.47%	66.33%	66.77%	66.24%	66.63%	66.24%	66.37%	66.47%	66.96%	66.39%	66.56%
Overtime as a % of Payroll	3.46%	3.80%	4.48%	3.59%	4.27%	3.28%	4.06%	4.31%	3.65%	4.19%	2.58%	2.57%	2.65%	2.65%	2.62%	2.67%	2.63%	2.68%	2.65%	2.65%	2.58%	2.66%	2.63%
<b><u>CREDIT AND COLLECTION STATISTICS</u></b>																							
Bad Debts as a % of Patient Revenue	17.26%	16.56%	14.54%	14.93%	15.11%	16.60%	14.53%	13.97%	13.40%	13.30%	16.08%	14.08%	13.10%	11.88%	11.76%	11.96%	13.22%	12.01%	12.06%	13.26%	11.88%	11.65%	12.74%

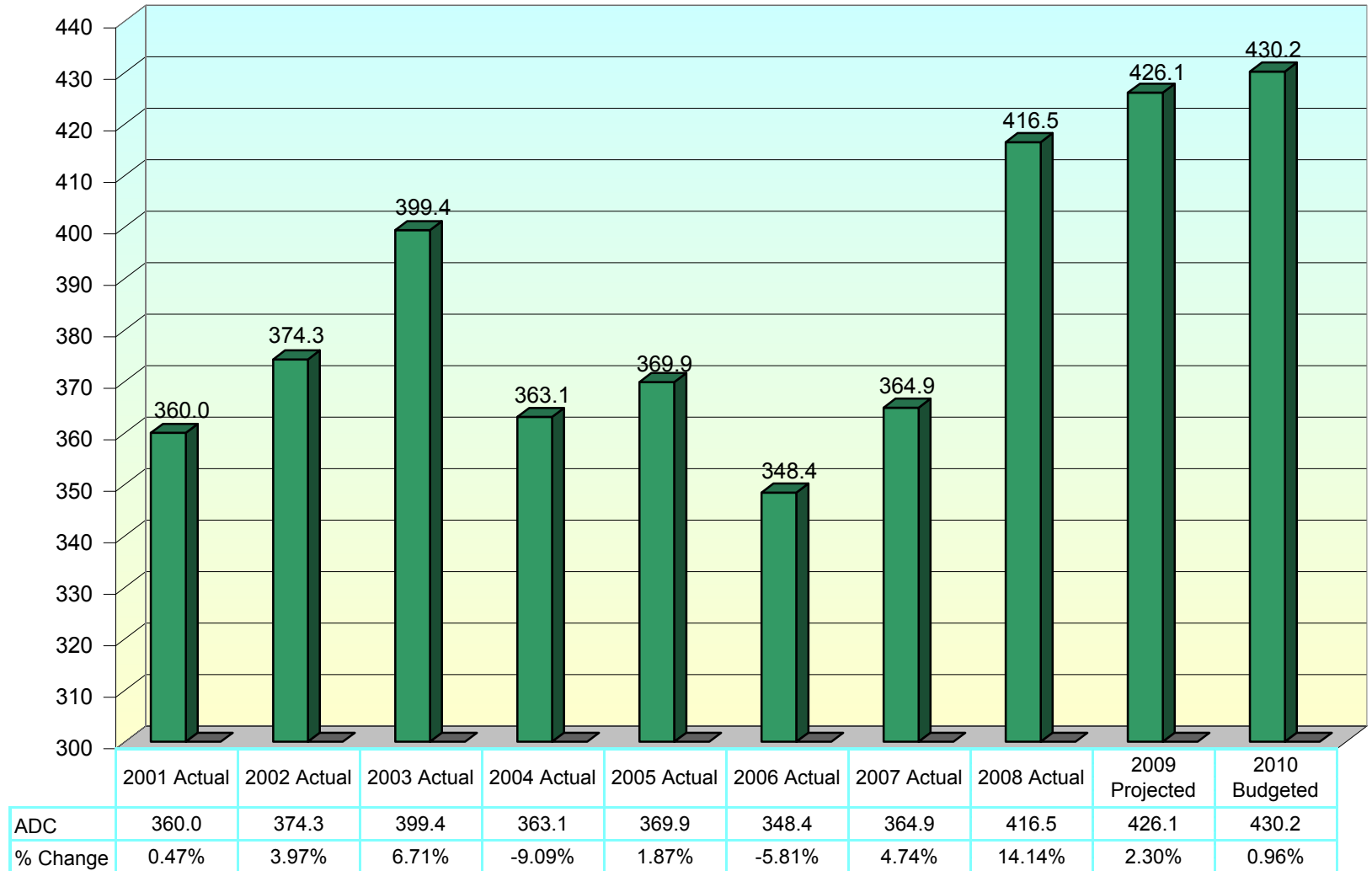
## Nassau University Medical Center - Discharges



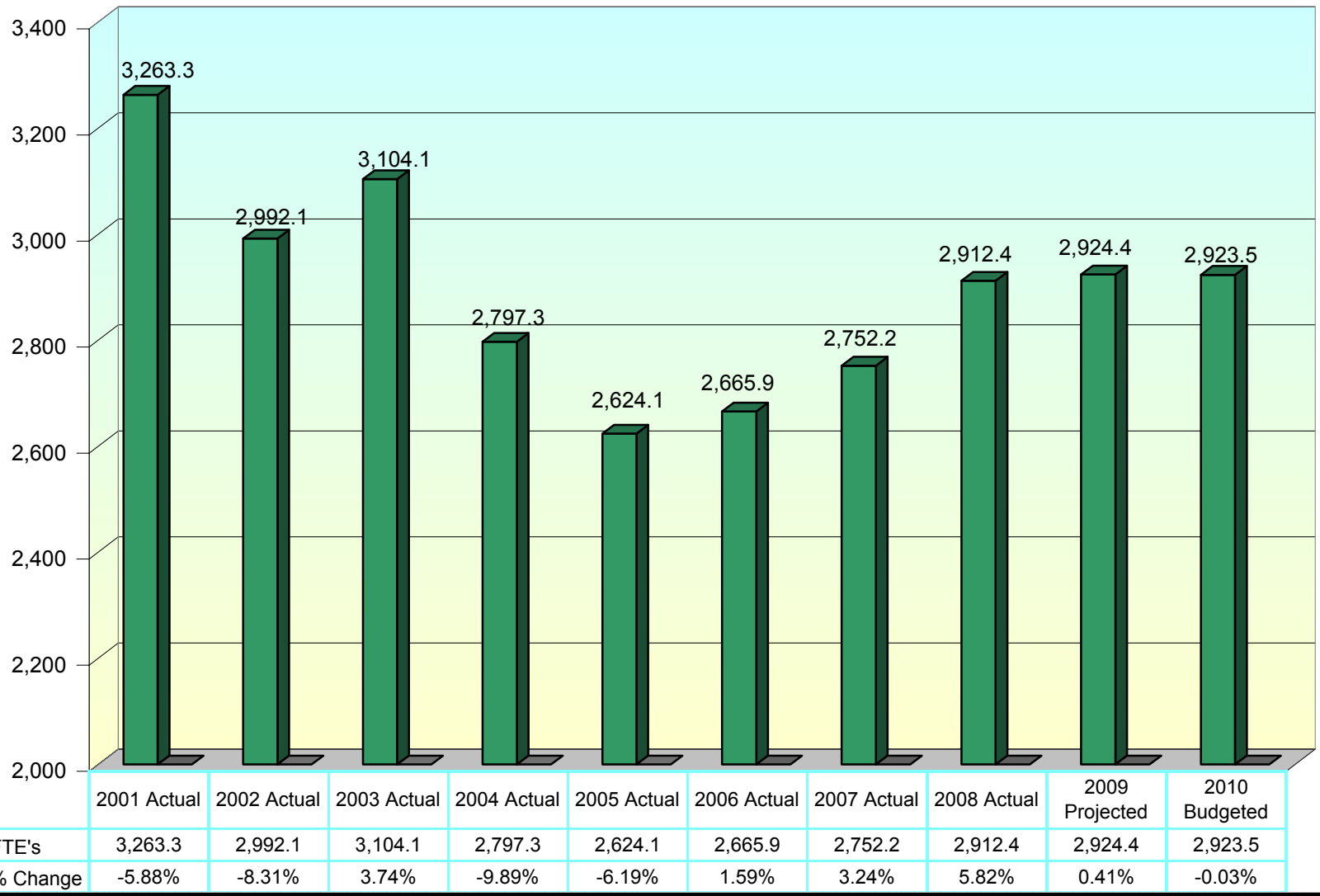
## Nassau University Medical Center - Patient Days



