



June 25, 2012

Palmdale Regional medical Center

**OSHPD RATE INCREASE – ANNUAL REPORTING REQUIREMENT**

Palmdale Regional Medical Center implemented rate increases effective January 1, 2012. The increases were not applied consistently to all individual charges. Some charges were increased up to 7%, while others received no increase. The overall impact of the rate increases was 6.5%. The net overall increase in total revenue through from January through May, 2012 has been 7%, compared to the revenue charged for the same period in 2011. The difference between the 7% revenue increase and the 6.5% rate increase has been to minor changes in patient volumes.

Sincerely,

A handwritten signature in black ink that reads "Kurt Broten".

Kurt Broten

Chief Financial Officer