

Financial Proforma: Comprehensive Cancer Center

Comprehensive Cancer Center					
	Year 1	Year 2	Year 3	Year 4	Year 5
Revenue					
Radiation Therapy	\$ 3,703,920	\$ 4,061,030	\$ 4,433,680	\$ 4,822,424	\$ 5,227,834
Infusion Therapy	519,226	569,287	621,526	676,021	732,853
Incremental IP an OP	1,338,000	1,828,600	2,342,894	2,881,759	3,446,104
Total Revenue	\$ 5,561,146	\$ 6,458,916	\$ 7,398,099	\$ 8,380,204	\$ 9,406,791
Expense					
Wages	1,933,176	2,276,509	2,635,801	3,002,804	3,630,894
Benefits	405,967	478,067	553,518	630,589	762,488
Supplies	401,124	481,318	565,271	653,121	849,395
Equipment Maintenance	250,000	250,000	250,000	500,000	500,000
Other Cost	70,711	77,529	84,643	92,064	129,629
Underwrite oncology practices	400,000	410,000	420,250	646,134	662,288
Infusion therapy operating costs	396,474	434,302	473,774	514,948	557,884
Reduction in Health Plan Oncology	(463,661)	(475,252)	(487,134)	(499,312)	(511,795)
Operating Costs	3,393,791	3,932,472	4,496,123	5,540,348	6,580,782
Operating Margin, Cancer Center	\$ 2,167,355	\$ 2,526,444	\$ 2,901,976	\$ 2,839,856	\$ 2,826,008
Cost of Capital and Indirect Cost					
Property Tax	3,899,136	3,899,136	3,899,136	3,899,136	3,899,136
Interest Expense	(2,738,681)	(2,684,800)	(2,629,003)	(2,571,221)	(2,511,384)
Depreciation	(3,600,000)	(3,600,000)	(3,600,000)	(3,600,000)	(3,600,000)
Indirect Expense	(2,439,546)	(2,385,665)	(2,329,867)	(2,272,085)	(2,212,248)
Net Income (Loss)	\$ (272,190)	\$ 140,779	\$ 572,109	\$ 567,771	\$ 613,761
Notes:					
Cancer Center is forecasted to result in an 190 incremental IP admissions, and 160 OP surgical cases at HMC, 2nd lin acc is added in year 4.					