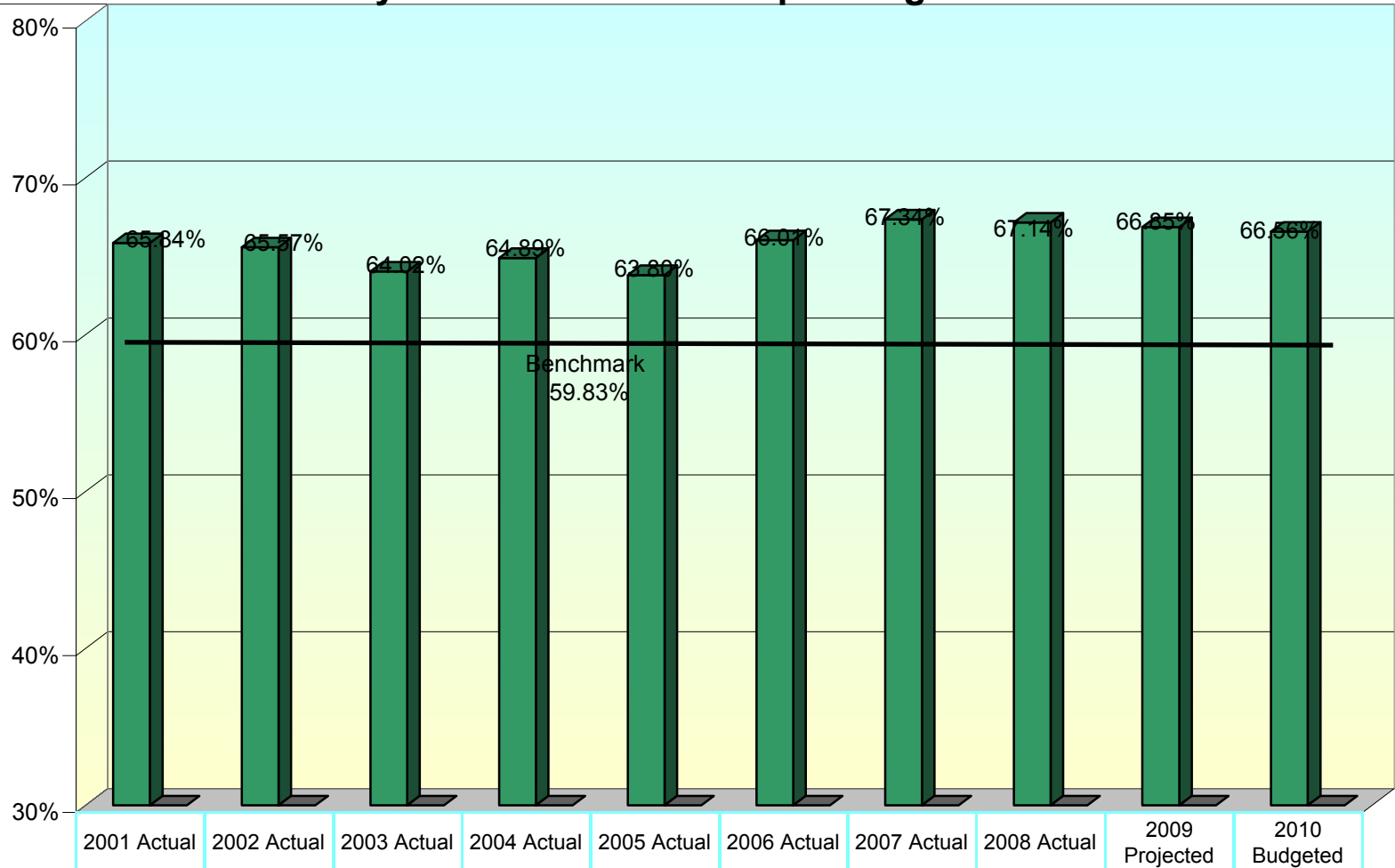
## Nassau University Medical Center - Average Daily Census



