

Sheridan County Health Complex
A Component Unit of Sheridan County, Kansas

Accountants' Report and Financial Statements

December 31, 2010 and 2009



Sheridan County Health Complex
A Component Unit of Sheridan County, Kansas
December 31, 2010 and 2009

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Independent Accountants' Report on Financial Statements and Supplementary Information

Board of Trustees
Sheridan County Health Complex
Hoxie, Kansas

We have audited the accompanying balance sheets of Sheridan County Health Complex, a component unit of Sheridan County, Kansas, as of December 31, 2010 and 2009, and the related statements of revenues, expenses and changes in net assets and cash flows for the years then ended. These financial statements are the responsibility of the Hospital's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the Kansas Municipal Audit Guide. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Sheridan County Health Complex as of December 31, 2010 and 2009, and the changes in its financial position and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

The Hospital has not presented management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Our audits were conducted for the purpose of forming an opinion on the Hospital's basic financial statements. The accompanying supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

BKD, LLP

March 16, 2011

Sheridan County Health Complex
A Component Unit of Sheridan County, Kansas
Balance Sheets
December 31, 2010 and 2009

Assets

	<u>2010</u>	<u>2009</u>
Current Assets		
Cash	\$ 515,519	\$ 398,929
Short-term certificates of deposit	201,445	-
Restricted cash - current	153,303	-
Patient accounts receivable, net of allowance; 2010 - \$296,000; 2009 - \$300,000	416,663	455,681
Sales tax receivable	53,000	75,000
Estimated amounts due from third-party payers	52,684	16,000
Supplies	91,701	91,635
Prepaid expenses and other	15,716	41,073
	<hr/>	<hr/>
Total current assets	1,500,031	1,078,318
Capital Assets, Net	<hr/>	<hr/>
	776,998	958,307
	<hr/>	<hr/>
Total assets	<u>\$ 2,277,029</u>	<u>\$ 2,036,625</u>

Liabilities and Net Assets

Current Liabilities		
Current maturities of long-term debt	\$ 51,196	\$ 67,709
Accounts payable	132,128	163,299
Accrued expenses	238,555	230,097
Deferred grant revenue	36,361	21,460
	<hr/>	<hr/>
Total current liabilities	458,240	482,565
Long-term Debt	<hr/>	<hr/>
	-	56,587
	<hr/>	<hr/>
Total liabilities	458,240	539,152
Net Assets		
Invested in capital assets, net of related debt	725,802	834,011
Restricted - expendable for capital acquisitions	153,193	-
Unrestricted	939,794	663,462
	<hr/>	<hr/>
Total net assets	1,818,789	1,497,473
	<hr/>	<hr/>
Total liabilities and net assets	<u>\$ 2,277,029</u>	<u>\$ 2,036,625</u>

Sheridan County Health Complex
A Component Unit of Sheridan County, Kansas
Statements of Revenues, Expenses and Changes in Net Assets
Years Ended December 31, 2010 and 2009

	<u>2010</u>	<u>2009</u>
Operating Revenues		
Net patient service revenue, net of provision for uncollectible accounts; 2010 - \$141,078, 2009 - \$10,113	\$ 5,227,710	\$ 5,158,675
Other	70,040	114,181
	<u>5,297,750</u>	<u>5,272,856</u>
Operating Expenses		
Salaries and wages	3,142,025	2,910,763
Employee benefits	559,486	574,286
Purchased services and professional fees	566,511	621,860
Supplies and other	1,441,099	1,340,548
Depreciation and amortization	214,544	241,300
	<u>5,923,665</u>	<u>5,688,757</u>
Operating Loss	<u>(625,915)</u>	<u>(415,901)</u>
Nonoperating Revenues (Expenses)		
Intergovernmental revenue	384,205	405,202
Sales tax revenue	336,911	75,000
Interest income	9,142	4,675
Interest expense	-	(9,428)
Noncapital grants and gifts	63,780	114,994
	<u>794,038</u>	<u>590,443</u>
Excess of Revenues Over Expenses Before Capital Grants and Gifts	168,123	174,542
Capital Grants and Gifts	153,193	-
Net Assets, Beginning of Year	<u>1,497,473</u>	<u>1,322,931</u>
Net Assets, End of Year	<u>\$ 1,818,789</u>	<u>\$ 1,497,473</u>

