

MUNICIPAL SECONDARY MARKET DISCLOSURE INFORMATION COVER SHEET

This cover sheet should be sent with all submissions made to the Municipal Securities Rulemaking Board, Nationally Recognized Municipal Securities Information Repositories, and any applicable State Information Depository pursuant to Securities and Exchange Commission rule 15c2-12 or any analogous state statute.

Issuer's and/or Other Obligated Person's Name: Michigan State Hospital Finance Authority (Issuer);
Central Michigan Community Hospital (Obligated Person)

CUSIP Numbers (attach additional sheet if necessary):

Nine-digit number(s) to which the information relates: See attached additional sheet

Information relates to **all securities** issued by the issuer having the following six-digit number(s):

Number of pages of attached information: 53 (not including additional cover sheet)

Description of Material Event Notice/Financial Information (Check One):

1. _____ Principal and interest payment delinquencies
2. _____ Non-payment related defaults
3. _____ Unscheduled draws on debt service reserves reflecting financial difficulties
4. _____ Unscheduled draws on credit enhancements reflecting financial difficulties
5. _____ Substitution of credit or liquidity providers, or their failure to perform
6. _____ Adverse tax opinions or events affecting the tax-exempt status of the security
7. _____ Modifications to rights of security holders
8. _____ Bond calls
9. _____ Defeasances
10. _____ Release, substitution or sale of property securing repayment of the securities
11. _____ Rating changes
12. _____ Failure to provide annual financial information as required
13. _____ Other material event notice (specify)
14. Financial information (**not** to be filed with the MSRB): Please check all appropriate boxes

CAFR: a. includes does not include Annual Financial Information

b. Audited? Yes No

Annual Financial Information: Audited? Yes No

Operating Data

Fiscal Period Covered: October 1, 1997 through September 30, 1998 (FY1998)

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

Signature: _____



Name: Shelley J. Aronson

Title: President

Employer: First River Advisory L.L.C.

Address: 398 Thornden Street

City, State, Zip Code: South Orange, NJ 07079

Voice Telephone Number: (973) 275-0454

FIRST RIVER ADVISORY L.L.C.

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SHELLEY J. ARONSON
PRESIDENT

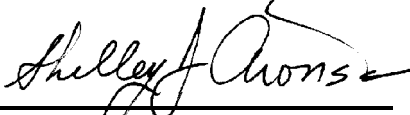
MUNICIPAL SECONDARY MARKET DISCLOSURE INFORMATION COVER SHEET

ISSUER: Michigan State Hospital Finance Authority
OBLIGATED PERSON: Central Michigan Community Hospital
SECURITIES: \$18,935,000 Hospital Revenue Bonds, Series 1996

Nine-Digit CUSIP Numbers to which the Information Relates

<u>Maturity (October 1)</u>	<u>CUSIP Number</u>
1999	59465EGC1
2000	59465EGD9
2001	59465EGE7
2002	59465EGF4
2003	59465EGG2
2004	59465EGH0
2005	59465EGJ6
2006	59465EGK3
2007	59465EGN7
2016	59465EGL1
2027	59465EGM9

First River Advisory L.L.C. has been appointed as Dissemination Agent by the Obligated Person pursuant to Section 7 of the Continuing Disclosure Agreement relating to the Securities. First River Advisory L.L.C. hereby represents that it is authorized by the Obligated Person to distribute this information publicly.



by: Shelley J. Aronson
President

CENTRAL MICHIGAN COMMUNITY HOSPITAL

1221 South Drive
Mount Pleasant, MI 48858

OFFICER'S CERTIFICATE

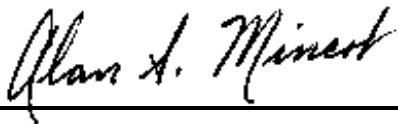
Pursuant to Section 10.11(d) of the Loan Agreement dated as of February 1, 1993 between the Michigan State Hospital Finance Authority and Central Michigan Community Hospital, the undersigned hereby certifies that the Corporation has complied with the "rate covenant" contained in Section 4.5 of such Loan Agreement with respect to its Fiscal Year ended September 30, 1998.

Included in this Municipal Secondary Market Disclosure filing are the following documents:

1. Audited financial statements prepared in accordance with GAAP (as defined in the Continuing Disclosure Agreement) by an Accountant, in compliance with Sections 10.11(a), 10.11(b) and 10.11(c) of the Loan Agreement, which financial statements include the letter by the Accountant required by such Section 10.11;
2. The Annual Report referred to in the Continuing Disclosure Agreement dated as of June 11, 1996, in accordance with Rule 15c2-12 of the Securities Exchange Commission;
3. The annual report of depositories proscribed by Section 10.11(f) of the Loan Agreement; and
4. a completed Secondary Market Disclosure Form for Healthcare Revenue Bonds issued by the National Federation of Municipal Analysts relating to FY1998.

The annual insurance report proscribed by Sections 5.1 and 10.11(e) of the Loan Agreement is expected to be provided to the Authority and the Trustee by mid-February 1999.

The Corporation hereby appoints First River Advisory L.L.C. as the Dissemination Agent pursuant to Section 7 of the Continuing Disclosure Agreement.



Alan S. Minert, Chief Financial Officer

CENTRAL MICHIGAN COMMUNITY HOSPITAL

ANNUAL REPORT FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 1998 (FY1998)

Unless otherwise noted, all data apply to the Fiscal Year Ended September 30, 1998, or are accurate as of September 30, 1998, as appropriate. OS pages refer to the Official Statement relating to the Securities, dated May 31, 1996. The source of all data is the Corporation's records.

<i>Debt Service Coverage</i> <i>(\$000s omitted, except coverage ratios)</i> <i>[OS Page 19]</i>					
	<i>1998</i>	<i>1997</i>	<i>1996</i>	<i>1995</i>	<i>1994</i>
Excess of Revenue over Expenses *	2,823	31	1,628	1,148	2,517
Plus: Depreciation and Amortization	2,528	2,174	1,775	1,549	1,496
Plus: Interest	639	463	337	421	431
Net Revenue of the Corporation	5,990	2,668	3,740	3,118	4,444
Maximum Total Principal and Interest Requirements	2,119	2,119	2,119	2,119	2,119
Debt Service Coverage Ratio (x)	2.83	1.26	1.77	1.47	2.10
* Excludes extraordinary items					

FACILITIES AND SERVICES

<i>Hospital Bed Capacity</i> <i>as of September 30, 1998</i> <i>[OS Page A-7]</i>		
	<i>Licensed Beds</i>	<i>Staffed Beds</i>
Medical/Surgical	118	73
Obstetrics		12
Psychiatry	33	33
TOTAL	151	118

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Michigan State Hospital Finance Authority / