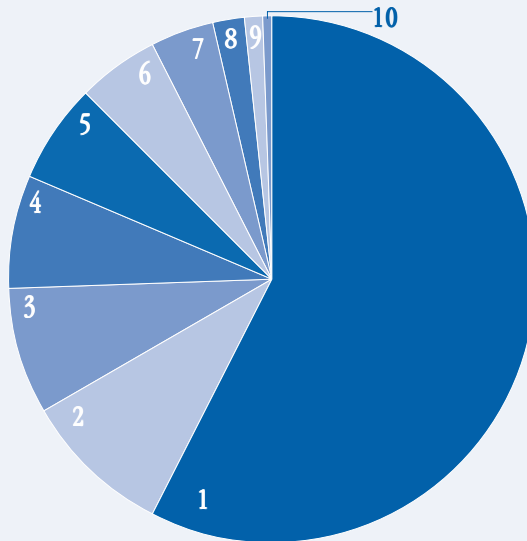


FY01 REVENUE

1. IHS Compact	\$22,013,298
2. Third Party Patient Revenue	\$14,840,201
3. State and Federal Grants	\$7,909,800
4. Other Income	\$3,635,957
TOTAL	\$48,399,256



FY01 EXPENDITURES

1. Salaries and Fringe Benefits	\$25,653,020
2. Travel	\$4,079,980
3. Provision for Bad Debt	\$3,794,784
4. Supplies	\$3,204,898
5. Professional Fees	\$2,781,268
6. Facilities	\$2,115,827
7. Depreciation	\$1,651,549
8. Other	\$873,441
9. Equipment	\$386,676
10. Insurance	\$207,032
TOTAL	\$44,748,475

**NORTON SOUND
HEALTH
CORPORATION
Financial
Highlights
FY01**

REVERSING THE OPERATING LOSS TREND

Despite having to absorb rising health care delivery costs without seeing an increase in Indian Health Service funding, Norton Sound Health Corporation remains committed to providing quality health services.

The chart at right shows NSHC’s operating loss trend over the past five years. The corporation suffered significant losses from FY97 through FY00.

In FY01, however, a corporate-wide initiative to improve operating revenues and collections and to cut operating expenses resulted in dramatic improvements in NSHC’s financial position.

Although a net operating income has not yet been realized, we are working to ensure that this upswing continues into the future.

FIVE-YEAR OPERATING LOSS TREND