## Nassau University Medical Center - Full Time Equivalent Employees

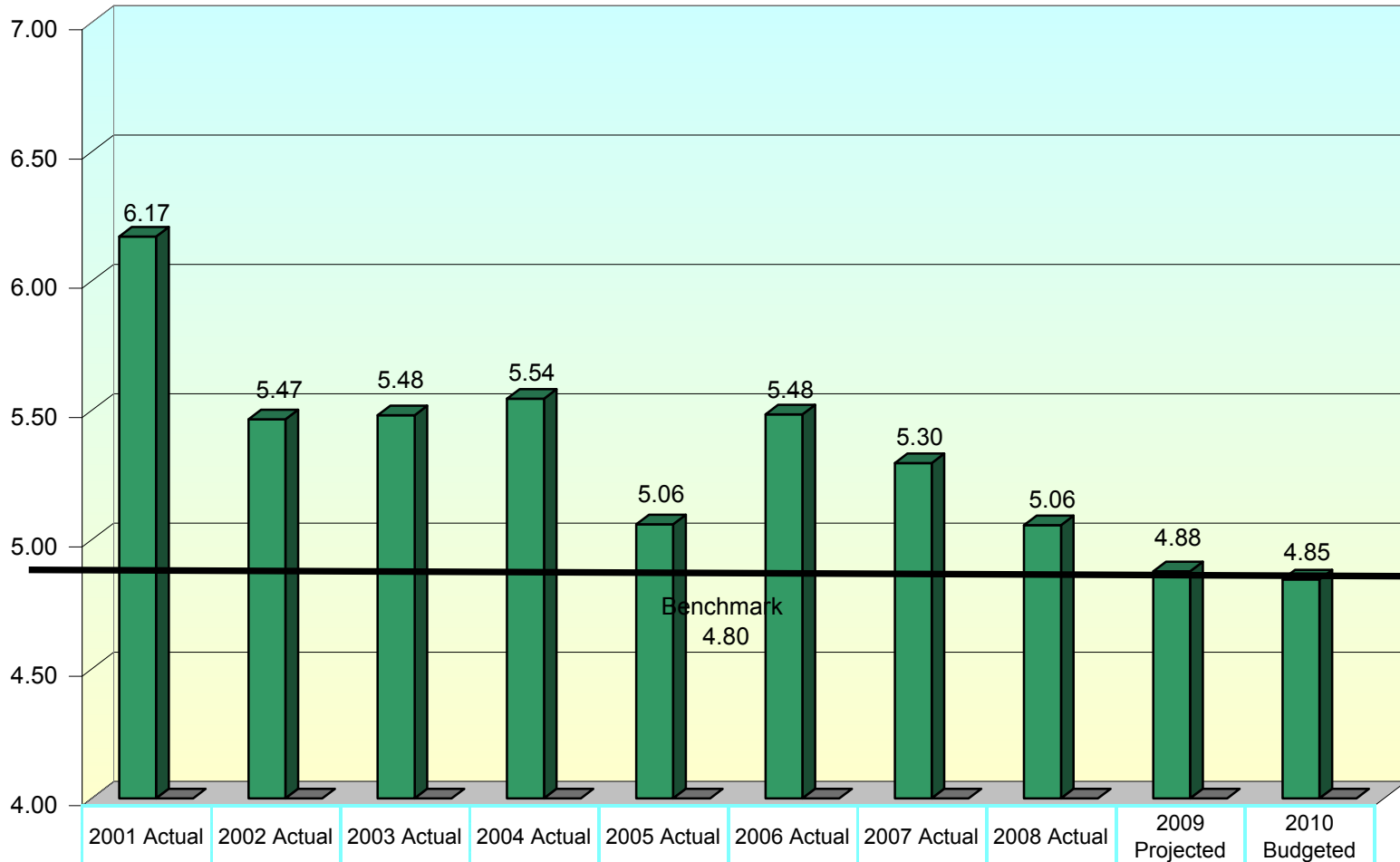


## Nassau University Medical Center Salary & Benefits as % of Operating Costs



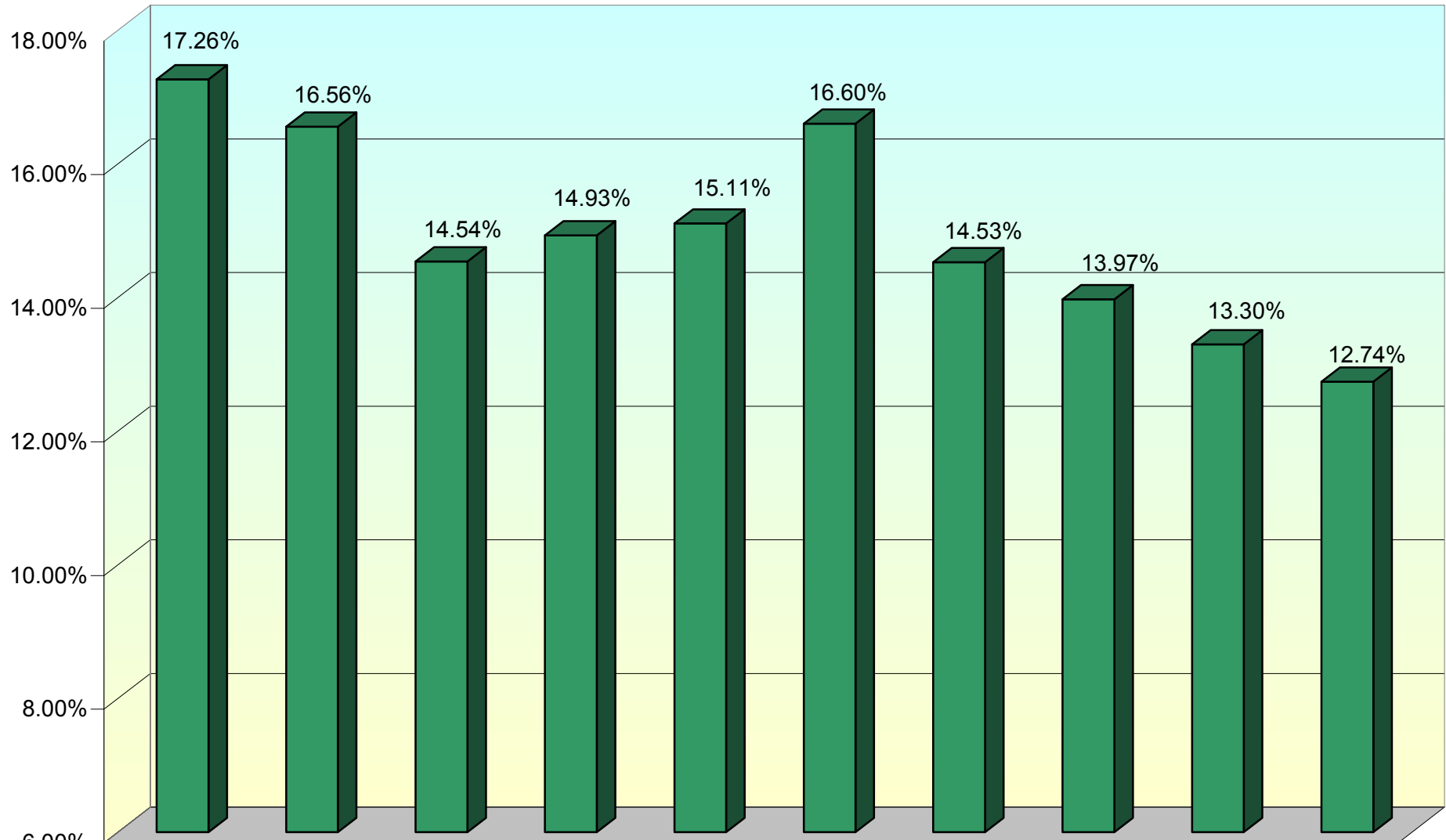
Salary & Benefits	65.84%	65.57%	64.02%	64.89%	63.80%	66.01%	67.34%	67.14%	66.85%	66.56%
% Change	-5.23%	-0.41%	-2.37%	1.36%	-1.68%	3.48%	2.01%	-0.30%	-0.43%	-0.43%

## Nassau University Medical Center - FTE Per Adjusted Occupied Bed



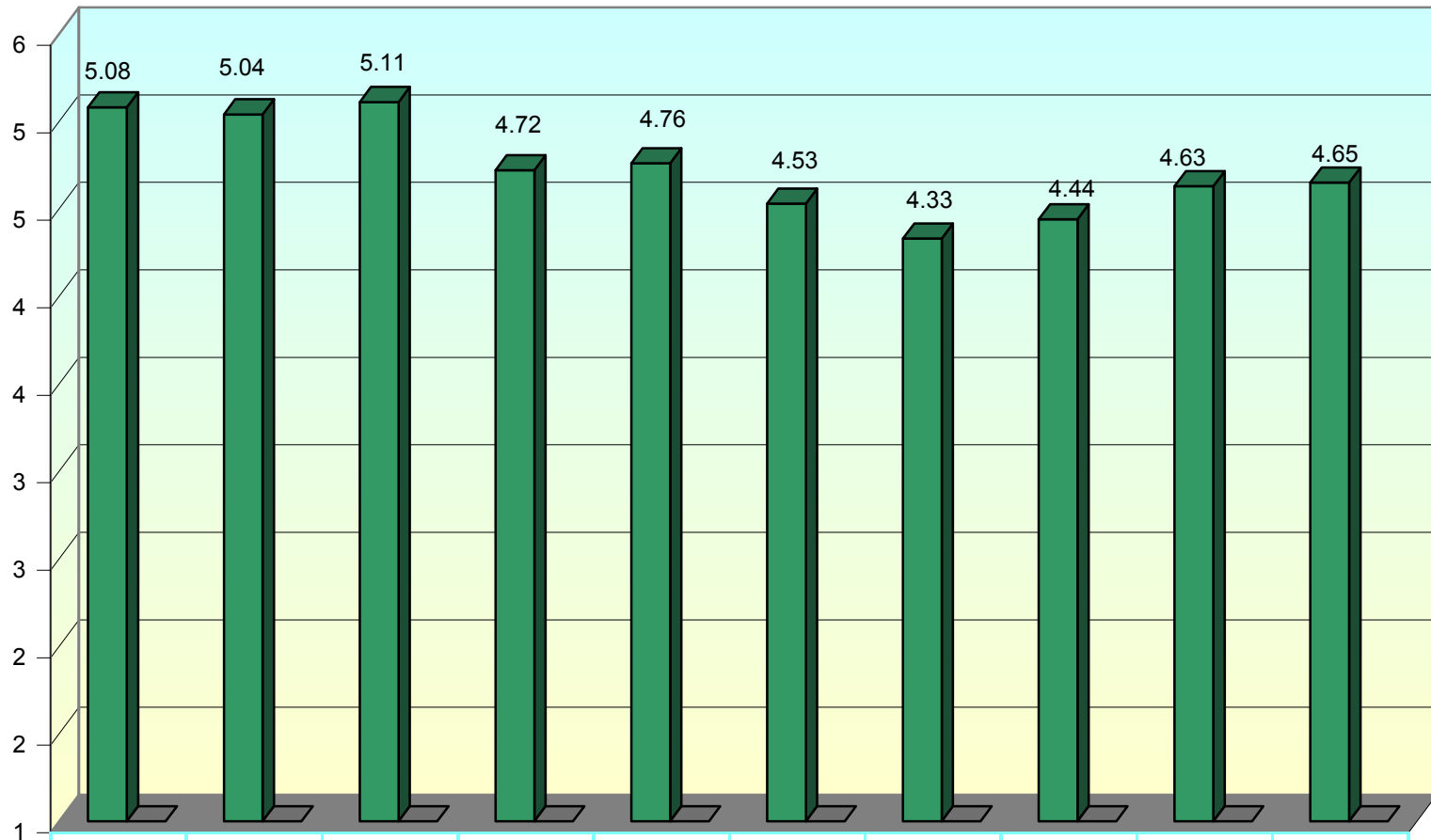
FTE/AOB	6.17	5.47	5.48	5.54	5.06	5.48	5.30	5.06	4.88	4.85
% Change	-5.18%	-11.45%	0.28%	1.16%	-8.74%	8.39%	-3.43%	-4.54%	-3.52%	-0.66%

## Nassau University Medical Center Bad Debt as % of Patient Revenue



B/D as % Pt. Rev.	17.26%	16.56%	14.54%	14.93%	15.11%	16.60%	14.53%	13.97%	13.30%	12.74%
-------------------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------

### Nassau University Medical Center - Length of Stay (LOS) - Adult & Peds



	2001 Actual	2002 Actual	2003 Actual	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Actual	2009 Projected	2010 Budgeted
LOS - Adult & Peds	5.08	5.04	5.11	4.72	4.76	4.53	4.33	4.44	4.63	4.65
% Change	-3.79%	-0.79%	1.39%	-7.63%	0.85%	-4.83%	-4.42%	2.54%	4.28%	0.43%

**Nassau Health Care Corporation and Subsidiaries**  
**Projected Revenue & Expenses**

**A. Holly Patterson Extended Care Facility**

**Comparative**

(In Thousands)

	<u>Audited FYE 12/31/2001</u>	<u>Audited FYE 12/31/2002</u>	<u>Audited FYE 12/31/2003</u>	<u>Audited FYE 12/31/2004</u>	<u>Audited FYE 12/31/2005</u>	<u>Audited FYE 12/31/2006</u>	<u>Audited FYE 12/31/2007</u>	<u>Audited FYE 12/31/2008</u>	<u>Actual YTD 08/31/2009</u>	<u>2009 Projected SEPT</u>	<u>2009 Projected OCT</u>	<u>2009 Projected NOV</u>	<u>2009 Projected DEC</u>	<u>Projected FYE 12/31/2009</u>	<u>Budgeted FYE 12/31/2010</u>
<b>Operating Revenues:</b>															
Net patient service revenue	54,458	56,891	49,217	46,157	46,588	50,177	56,565	70,979	38,261	4,645	4,793	4,645	4,795	57,139	49,558
NYS Intergovernmental transfer	7,293	6,360	5,823	2,118	1,150	1,150	-	14,695	4,781	597	597	597	(6,572)	-	20,017
Nassau County Billings	775	1,235	580	511	576	576	517	548	368	46	46	46	46	552	564
Historical Mission Payments	2,806	2,808	2,808	2,808	2,808	2,808	2,808	2,808	1,872	234	234	234	234	2,808	-
Federal & State Aid	-	441	-	571	82	82	368	526	48	6	6	6	3,006	3,072	2,112
Practice Plan Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment Income	1,705	781	594	984	274	129	126	323	58	4	4	4	4	74	72
Miscellaneous	-	132	124	117	28	28	41	64	43	2	2	2	2	51	60
<b>Total operating revenue</b>	<b>67,037</b>	<b>68,648</b>	<b>59,146</b>	<b>53,266</b>	<b>51,506</b>	<b>54,950</b>	<b>60,425</b>	<b>89,943</b>	<b>45,431</b>	<b>5,534</b>	<b>5,682</b>	<b>5,534</b>	<b>1,515</b>	<b>63,696</b>	<b>72,383</b>
<b>Operating Expenses:</b>															
Salaries	40,681	41,366	35,745	31,793	30,283	30,755	30,549	31,453	19,944	2,416	2,497	2,416	2,497	29,770	30,992
Fringe Benefits	10,030	11,482	11,418	13,712	13,020	11,532	12,676	13,809	7,886	952	984	952	984	11,758	13,215
Supplies	1,364	3,420	5,411	4,148	3,374	3,282	3,420	3,725	2,647	345	357	345	357	4,051	4,096
Expenses	15,769	8,469	7,910	5,513	5,904	5,185	4,701	5,784	4,612	572	591	572	591	6,938	7,841
Utilities	1,274	1,095	1,118	1,274	1,806	1,658	1,937	2,033	1,670	142	147	142	147	2,248	2,369
Depreciation Expense	1,699	1,289	1,208	1,156	1,186	1,239	1,228	1,383	964	118	118	118	118	1,436	1,440
Interest & Amortization	3,082	3,123	3,124	3,154	2,653	2,696	2,629	3,304	1,576	197	197	197	197	2,364	2,748
Bad Debt Expense	800	2,633	399	350	386	710	2,340	1,316	609	76	78	76	78	917	921
<b>Total operating expenses</b>	<b>74,699</b>	<b>72,877</b>	<b>66,333</b>	<b>61,100</b>	<b>58,612</b>	<b>57,057</b>	<b>59,480</b>	<b>62,807</b>	<b>39,908</b>	<b>4,818</b>	<b>4,969</b>	<b>4,818</b>	<b>4,969</b>	<b>59,482</b>	<b>63,622</b>
<b>Gain (Loss) From Operations</b>	<b>(7,662)</b>	<b>(4,229)</b>	<b>(7,187)</b>	<b>(7,834)</b>	<b>(7,106)</b>	<b>(2,107)</b>	<b>945</b>	<b>27,136</b>	<b>5,523</b>	<b>716</b>	<b>713</b>	<b>716</b>	<b>(3,454)</b>	<b>4,214</b>	<b>8,761</b>
<b>Other Operating Items:</b>															
Other Post Employment Benefits	-	-	-	-	-	-	(7,260)	(6,957)	(2,360)	(1,180)	(1,180)	(1,180)	(1,180)	(7,080)	(7,080)
Change in Derivative Instruments	-	-	(1,414)	(848)	341	-	(1,652)	(7,869)	4,519	-	-	-	-	4,519	7,603
Grants for Capital Asset Acquisition	-	-	-	-	-	-	-	24,305	3,024	378	378	378	378	4,536	-
Amortization of Refunding Loss	-	-	-	(228)	(545)	(541)	(537)	(531)	(351)	(44)	(44)	(44)	(44)	(527)	(523)
<b>Total Other Operating Items</b>	<b>-</b>	<b>-</b>	<b>(1,414)</b>	<b>(1,076)</b>	<b>(204)</b>	<b>(541)</b>	<b>(9,449)</b>	<b>8,948</b>	<b>4,832</b>	<b>(846)</b>	<b>(846)</b>	<b>(846)</b>	<b>(846)</b>	<b>1,448</b>	<b>-</b>
<b>Net income (loss)</b>	<b>(7,662)</b>	<b>(4,229)</b>	<b>(8,601)</b>	<b>(8,910)</b>	<b>(7,310)</b>	<b>(2,648)</b>	<b>(8,504)</b>	<b>36,084</b>	<b>10,355</b>	<b>(130)</b>	<b>(133)</b>	<b>(130)</b>	<b>(4,300)</b>	<b>5,662</b>	<b>8,761</b>

**Nassau Health Care Corporation and Subsidiaries**

**Budgeted Revenue & Expenses**

**A. Holly Patterson Extended Care Facility**

For the twelve months ended 12/31/10

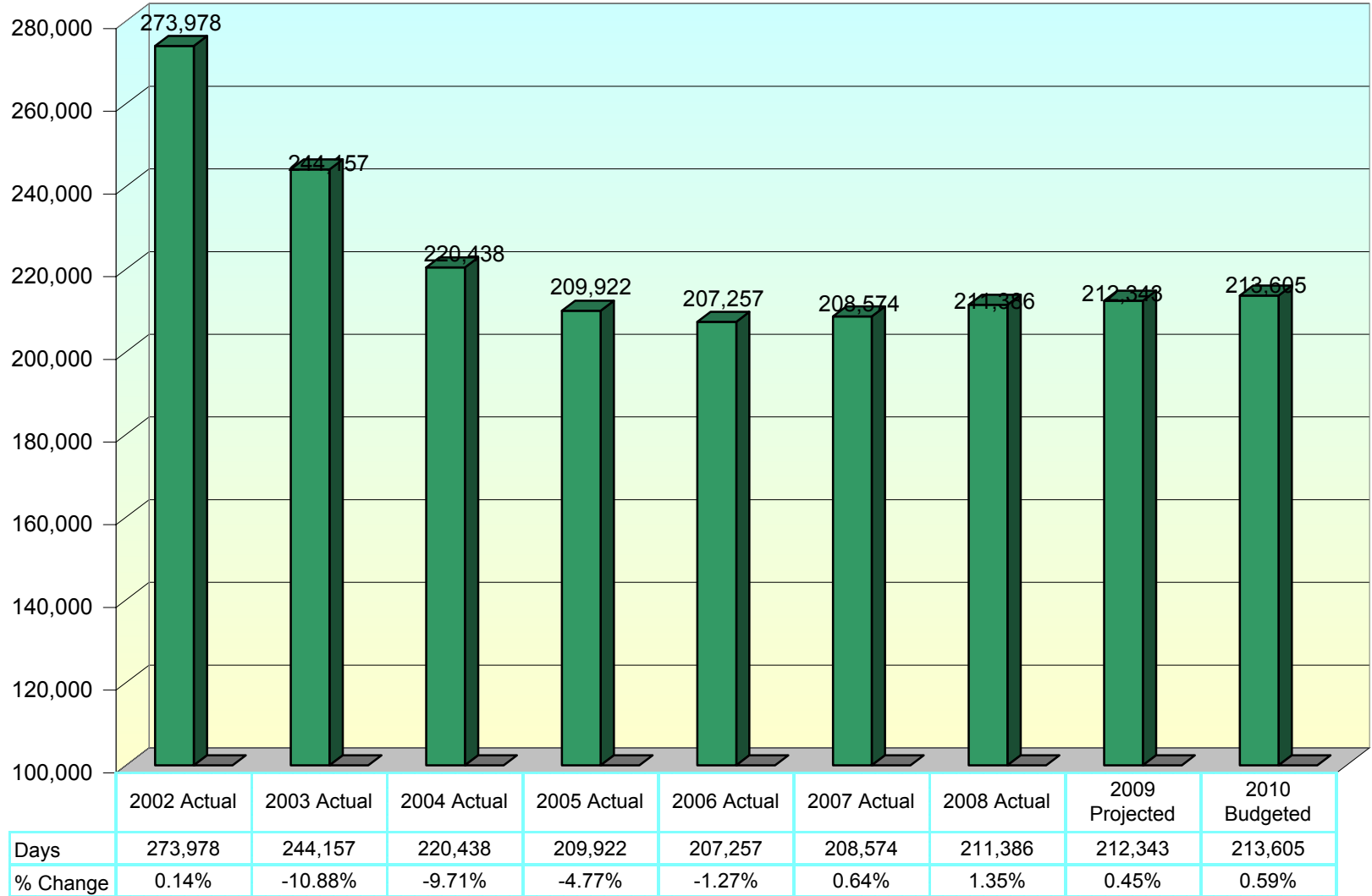
(In Thousands)

