

PROJECT: 141080 Upstate Orthopedics Ambulatory Surgery Center

OPERATING BUDGET

The applicant has submitted an operating budget, in 2014 dollars, for the current year and years one and three of operation subsequent to receiving a permanent life, which is summarized below:

	<u>Current Year (2013)</u>	<u>Year One</u>	<u>Year Three</u>
Revenues:	\$7,650,000	\$7,960,000	\$8,114,000
Expenses:			
Operating	\$4,938,000	\$5,134,750	\$5,274,500
Capital	<u>1,214,000</u>	<u>1,205,000</u>	<u>1,189,000</u>
Total Expenses:	\$6,152,000	\$6,339,750	\$6,463,500
Net Income:	\$1,498,000	\$1,620,250	\$1,650,500
Utilization (procedures)	4,900	5,054	5,132
Cost per procedure	\$1255.51	\$1,254.40	\$1,259.45

Utilization by payor source for the historical 2010 and 2012, current 2013 and Year1 and Year 3 projections are as follows:

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2015</u>	<u>2017</u>
Comm.-FFS	52.8%	48.8%	49.1%	44.0%	44.0%	44.0%
Comm.MC						
Workers Comp.	14.6%	15.1%	13.8%	0%	0%	0%
Medicaid-FFS	2.2%	1.7%	1.7%	1.3%	1.0%	1.0%
Medicaid-MC	8.4%	9.8%	11.0%	12.9%	13.5%	13.0%
Medicare-FFS	11.3%	13.3%	13.1%	13.0%	13.0%	13.0%
Medicare-MC	2.8%	2.9%	3.6%	4.0%	4.0%	4.0%
No Fault	2.6%	2.4%	2.3%	0%	0%	0%
Private	0.3%	0.3%	0.3%	0.5%	0.4%	0.4%
Charity				2.0%	2.0%	2.0%
All Other	4.9%	5.8%	5.2%	22.30%	22.10%	23.0%

Below is the projected and actual year one and three utilization from the original limited life application #072151.

Utilization (Procedures)	Year One (2010)	Year Three (2012)
Projected:	3,060	3,206
Actual:	2,010	4,304