Sheridan County Health Complex
A Component Unit of Sheridan County, Kansas
Statements of Cash Flows
Years Ended December 31, 2010 and 2009

	2010	2009
Operating Activities		
Receipts from and on behalf of patients	\$ 5,230,044	\$ 5,333,023
Payments to suppliers and contractors	(2,013,490)	(1,962,979)
Payments to employees	(3,693,053)	(3,493,965)
Other receipts, net	70,040	114,181
Net cash used in operating activities	(406,459)	(9,740)
Noncapital Financing Activities		
Intergovernmental revenue supporting operations	384,205	405,202
Sales taxes supporting operations	358,911	-
Noncapital grants and gifts	78,681	115,108
Net cash provided by financing activities	821,797	520,310
Capital and Related Financing Activities		
Capital grants and gifts	153,193	-
Principal paid on long-term debt	(73,100)	(117,550)
Interest paid on long-term debt	-	(9,428)
Purchase of capital assets	(33,235)	(171,173)
Net cash provided by (used in) capital and related financing activities	46,858	(298,151)
Investing Activities		
Interest income received	9,142	4,675
Purchases of short-term certificates of deposit	(503,179)	-
Maturities of short-term certificates of deposit	301,734	-
Net cash provided by (used in) investing activities	(192,303)	4,675
Increase in Cash	269,893	217,094
Cash, Beginning of Year	398,929	181,835
Cash, End of Year	\$ 668,822	\$ 398,929

Sheridan County Health Complex
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Statements of Cash Flows (Continued)
Years Ended December 31, 2010 and 2009

	2010	2009
Reconciliation of Net Operating Revenues (Expenses)		
to Net Cash Used in Operating Activities		
Operating loss	\$ (625,915)	\$ (415,901)
Depreciation and amortization	214,544	241,300
Changes in operating assets and liabilities		
Patient accounts receivable, net	39,018	74,348
Estimated amounts due from and to Medicare	(36,684)	100,000
Accounts payable and accrued expenses	(22,713)	(51,570)
Other assets and liabilities	25,291	42,083
Net cash used in operating activities	\$ (406,459)	\$ (9,740)

Sheridan County Health Complex
A Component Unit of Sheridan County, Kansas
Notes to Financial Statements
December 31, 2010 and 2009

Note 1: Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations and Reporting Entity

Sheridan County Health Complex (Hospital) is an acute care hospital located in Hoxie, Kansas. The Hospital is a component unit of Sheridan County, Kansas (County). The Hospital is operated by a Board of Trustees elected by the registered voters of Sheridan County, Kansas. The Hospital primarily earns revenues by providing inpatient, outpatient and emergency care services to patients in the Sheridan County area. It also operates a long-term care unit and assisted living in the same geographic area.

Basis of Accounting and Presentation

The financial statements of the Hospital have been prepared on the accrual basis of accounting using the economic resources measurement focus. Revenues, expenses, gains, losses, assets and liabilities from exchange and exchange-like transactions are recognized when the exchange transaction takes place, while those from government-mandated nonexchange transactions are recognized when all applicable eligibility requirements are met. Operating revenues and expenses include exchange transactions. Government-mandated nonexchange transactions that are not program specific (such as intergovernmental revenue), investment income and interest on capital assets-related debt are included in nonoperating revenues and expenses. The Hospital first applies restricted net assets when an expense or outlay is incurred for purposes for which both restricted and unrestricted net assets are available.

The Hospital prepares its financial statements as a business-type activity in conformity with applicable pronouncements of the Governmental Accounting Standards Board (GASB). Pursuant to GASB Statement No. 20, the Hospital has elected to apply the provisions of all relevant pronouncements of the Financial Accounting Standards Board (FASB) that were issued on or before November 30, 1989, and do not conflict with or contradict GASB pronouncements.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

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Intergovernmental and Sales Tax Revenue

The Hospital received approximately 12% and 8% in 2010 and 2009 of its financial support from the proceeds of intergovernmental and sales taxes. One hundred percent of these funds were used to support operations in both years.

Property taxes are assessed by the County in November and are received beginning in January of the following year. Intergovernmental revenue is recognized in full in the year in which use is first permitted.

Sales tax revenue is recognized based on sales tax collected by the County's retailers in the Hospital's accounting period.

Risk Management

The Hospital is exposed to various risks of loss from torts; theft of, damage to and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters; and employee health, dental and accident benefits. Commercial insurance coverage is purchased for claims arising from such matters other than workers' compensation. Settled claims have not exceeded this commercial coverage in any of the three preceding years.

Workers' compensation coverage is provided through a fund managed by the Kansas Hospital Association. The workers' compensation premiums are subject to retrospective adjustment based on the overall performance of the fund. Management believes adequate reserves are in place within the plan to cover claims incurred but not reported and no additional amounts have been accrued related to claims for this plan.

Patient Accounts Receivable

The Hospital reports patient accounts receivable for services rendered at net realizable amounts from third-party payers, patients and others. The Hospital provides an allowance for uncollectible accounts based upon a review of outstanding receivables, historical collection information and existing economic conditions.

Supplies

Supply inventories are stated at the lower of cost, determined using the first-in, first-out (FIFO) method, or market.

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December 31, 2010 and 2009

Capital Assets

Capital assets are recorded at cost at the date of acquisition or fair value at the date of donation if acquired by gift. Depreciation is computed using the straight-line method over the estimated useful life of each asset. Assets under capital lease obligations are depreciated over the shorter of the lease term or their respective estimated useful lives. The following estimated useful lives are being used by the Hospital:

Land improvements	5 – 20 years
Buildings	5 – 40 years
Fixed equipment	5 – 25 years
Major moveable equipment	3 – 20 years

Compensated Absences

Hospital policies permit most employees to accumulate vacation and sick leave benefits that may be realized as paid time off or, in limited circumstances, as a cash payment. Expense and the related liability are recognized as vacation benefits are earned whether the employee is expected to realize the benefit as time off or in cash. Expense and the related liability for sick leave benefits are recognized when earned to the extent the employee is expected to realize the benefit in cash determined using the termination payment method. Sick leave benefits expected to be realized as paid time off are recognized as expense when the time off occurs and no liability is accrued for such benefits employees have earned but not yet realized. Compensated absence liabilities are computed using the regular pay and termination pay rates in effect at the balance sheet date plus an additional amount for compensation-related payments such as social security and Medicare taxes computed using rates in effect at that date.

Net Assets

Net assets of the Hospital are classified in three components. Net assets invested in capital assets, net of related debt, consist of capital assets net of accumulated depreciation and reduced by the outstanding balances of borrowings used to finance the purchase or construction of those assets. Restricted expendable net assets are noncapital assets that must be used for a particular purpose as specified by creditors, grantors or donors external to the Hospital, including amounts deposited with trustees as required by bond indentures, reduced by the outstanding balances of any related borrowings. Unrestricted net assets are remaining assets less remaining liabilities that do not meet the definition of invested in capital assets, net of related debt or restricted expendable.

Sheridan County Health Complex
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Notes to Financial Statements
December 31, 2010 and 2009

Net Patient Service Revenue

The Hospital has agreements with third-party payers that provide for payments to the Hospital at amounts different from its established rates. Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payers and others for services rendered and includes estimated retroactive revenue adjustments and a provision for uncollectible accounts. Retroactive adjustments are considered in the recognition of revenue on an estimated basis in the period the related services are rendered and such estimated amounts are revised in future periods as adjustments become known.

Charity Care

The Hospital provides charity care to patients who are unable to pay for services. The amount of charity care is included in net patient service revenue and is not separately classified from the provision for uncollectible accounts.

Income Taxes

As an essential government function of the County, the Hospital is generally exempt from federal and state income taxes under Section 115 of the Internal Revenue Code and a similar provision of state law. However, the Hospital is subject to federal income tax on any unrelated business taxable income. The Hospital has obtained 501(c)(3) tax-exempt status with the IRS for purposes of participating in a Section 403(b) pension plan.

Subsequent Events

Subsequent events have been evaluated through March 16, 2011, which is the date the financial statements were available to be issued.

Note 2: Net Patient Service Revenue

The Hospital has agreements with third-party payers that provide for payments to the Hospital at amounts different from its established rates. These payment arrangements include:

Medicare. The Hospital is recognized as a Critical Access Hospital (CAH) and is paid at one hundred one percent (101%) of allowable costs for certain inpatient and outpatient services. The Hospital is reimbursed for certain services and cost reimbursable items at tentative rates with final settlement determined after submission of annual cost reports by the Hospital and audits thereof by the Medicare administrative contractor.

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Medicaid. The Medicaid State Plan provides for a cost reimbursement methodology for inpatient and outpatient services rendered to beneficiaries who are not part of a Medicaid managed care network. Medicaid Rural Health Clinic services are reimbursed under a cost-based methodology. The Hospital and Rural Health Clinic are reimbursed at tentative rates with final settlements determined after submission of annual cost reports by the Hospital and reviews thereof by the Kansas Health Policy Authority.

Medicaid reimbursement for long-term care facility residents is based on a cost-based prospective reimbursement methodology. The Hospital is reimbursed at a prospective rate with annual cost reports submitted to the Medicaid program. Rates are computed each calendar quarter using an average of the 2005, 2006 and 2007 cost reports and changes in the Medicaid resident case mix index. The Medicaid cost reports are subject to audit by the State and adjustments to rates can be made retroactively.

Approximately 46% of net patient service revenue is from participation in the Medicare and state-sponsored Medicaid programs for both years ended December 31, 2010 and 2009. Laws and regulations governing the Medicare and Medicaid programs are complex and subject to interpretation and change. As a result, it is reasonably possible that recorded estimates will change materially in the near term.

The Hospital has also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations and preferred provider organizations. The basis for payment to the Hospital under these agreements includes prospectively determined rates per discharge, discounts from established charges and prospectively determined daily rates.

Note 3: Deposits

Custodial credit risk is the risk that in the event of a bank failure, a government's deposits may not be returned to it. The Hospital's deposit policy for custodial credit risk requires compliance with the provisions of state law.

State law requires collateralization of all deposits with federal depository insurance; bonds and other obligations of the U.S. Treasury, U.S. agencies or instrumentalities or the state of Kansas; bonds of any city, county, school district or special road district of the state of Kansas; bonds of any state; or a surety bond having an aggregate value at least equal to the amount of the deposits.

At December 31, 2010 and 2009, respectively, \$550,753 and \$217,518 of the Hospital's bank balances of \$1,059,106 and \$521,256 were exposed to custodial credit risk as follows:

	2010	2009
Uninsured and collateral held by pledging financial institution's trust department or agent in other than the Hospital's name	<u>\$ 550,753</u>	<u>\$ 217,518</u>

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Notes to Financial Statements
December 31, 2010 and 2009

Summary of Carrying Values

The carrying values of deposits shown above are included in the balance sheets as follows:

	<u>2010</u>	<u>2009</u>
Carrying value		
Deposits	\$ 870,267	\$ 398,929
Included in the following balance sheet captions		
Cash	\$ 668,822	\$ 398,929
Short-term certificates of deposit	201,445	-
	<u>\$ 870,267</u>	<u>\$ 398,929</u>