	2010 Budgeted												2010	Projected	Audited
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	FYE 12/31/2009	FYE 12/31/2008
<b>Operating Revenues:</b>															
Net patient service revenue	4,819	4,369	4,819	3,871	4,012	3,872	4,012	4,012	3,873	4,013	3,873	4,013	49,558	57,139	70,979
NYS Intergovernmental transfer	1,668	1,668	1,668	1,668	1,668	1,668	1,668	1,668	1,668	1,668	1,668	1,669	20,017	-	14,695
Nassau County Billings	47	47	47	47	47	47	47	47	47	47	47	47	564	552	548
Historical Mission Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	2,808	2,808
Federal & State Aid	176	176	176	176	176	176	176	176	176	176	176	176	2,112	3,072	526
Practice Plan Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment Income	6	6	6	6	6	6	6	6	6	6	6	6	72	74	323
Miscellaneous	5	5	5	5	5	5	5	5	5	5	5	5	60	51	64
<b>Total operating revenue</b>	<b>6,721</b>	<b>6,271</b>	<b>6,721</b>	<b>5,773</b>	<b>5,914</b>	<b>5,774</b>	<b>5,914</b>	<b>5,914</b>	<b>5,775</b>	<b>5,915</b>	<b>5,775</b>	<b>5,916</b>	<b>72,383</b>	<b>63,696</b>	<b>89,943</b>
<b>Operating Expenses:</b>															
Salaries	2,732	2,477	2,532	2,447	2,632	2,447	2,632	2,532	2,547	2,632	2,747	2,635	30,992	29,770	31,453
Fringe Benefits	1,168	1,059	1,083	1,046	1,125	1,046	1,122	1,079	1,084	1,119	1,166	1,118	13,215	11,758	13,809
Supplies	348	314	348	337	348	337	348	348	337	348	337	346	4,096	4,051	3,725
Expenses	666	602	666	644	666	644	666	666	644	666	644	667	7,841	6,938	5,784
Utilities	201	182	201	195	201	195	201	201	195	201	195	201	2,369	2,248	2,033
Depreciation Expense	120	120	120	120	120	120	120	120	120	120	120	120	1,440	1,436	1,383
Interest & Amortization	229	229	229	229	229	229	229	229	229	229	229	229	2,748	2,364	3,304
Bad Debt Expense	78	71	78	76	78	76	78	78	76	78	76	78	921	917	1,316
<b>Total operating expenses</b>	<b>5,542</b>	<b>5,054</b>	<b>5,257</b>	<b>5,094</b>	<b>5,399</b>	<b>5,094</b>	<b>5,396</b>	<b>5,253</b>	<b>5,232</b>	<b>5,393</b>	<b>5,514</b>	<b>5,394</b>	<b>63,622</b>	<b>59,482</b>	<b>62,807</b>
<b>Gain (Loss) From Operations</b>	<b>1,179</b>	<b>1,217</b>	<b>1,464</b>	<b>679</b>	<b>515</b>	<b>680</b>	<b>518</b>	<b>661</b>	<b>543</b>	<b>522</b>	<b>261</b>	<b>522</b>	<b>8,761</b>	<b>4,214</b>	<b>27,136</b>
<b>Other Operating Items:</b>															
Other Post Employment Benefits	(590)	(590)	(590)	(590)	(590)	(590)	(590)	(590)	(590)	(590)	(590)	(590)	(7,080)	(7,080)	(6,957)
Change in Derivative Instruments	634	634	634	634	634	634	634	633	633	633	633	633	7,603	4,519	(7,869)
Grants for Capital Asset Acquisition	-	-	-	-	-	-	-	-	-	-	-	-	-	4,536	24,305
Amortization of Refunding Loss	(44)	(44)	(44)	(44)	(44)	(44)	(44)	(43)	(43)	(43)	(43)	(43)	(523)	(527)	(531)
<b>Total Other Operating Items</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,448</b>	<b>8,948</b>
<b>Net income (loss)</b>	<b>1,179</b>	<b>1,217</b>	<b>1,464</b>	<b>679</b>	<b>515</b>	<b>680</b>	<b>518</b>	<b>661</b>	<b>543</b>	<b>522</b>	<b>261</b>	<b>522</b>	<b>8,761</b>	<b>5,662</b>	<b>36,084</b>

**Nassau Health Care Corporation and Subsidiaries**  
**Key Operating Statistics**  
**A. Holly Patterson Extended Care Facility**  
**For the twelve months ended 12/31/10**  
(In Thousands)

												<b>2010</b>												
												<b>Budgeted</b>												
	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>8/2009</b>	<b>2009</b>	<b>JAN</b>	<b>FEB</b>	<b>MAR</b>	<b>APR</b>	<b>MAY</b>	<b>JUN</b>	<b>JUL</b>	<b>AUG</b>	<b>SEP</b>	<b>OCT</b>	<b>NOV</b>	<b>DEC</b>	<b>TOTAL</b>	
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Proj.</b>														
<b><u>PATIENT DAYS:</u></b>																								
Geriatrics	260,482	261,057	230,618	207,442	198,461	195,100	196,170	197,370	131,623	197,751	16,895	15,260	16,895	16,350	16,895	16,350	16,895	16,350	16,895	16,350	16,895	16,350	16,895	198,925
HIV	6,784	7,160	7,286	7,277	7,270	7,300	7,300	7,320	4,852	7,292	620	560	620	620	620	620	620	620	620	620	620	620	620	7,380
Ventilator	6,330	5,761	6,253	5,719	4,191	4,857	5,104	6,696	4,860	7,300	620	560	620	600	620	600	620	620	600	620	600	620	600	7,300
<b>Total</b>	<b>273,596</b>	<b>273,978</b>	<b>244,157</b>	<b>220,438</b>	<b>209,922</b>	<b>207,257</b>	<b>208,574</b>	<b>211,386</b>	<b>141,335</b>	<b>212,343</b>	<b>18,135</b>	<b>16,380</b>	<b>18,135</b>	<b>17,570</b>	<b>18,135</b>	<b>17,570</b>	<b>18,135</b>	<b>18,135</b>	<b>17,570</b>	<b>18,135</b>	<b>17,570</b>	<b>18,135</b>	<b>17,570</b>	<b>213,605</b>
<b><u>Average Daily Census</u></b>																								
Geriatrics	713.6	715.2	631.8	566.8	543.7	534.5	537.5	539.3	541.7	541.8	545.0	545.0	545.0	545.0	545.0	545.0	545.0	545.0	545.0	545.0	545.0	545.0	545.0	545.0
HIV	18.6	19.6	20.0	19.9	19.9	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.7	20.0	20.7	20.0	20.0	20.7	20.0	20.7	20.0	20.0	20.2
Ventilator	17.3	15.8	17.1	15.6	11.5	13.3	14.0	18.3	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0
<b>Total</b>	<b>749.5</b>	<b>750.6</b>	<b>668.9</b>	<b>602.3</b>	<b>575.1</b>	<b>567.8</b>	<b>571.5</b>	<b>577.6</b>	<b>581.7</b>	<b>581.8</b>	<b>585.0</b>	<b>585.0</b>	<b>585.0</b>	<b>585.7</b>	<b>585.0</b>	<b>585.7</b>	<b>585.0</b>	<b>585.0</b>	<b>585.7</b>	<b>585.0</b>	<b>585.7</b>	<b>585.0</b>	<b>585.0</b>	<b>585.2</b>
<b><u>PERCENT OCCUPANCY:</u></b>																								
Geriatrics	84.1%	84.2%	74.4%	66.8%	64.0%	97.4%	97.9%	98.2%	98.7%	98.7%	99.3%	99.3%	99.3%	99.3%	99.3%	99.3%	99.3%	99.3%	99.3%	99.3%	99.3%	99.3%	99.3%	99.3%
HIV	92.9%	98.1%	99.8%	99.4%	99.6%	100.0%	100.0%	100.0%	99.8%	99.9%	100.0%	100.0%	100.0%	103.3%	100.0%	103.3%	100.0%	100.0%	103.3%	100.0%	103.3%	100.0%	103.3%	101.1%
Ventilator	86.7%	78.9%	85.7%	78.1%	57.4%	66.5%	69.9%	91.5%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
<b>Total</b>	<b>84.3%</b>	<b>84.4%</b>	<b>75.2%</b>	<b>67.7%</b>	<b>64.7%</b>	<b>96.4%</b>	<b>97.0%</b>	<b>98.1%</b>	<b>98.7%</b>	<b>98.8%</b>	<b>99.3%</b>	<b>99.3%</b>	<b>99.3%</b>	<b>99.4%</b>	<b>99.3%</b>	<b>99.4%</b>	<b>99.3%</b>	<b>99.3%</b>	<b>99.4%</b>	<b>99.3%</b>	<b>99.4%</b>	<b>99.3%</b>	<b>99.3%</b>	<b>99.4%</b>
<b><u>LABOR STATISTICS:</u></b>																								
Full-Time Equivalent (FTE) Total	986.3	884.1	813.8	642.2	634.0	606.8	607.1	600.4	580.9	579.7	586.9	586.9	586.9	586.9	586.9	586.9	586.9	586.9	586.9	586.9	586.9	586.9	586.9	586.9
Labor Cost Per Man Hour	28.14	32.72	31.72	38.64	37.38	38.15	38.97	41.26	39.54	39.36	42.82	42.99	39.70	39.63	41.25	39.63	41.22	39.65	41.20	41.19	44.40	41.21	41.21	41.23
FTE's Per Occupied Bed	1.32	1.18	1.22	1.07	1.10	1.07	1.06	1.04	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Payroll as a % of Patient Revenue	93.12%	92.89%	95.83%	98.59%	92.95%	84.28%	76.42%	63.77%	72.74%	72.68%	80.93%	80.93%	75.02%	90.24%	93.64%	90.21%	93.57%	90.00%	93.75%	93.47%	101.03%	93.52%	89.20%	89.20%
Overtime as a % of Payroll	5.56%	4.08%	3.53%	0.90%	1.49%	2.78%	3.03%	4.33%	3.11%	3.60%	4.43%	4.41%	4.78%	4.79%	4.60%	4.79%	4.60%	4.79%	4.61%	4.61%	4.27%	4.60%	4.60%	4.60%
<b><u>CREDIT AND COLLECTION STATISTICS</u></b>																								
Bad Debts as a % of Patient Revenue	1.47%	4.63%	0.81%	0.76%	0.83%	1.41%	4.14%	1.85%	1.59%	1.60%	1.62%	1.63%	1.62%	1.96%	1.94%	1.96%	1.94%	1.94%	1.96%	1.94%	1.96%	1.94%	1.94%	1.86%

## A. Holly Patterson Extended Care Facility - Resident days



**Nassau Health Care Corporation and Subsidiaries**  
**Projected Revenue & Expenses**  
**Community Health Centers**  
**Comparative**  
(In Thousands)

	<u>Audited FYE 12/31/2001</u>	<u>Audited FYE 12/31/2002</u>	<u>Audited FYE 12/31/2003</u>	<u>Audited FYE 12/31/2004</u>	<u>Audited FYE 12/31/2005</u>	<u>Audited FYE 12/31/2006</u>	<u>Audited FYE 12/31/2007</u>	<u>Audited FYE 12/31/2008</u>	<u>Actual YTD 08/31/2009</u>	<u>2009 Projected SEPT</u>	<u>2009 Projected OCT</u>	<u>2009 Projected NOV</u>	<u>2009 Projected DEC</u>	<u>Projected FYE 12/31/2009</u>	<u>Budgeted FYE 12/31/2010</u>
<b>Operating Revenues:</b>															
Net patient service revenue	8,153	7,710	6,962	3,342	8,058	8,826	8,224	7,868	6,027	779	874	715	739	9,134	10,260
NYS Intergovernmental transfer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Nassau County Billings	-	-	-	-	-	-	51	-	-	-	-	-	-	-	-
Historical Mission Payments	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	3,336	416	416	416	416	5,000	5,000
Federal & State Aid	1,901	1,404	1,724	1,615	2,005	1,620	2,992	1,521	847	105	105	105	105	1,267	1,368
Practice Plan Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment Income	315	147	78	128	36	82	88	42	22	2	2	2	2	30	24
Miscellaneous	1	-	1	1	1	-	-	-	-	-	-	-	-	-	-
<b>Total operating revenue</b>	<b>15,370</b>	<b>14,261</b>	<b>13,765</b>	<b>10,086</b>	<b>15,100</b>	<b>15,528</b>	<b>16,355</b>	<b>14,431</b>	<b>10,232</b>	<b>1,302</b>	<b>1,397</b>	<b>1,238</b>	<b>1,262</b>	<b>15,431</b>	<b>16,652</b>
<b>Operating Expenses:</b>															
Salaries	7,763	8,292	7,512	6,476	8,890	8,830	9,795	9,735	5,670	665	687	665	687	8,374	8,009
Fringe Benefits	1,535	1,823	1,984	2,309	2,954	2,903	3,124	3,240	1,878	219	226	219	226	2,768	3,381
Supplies	363	268	1,433	262	330	336	460	421	229	28	29	28	29	343	262
Expenses	3,499	1,724	1,816	2,270	1,876	2,013	2,351	2,873	2,191	269	278	269	278	3,285	2,271
Utilities	107	175	116	149	176	254	151	195	258	25	26	27	28	364	294
Depreciation Expense	104	106	91	76	72	40	45	55	45	3	3	3	3	57	60
Interest & Amortization	373	378	378	398	322	328	343	431	208	26	26	26	26	312	343
Bad Debt Expense	1,554	2,548	1,739	1,851	379	2,376	2,511	2,925	1,984	259	298	232	242	3,015	3,179
<b>Total operating expenses</b>	<b>15,298</b>	<b>15,314</b>	<b>15,069</b>	<b>13,791</b>	<b>14,999</b>	<b>17,080</b>	<b>18,780</b>	<b>19,875</b>	<b>12,463</b>	<b>1,494</b>	<b>1,573</b>	<b>1,469</b>	<b>1,519</b>	<b>18,518</b>	<b>17,799</b>
<b>Gain (Loss) From Operations</b>	<b>72</b>	<b>(1,053)</b>	<b>(1,304)</b>	<b>(3,705)</b>	<b>101</b>	<b>(1,552)</b>	<b>(2,425)</b>	<b>(5,444)</b>	<b>(2,231)</b>	<b>(192)</b>	<b>(176)</b>	<b>(231)</b>	<b>(257)</b>	<b>(3,087)</b>	<b>(1,147)</b>
<b>Other Operating Items:</b>															
Other Post Employment Benefits	-	-	-	-	-	-	(1,329)	(1,275)	(432)	(216)	(216)	(216)	(216)	(1,296)	(1,296)
Change in Derivative Instruments	-	-	(1,132)	(112)	45	105	(215)	(999)	531	-	-	-	-	531	1,363
Grants for Capital Asset Acquisition	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Amortization of Refunding Loss	-	-	-	(30)	(71)	(71)	(70)	(69)	(48)	(5)	(5)	(5)	(5)	(68)	(67)
<b>Total Other Operating Items</b>	<b>-</b>	<b>-</b>	<b>(1,132)</b>	<b>(142)</b>	<b>(26)</b>	<b>34</b>	<b>(1,614)</b>	<b>(2,343)</b>	<b>51</b>	<b>(221)</b>	<b>(221)</b>	<b>(221)</b>	<b>(221)</b>	<b>(833)</b>	<b>-</b>
<b>Net income (loss)</b>	<b>72</b>	<b>(1,053)</b>	<b>(2,436)</b>	<b>(3,847)</b>	<b>75</b>	<b>(1,518)</b>	<b>(4,039)</b>	<b>(7,787)</b>	<b>(2,180)</b>	<b>(413)</b>	<b>(397)</b>	<b>(452)</b>	<b>(478)</b>	<b>(3,920)</b>	<b>(1,147)</b>

**Nassau Health Care Corporation and Subsidiaries**  
**Budgeted Revenue & Expenses**  
**Community Health Centers**  
**For the twelve months ended 12/31/10**  
(In Thousands)