Note 4: Patient Accounts Receivable

The Hospital grants credit without collateral to its patients, many of whom are area residents and are insured under third-party payer agreements. Patient accounts receivable at December 31, 2010 and 2009, consisted of:

	<u>2010</u>	<u>2009</u>
Medicare	\$ 308,411	\$ 268,276
Medicaid	30,411	8,543
Blue Cross	41,441	92,115
Other third-party payers	60,059	52,700
Patients	272,341	334,047
	<u>712,663</u>	<u>755,681</u>
Less allowance for uncollectible accounts	296,000	300,000
	<u>\$ 416,663</u>	<u>\$ 455,681</u>

Sheridan County Health Complex
A Component Unit of Sheridan County, Kansas
Notes to Financial Statements
December 31, 2010 and 2009

Note 6: Medical Malpractice Coverage and Claims

The Hospital purchases medical malpractice insurance under a claims-made policy with a fixed premium which provides \$200,000 of coverage for each medical incident and \$600,000 of aggregate coverage for each policy year. The policy only covers claims made and reported to the insurer during the policy term, regardless of when the incident giving rise to the claim occurred. The Kansas Health Care Stabilization Fund provides an additional \$300,000 of claims-made coverage for each medical incident and \$900,000 of aggregate coverage for each policy year.

Accounting principles generally accepted in the United States of America require a health care provider to accrue the expense of its share of malpractice claim costs, if any, for any reported and unreported incidents of potential improper professional service occurring during the year by estimating the probable ultimate costs of the incidents. Based upon the Hospital's claims experience, no such accrual has been made. It is reasonably possible that this estimate could change materially in the near term.

Note 7: Long-term Debt

The following is a summary of long-term debt transactions for the Hospital for the years ended December 31, 2010 and 2009:

	2010				
	Beginning Balance	Additions	Deductions	Ending Balance	Current Portion
Capital lease obligations	\$ 124,296	\$ -	\$ (73,100)	\$ 51,196	\$ 51,196
	2009				
	Beginning Balance	Additions	Deductions	Ending Balance	Current Portion
Capital lease obligations	\$ 241,846	\$ -	\$ (117,550)	\$ 124,296	\$ 67,709

Sheridan County Health Complex
A Component Unit of Sheridan County, Kansas
Notes to Financial Statements
December 31, 2010 and 2009

Capital Lease Obligations

The Hospital is obligated under leases for equipment that are accounted for as capital leases. The cost of assets under capital leases at December 31, 2010 and 2009, totaled \$198,280 and \$237,360, respectively, with accumulated depreciation of \$33,637 and \$49,744, respectively. The following is a schedule by year of future minimum lease payments under the capital leases including interest at rates of 4.950%, together with the present value of the future minimum lease payments as of December 31, 2010:

Year Ending December 31,	
2011	\$ 52,605
Total minimum lease payments	52,605
Less amounts representing interest	1,409
Present value of future minimum lease payments	\$ 51,196

Note 8: Operating Lease

The Hospital has entered into an operating lease for a CT scanner for a term of three years. The lease requires the Hospital to pay certain executory costs (property taxes, maintenance and insurance).

Future minimum lease payments at December 31, 2010, were:

2011	\$ 79,200
2012	79,200
2013	79,200
	\$ 237,600

Rent expense for all operating leases was \$79,200 and \$72,600 for the years ended December 31, 2010 and 2009, respectively.

Note 9: Pension Plan

The Hospital contributes to a defined contribution pension plan covering substantially all employees. Pension expense is recorded for the amount of the Hospital's required contributions, determined in accordance with the terms of the plan. The plan is administered by a board of trustees appointed by the Sheridan County Health Complex Board. The plan provides retirement

Sheridan County Health Complex
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Notes to Financial Statements
December 31, 2010 and 2009

and death benefits to plan members and their beneficiaries. Benefit provisions are contained in the plan document and were established and can be amended by action of the Hospital's governing body. Contribution rates for plan members and the Hospital expressed as a percentage of covered payroll were 2.58% and 0.80% for 2010 and 2.81% and 0.84% for 2009, respectively. Contributions actually made by plan members and the Hospital aggregated \$81,184 and \$25,115 during 2010 and \$81,769 and \$24,496 during 2009, respectively.

Note 10: Current Economic Conditions

The current protracted economic decline continues to present hospitals with difficult circumstances and challenges, which in some cases have resulted in large and unanticipated declines in assets, large declines in contributions, constraints on liquidity and difficulty obtaining financing. The financial statements have been prepared using values and information currently available to the Hospital.

Current economic conditions, including the rising unemployment rate, have made it difficult for certain of our patients to pay for services rendered. As employers make adjustments to health insurance plans or more patients become unemployed, services provided to self-pay and other payers may significantly impact net patient service revenue, which could have an adverse impact on the Hospital's future operating results. Further, the effect of economic conditions on the government may have an adverse effect on cash flows related to the Medicare and Medicaid programs.

Given the volatility of current economic conditions, the values of assets and liabilities recorded in the financial statements could change rapidly, resulting in material future adjustments in allowances for accounts receivable that could negatively impact the Hospital's ability to maintain sufficient liquidity.

Note 11: Subsequent Events

Medicaid Provider Assessment

On February 2, 2011, the Centers for Medicare and Medicaid Services (CMS) approved a Medicaid State Plan amendment which provides for additional funds to be paid to operators of long-term care facilities. The Kansas Department on Aging has estimated the additional net receipts for the Hospital to be approximately \$73,000. These receipts are expected to begin in March 2011.

Supplementary Information

Sheridan County Health Complex
A Component Unit of Sheridan County, Kansas
Net Patient Service Revenue
Years Ended December 31, 2010 and 2009

	2010		
	Inpatient	Outpatient	Total
Nursing, Dietary and Room Services			
Acute hospital	\$ 137,815	\$ 142,404	\$ 280,219
Swing-bed and night care	153,069	-	153,069
Long-term care	1,639,320	-	1,639,320
Assisted living	127,112	-	127,112
	<u>2,057,316</u>	<u>142,404</u>	<u>2,199,720</u>
Operating room	1,250	99,746	100,996
Delivery room	-	246	246
Anesthesiology	2,800	38,960	41,760
Radiology	35,409	473,325	508,734
Laboratory	57,999	576,005	634,004
Physical therapy	36,667	181,764	218,431
Occupational therapy	20,316	3,520	23,836
Speech therapy	1,125	600	1,725
Electrocardiology	4,872	153,727	158,599
Central supply	217,295	127,418	344,713
Pharmacy	329,475	367,211	696,686
Clinic	1,571	36,181	37,752
Emergency room	4,589	223,794	228,383
Rural health clinics	-	778,849	778,849
Lifeline	-	17,712	17,712
	<u>\$ 2,770,684</u>	<u>\$ 3,221,462</u>	<u>5,992,146</u>
Less Contractual Allowance			623,358
Less Provision for Uncollectible Accounts			<u>141,078</u>
Net Patient Service Revenue			<u>\$ 5,227,710</u>

2009		
Inpatient	Outpatient	Total
\$ 195,151	\$ 105,470	\$ 300,621
104,336	-	104,336
1,508,996	-	1,508,996
152,056	-	152,056
<u>1,960,539</u>	<u>105,470</u>	<u>2,066,009</u>
3,265	72,033	75,298
-	233	233
2,665	42,400	45,065
31,389	426,216	457,605
81,461	670,358	751,819
30,743	184,741	215,484
14,738	25,322	40,060
150	834	984
18,815	128,607	147,422
152,120	92,986	245,106
319,346	301,238	620,584
2,048	101,383	103,431
5,062	110,827	115,889
-	653,965	653,965
-	14,615	14,615
<u>\$ 2,622,341</u>	<u>\$ 2,931,228</u>	5,553,569
		384,781
		<u>10,113</u>
		<u>\$ 5,158,675</u>

Sheridan County Health Complex
A Component Unit of Sheridan County, Kansas
Contractual Allowances and Other Operating Revenues
Years Ended December 31, 2010 and 2009

Contractual Allowances

	<u>2010</u>	<u>2009</u>
Medicare	\$ 151,815	\$ (667)
Medicaid	110,112	58,923
Blue Cross	209,960	212,497
Commercial	65,155	37,491
Charity	53,039	23,846
Other	<u>33,277</u>	<u>52,691</u>
	<u>\$ 623,358</u>	<u>\$ 384,781</u>

Other Operating Revenues

	<u>2010</u>	<u>2009</u>
Cafeteria sales	\$ 38,667	\$ 26,656
Supplies sold	11,628	10,075
Medical records transcript fees	1,326	2,257
Vending machines	2,311	3,090
Activities	3,033	2,243
Beauty shop	2,100	3,245
Gain on insurance proceeds	-	50,590
Other	<u>10,975</u>	<u>16,025</u>
	<u>\$ 70,040</u>	<u>\$ 114,181</u>

Sheridan County Health Complex
A Component Unit of Sheridan County, Kansas
Operating Expenses
Years Ended December 31, 2010 and 2009

	2010		Total
	Salaries	Other	
Nursing service	\$ 456,337	\$ 43,504	\$ 499,841
Long-term care	717,609	87,202	804,811
Assisted living	34,776	9,267	44,043
Operating room	9,230	17,109	26,339
Anesthesia	-	37,760	37,760
Radiology	134,367	227,498	361,865
Laboratory	184,285	206,740	391,025
Physical therapy	58,455	32,671	91,126
Occupational therapy	-	18,195	18,195
Speech therapy	-	900	900
Electrocardiology	-	1,888	1,888
Central supply	23,105	42,202	65,307
Pharmacy	44,955	143,340	188,295
Clinic	13,727	6	13,733
Emergency room	126,208	202,531	328,739
Rural health clinics	323,528	208,065	531,593
Depreciation - building and fixed equipment	-	150,942	150,942
Employee benefits	-	559,486	559,486
Purchasing	26,642	1,325	27,967
Business office	184,840	71,563	256,403
Administrative and general	182,217	325,729	507,946
Plant operation and maintenance	80,380	180,303	260,683
Laundry and linen	66,215	14,632	80,847
Housekeeping	74,098	21,872	95,970
Dietary	182,869	148,228	331,097
Nursing administration	52,936	629	53,565
Medical records	94,124	20,850	114,974
Social service	28,576	249	28,825
Activities	42,546	6,954	49,500
Wellness Center	-	-	-
	<u>\$ 3,142,025</u>	<u>\$ 2,781,640</u>	<u>\$ 5,923,665</u>

2009		
Salaries	Other	Total
\$ 466,875	\$ 42,651	\$ 509,526
621,756	67,998	689,754
32,459	501	32,960
10,282	9,773	20,055
-	39,925	39,925
114,368	205,251	319,619
181,266	236,246	417,512
47,363	44,596	91,959
-	26,241	26,241
-	-	-
-	30	30
21,335	50,563	71,898
43,290	194,899	238,189
8,365	62	8,427
89,354	259,687	349,041
324,529	160,447	484,976
-	170,749	170,749
-	574,286	574,286
25,522	1,439	26,961
161,873	79,950	241,823
216,103	273,537	489,640
72,632	138,416	211,048
49,404	11,016	60,420
76,560	23,401	99,961
170,912	138,582	309,494
30,297	839	31,136
86,075	22,442	108,517
25,462	508	25,970
34,681	2,474	37,155
-	1,485	1,485
\$ 2,910,763	\$ 2,777,994	\$ 5,688,757