	2010 Budgeted												2010	Projected FYE	Audited FYE
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	12/31/2009	12/31/2008
<b>Operating Revenues:</b>															
Net patient service revenue	740	740	860	830	770	830	925	955	925	895	835	955	10,260	9,134	7,868
NYS Intergovernmental transfer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Nassau County Billings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Historical Mission Payments	417	417	417	417	417	417	417	417	416	416	416	416	5,000	5,000	5,000
Federal & State Aid	114	114	114	114	114	114	114	114	114	114	114	114	1,368	1,267	1,521
Practice Plan Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment Income	2	2	2	2	2	2	2	2	2	2	2	2	24	30	42
Miscellaneous	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total operating revenue</b>	<b>1,273</b>	<b>1,273</b>	<b>1,393</b>	<b>1,363</b>	<b>1,303</b>	<b>1,363</b>	<b>1,458</b>	<b>1,488</b>	<b>1,457</b>	<b>1,427</b>	<b>1,367</b>	<b>1,487</b>	<b>16,652</b>	<b>15,431</b>	<b>14,431</b>
<b>Operating Expenses:</b>															
Salaries	680	614	680	658	680	658	680	680	658	680	658	683	8,009	8,374	9,735
Fringe Benefits	292	263	291	283	290	280	289	288	276	281	270	278	3,381	2,768	3,240
Supplies	22	20	22	22	22	22	22	22	22	22	22	22	262	343	421
Expenses	193	174	193	187	193	187	193	193	187	193	187	191	2,271	3,285	2,873
Utilities	25	23	25	24	25	24	25	25	24	25	24	25	294	364	195
Depreciation Expense	5	5	5	5	5	5	5	5	5	5	5	5	60	57	55
Interest & Amortization	29	29	29	29	29	29	29	28	28	28	28	28	343	312	431
Bad Debt Expense	243	243	293	281	255	281	268	281	268	255	230	281	3,179	3,015	2,925
<b>Total operating expenses</b>	<b>1,489</b>	<b>1,371</b>	<b>1,538</b>	<b>1,489</b>	<b>1,499</b>	<b>1,486</b>	<b>1,511</b>	<b>1,522</b>	<b>1,468</b>	<b>1,489</b>	<b>1,424</b>	<b>1,513</b>	<b>17,799</b>	<b>18,518</b>	<b>19,875</b>
<b>Gain (Loss) From Operations</b>	<b>(216)</b>	<b>(98)</b>	<b>(145)</b>	<b>(126)</b>	<b>(196)</b>	<b>(123)</b>	<b>(53)</b>	<b>(34)</b>	<b>(11)</b>	<b>(62)</b>	<b>(57)</b>	<b>(26)</b>	<b>(1,147)</b>	<b>(3,087)</b>	<b>(5,444)</b>
<b>Other Operating Items:</b>															
Other Post Employment Benefits	(108)	(108)	(108)	(108)	(108)	(108)	(108)	(108)	(108)	(108)	(108)	(108)	(1,296)	(1,296)	(1,275)
Change in Derivative Instruments	114	114	114	114	114	114	114	113	113	113	113	113	1,363	531	(999)
Grants for Capital Asset Acquisition	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Amortization of Refunding Loss	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(5)	(5)	(5)	(5)	(5)	(67)	(68)	(69)
<b>Total Other Operating Items</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(833)</b>	<b>(2,343)</b>
<b>Net income (loss)</b>	<b>(216)</b>	<b>(98)</b>	<b>(145)</b>	<b>(126)</b>	<b>(196)</b>	<b>(123)</b>	<b>(53)</b>	<b>(34)</b>	<b>(11)</b>	<b>(62)</b>	<b>(57)</b>	<b>(26)</b>	<b>(1,147)</b>	<b>(3,920)</b>	<b>(7,787)</b>

**Nassau Health Care Corporation and Subsidiaries**  
**Key Operating Statistics**  
**Community Health Centers**  
For the twelve months ended 12/31/10

	2001	2002	2003	2004	2005	2006	2007	2008	8/2009	2009	2010												
											Budgeted												
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Proj.	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
<b>AMBULATORY VISITS</b>																							
Elmont	12,319	11,393	10,773	8,510	9,261	8,924	8,899	10,176	6,992	10,834	876	876	1,060	1,014	922	1,014	968	1,014	968	922	830	1,016	11,480
Freeport	20,817	13,761	11,647	11,955	15,035	15,704	16,768	20,746	17,605	25,618	2,074	2,074	2,511	2,401	2,183	2,401	2,292	2,401	2,292	2,183	1,965	2,403	27,180
Hempstead	-	9,957	13,890	13,790	18,644	18,228	17,919	22,059	12,664	20,099	1,609	1,609	1,947	1,862	1,693	1,862	1,778	1,862	1,778	1,693	1,524	1,863	21,080
Inwood	3,836	4,220	3,485	1,823	2,173	2,473	2,678	1,589	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Long Beach	541	942	1,061	408	761	630	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
New Cassel	18,603	16,123	14,807	13,882	18,247	18,388	21,632	23,184	15,810	23,918	1,926	1,926	2,332	2,230	2,028	2,230	2,129	2,230	2,129	2,028	1,825	2,232	25,245
Roosevelt	744	584	478	602	954	1,068	1,231	1,143	453	888	69	69	83	80	72	80	76	80	76	72	65	78	900
Topic House	397	298	55	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	57,257	57,278	56,196	50,970	65,075	65,415	69,128	78,897	53,524	81,357	6,554	6,554	7,933	7,587	6,898	7,587	7,243	7,587	7,243	6,898	6,209	7,592	85,885
<b>LABOR STATISTICS:</b>																							
Full-Time Equivalent (FTE) Total	135.1	135.0	128.4	96.6	103.7	94.9	107.4	114.9	113.3	112.4	119.2	119.2	119.2	119.2	119.2	119.2	119.2	119.2	119.2	119.2	119.2	119.2	119.2
Labor Cost Per Man Hour	37.67	41.00	40.47	49.59	62.27	67.40	65.60	61.58	54.98	54.49	52.55	52.50	52.50	52.57	52.44	52.40	52.39	52.33	52.18	51.96	51.84	51.96	52.30
Payroll as a % of Patient Revenue	114.04%	131.19%	136.40%	262.87%	146.98%	132.94%	157.09%	164.91%	125.24%	121.98%	131.35%	118.51%	112.91%	113.37%	125.97%	113.01%	104.76%	101.36%	100.97%	107.37%	111.14%	100.63%	111.01%
Overtime as a % of Payroll	0.16%	0.21%	0.74%	1.27%	1.08%	0.83%	1.23%	1.36%	0.81%	0.58%	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%	0.04%
<b>CREDIT AND COLLECTION STATISTICS:</b>																							
Bad Debts as a % of Patient Revenue	19.06%	33.05%	24.98%	55.39%	4.70%	26.92%	30.53%	37.18%	32.92%	33.01%	32.84%	32.84%	34.07%	33.86%	33.12%	33.86%	28.97%	29.42%	28.97%	28.49%	27.54%	29.42%	30.98%

**Nassau Health Care Corporation and Subsidiaries**  
**Projected Revenue & Expenses**  
**Physician Faculty Practice Plan**  
**Comparative**  
(In Thousands)

	<u>Audited FYE 12/31/2001</u>	<u>Audited FYE 12/31/2002</u>	<u>Audited FYE 12/31/2003</u>	<u>Audited FYE 12/31/2004</u>	<u>Audited FYE 12/31/2005</u>	<u>Audited FYE 12/31/2006</u>	<u>Audited FYE 12/31/2007</u>	<u>Audited FYE 12/31/2008</u>	<u>Actual YTD 08/31/2009</u>	<u>2009 Projected SEPT</u>	<u>2009 Projected OCT</u>	<u>2009 Projected NOV</u>	<u>2009 Projected DEC</u>	<u>Projected FYE 12/31/2009</u>	<u>Budgeted FYE 12/31/2010</u>
<b>Operating Revenues:</b>															
Net patient service revenue	16,635	19,852	13,572	14,427	18,591	18,188	17,468	19,143	12,747	1,655	1,655	1,655	1,655	19,367	21,500
NYS Intergovernmental transfer														-	-
Nassau County Billings														-	-
Historical Mission Payments														-	-
Federal & State Aid														-	-
Practice Plan Revenue	(2,235)	(9,942)	(3,762)	(5,708)	(8,780)	(8,115)	(7,243)	(7,500)	(4,533)	(588)	(588)	(588)	(588)	(6,885)	(9,396)
Investment Income	497	205	196	142	150	135	150	135	77	10	10	10	10	117	116
Miscellaneous	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total operating revenue</b>	<b>14,897</b>	<b>10,115</b>	<b>10,006</b>	<b>8,861</b>	<b>9,961</b>	<b>10,208</b>	<b>10,375</b>	<b>11,778</b>	<b>8,291</b>	<b>1,077</b>	<b>1,077</b>	<b>1,077</b>	<b>1,077</b>	<b>12,599</b>	<b>12,220</b>
<b>Operating Expenses:</b>															
Salaries	12,756	7,858	7,967	6,466	7,876	7,995	7,854	8,998	6,375	828	828	828	828	9,687	9,696
Fringe Benefits	387	137	301	259	281	261	294	303	640	83	83	83	83	972	968
Supplies														-	-
Expenses	1,754	2,120	1,738	2,136	1,804	1,952	2,227	2,477	1,276	166	166	166	166	1,940	1,556
Utilities														-	-
Depreciation Expense														-	-
Interest & Amortization														-	-
Bad Debt Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total operating expenses</b>	<b>14,897</b>	<b>10,115</b>	<b>10,006</b>	<b>8,861</b>	<b>9,961</b>	<b>10,208</b>	<b>10,375</b>	<b>11,778</b>	<b>8,291</b>	<b>1,077</b>	<b>1,077</b>	<b>1,077</b>	<b>1,077</b>	<b>12,599</b>	<b>12,220</b>
<b>Gain (Loss) From Operations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other Operating Items:</b>															
Other Post Employment Benefits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in Derivative Instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants for Capital Asset Acquisition	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Amortization of Refunding Loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Other Operating Items</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net income (loss)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Nassau Health Care Corporation and Subsidiaries**

**Budgeted Revenue & Expenses**

**Physician Faculty Practice Plan**

For the twelve months ended 12/31/10

(In Thousands)

	2010 Budgeted												2010	Projected FYE	Audited FYE
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	12/31/2009	12/31/2008
<b>Operating Revenues:</b>															
Net patient service revenue	1,792	1,792	1,792	1,792	1,792	1,792	1,792	1,792	1,791	1,791	1,791	1,791	21,500	19,367	19,143
NYS Intergovernmental transfer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Nassau County Billings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Historical Mission Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Federal & State Aid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Practice Plan Revenue	(783)	(783)	(783)	(783)	(783)	(783)	(783)	(783)	(783)	(783)	(783)	(783)	(9,396)	(6,885)	(7,500)
Investment Income	10	10	10	10	10	10	10	10	9	9	9	9	116	117	135
Miscellaneous	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total operating revenue</b>	<b>1,019</b>	<b>1,019</b>	<b>1,019</b>	<b>1,019</b>	<b>1,019</b>	<b>1,019</b>	<b>1,019</b>	<b>1,019</b>	<b>1,017</b>	<b>1,017</b>	<b>1,017</b>	<b>1,017</b>	<b>12,220</b>	<b>12,599</b>	<b>11,778</b>
<b>Operating Expenses:</b>															
Salaries	808	808	808	808	808	808	808	808	808	808	808	808	9,696	9,687	8,998
Fringe Benefits	81	81	81	81	81	81	81	81	80	80	80	80	968	972	303
Supplies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Expenses	130	130	130	130	130	130	130	130	129	129	129	129	1,556	1,940	2,477
Utilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest & Amortization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bad Debt Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total operating expenses</b>	<b>1,019</b>	<b>1,019</b>	<b>1,019</b>	<b>1,019</b>	<b>1,019</b>	<b>1,019</b>	<b>1,019</b>	<b>1,019</b>	<b>1,017</b>	<b>1,017</b>	<b>1,017</b>	<b>1,017</b>	<b>12,220</b>	<b>12,599</b>	<b>11,778</b>
<b>Gain (Loss) From Operations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other Operating Items:</b>															
Other Post Employment Benefits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in Derivative Instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants for Capital Asset Acquisition	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Amortization of Refunding Loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Other Operating Items</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net income (loss)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Nassau Health Care Corporation and Subsidiaries**

**Projected Revenue & Expenses**

**Nassau Health Care Corp, LTD.**

**Comparative**

(In Thousands)

	<u>Audited FYE 12/31/2001</u>	<u>Audited FYE 12/31/2002</u>	<u>Audited FYE 12/31/2003</u>	<u>Audited FYE 12/31/2004</u>	<u>Audited FYE 12/31/2005</u>	<u>Audited FYE 12/31/2006</u>	<u>Audited FYE 12/31/2007</u>	<u>Audited FYE 12/31/2008</u>	<u>Actual YTD 08/31/2009</u>	<u>2009 Projected SEPT</u>	<u>2009 Projected OCT</u>	<u>2009 Projected NOV</u>	<u>2009 Projected DEC</u>	<u>Projected FYE 12/31/2009</u>	<u>Budgeted FYE 12/31/2010</u>
<b>Operating Revenues:</b>															
Net patient service revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
NYS Intergovernmental transfer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Nassau County Billings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Historical Mission Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Federal & State Aid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Practice Plan Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment Income	251	222	160	269	684	1,241	1,665	1,034	896	112	112	112	112	1,344	960
Miscellaneous	5,873	8,078	8,281	8,251	8,035	7,429	7,803	8,945	6,264	784	784	784	784	9,400	9,400
<b>Total operating revenue</b>	<b>6,124</b>	<b>8,300</b>	<b>8,441</b>	<b>8,520</b>	<b>8,719</b>	<b>8,670</b>	<b>9,468</b>	<b>9,979</b>	<b>7,160</b>	<b>896</b>	<b>896</b>	<b>896</b>	<b>896</b>	<b>10,744</b>	<b>10,360</b>
<b>Operating Expenses:</b>															
Salaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fringe Benefits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Expenses	5,973	9,308	7,671	9,675	9,667	17,718	11,700	14,582	6,264	784	784	784	784	9,400	9,400
Utilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest & Amortization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bad Debt Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total operating expenses</b>	<b>5,973</b>	<b>9,308</b>	<b>7,671</b>	<b>9,675</b>	<b>9,667</b>	<b>17,718</b>	<b>11,700</b>	<b>14,582</b>	<b>6,264</b>	<b>784</b>	<b>784</b>	<b>784</b>	<b>784</b>	<b>9,400</b>	<b>9,400</b>
<b>Gain (Loss) From Operations</b>	<b>151</b>	<b>(1,008)</b>	<b>770</b>	<b>(1,155)</b>	<b>(948)</b>	<b>(9,048)</b>	<b>(2,232)</b>	<b>(4,603)</b>	<b>896</b>	<b>112</b>	<b>112</b>	<b>112</b>	<b>112</b>	<b>1,344</b>	<b>960</b>
<b>Other Operating Items:</b>															
Other Post Employment Benefits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in Derivative Instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants for Capital Asset Acquisition	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Amortization of Refunding Loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Other Operating Items</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net income (loss)</b>	<b>151</b>	<b>(1,008)</b>	<b>770</b>	<b>(1,155)</b>	<b>(948)</b>	<b>(9,048)</b>	<b>(2,232)</b>	<b>(4,603)</b>	<b>896</b>	<b>112</b>	<b>112</b>	<b>112</b>	<b>112</b>	<b>1,344</b>	<b>960</b>

**Nassau Health Care Corporation and Subsidiaries**

**Budgeted Revenue & Expenses**

**Nassau Health Care Corp, LTD.**

**For the twelve months ended 12/31/10**

(In Thousands)

	2010 Budgeted												2010	Projected	Audited
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	FYE 12/31/2009	FYE 12/31/2008
<b>Operating Revenues:</b>															
Net patient service revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
NYS Intergovernmental transfer	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Nassau County Billings	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Historical Mission Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Federal & State Aid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Practice Plan Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment Income	80	80	80	80	80	80	80	80	80	80	80	80	960	1,344	1,034
Miscellaneous	783	783	783	783	783	783	783	783	784	784	784	784	9,400	9,400	8,945
<b>Total operating revenue</b>	<b>863</b>	<b>863</b>	<b>863</b>	<b>863</b>	<b>863</b>	<b>863</b>	<b>863</b>	<b>863</b>	<b>864</b>	<b>864</b>	<b>864</b>	<b>864</b>	<b>10,360</b>	<b>10,744</b>	<b>9,979</b>
<b>Operating Expenses:</b>															
Salaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fringe Benefits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Supplies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Expenses	783	783	783	783	783	783	783	783	784	784	784	784	9,400	9,400	14,582
Utilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest & Amortization	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bad Debt Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total operating expenses</b>	<b>783</b>	<b>783</b>	<b>783</b>	<b>783</b>	<b>783</b>	<b>783</b>	<b>783</b>	<b>783</b>	<b>784</b>	<b>784</b>	<b>784</b>	<b>784</b>	<b>9,400</b>	<b>9,400</b>	<b>14,582</b>
<b>Gain (Loss) From Operations</b>	<b>80</b>	<b>80</b>	<b>80</b>	<b>80</b>	<b>80</b>	<b>80</b>	<b>80</b>	<b>80</b>	<b>80</b>	<b>80</b>	<b>80</b>	<b>80</b>	<b>960</b>	<b>1,344</b>	<b>(4,603)</b>
<b>Other Operating Items:</b>															
Other Post Employment Benefits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in Derivative Instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants for Capital Asset Acquisition	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Amortization of Refunding Loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Other Operating Items	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Net income (loss)</b>	<b>80</b>	<b>80</b>	<b>80</b>	<b>80</b>	<b>80</b>	<b>80</b>	<b>80</b>	<b>80</b>	<b>80</b>	<b>80</b>	<b>80</b>	<b>80</b>	<b>960</b>	<b>1,344</b>	<b>(4,603)</b>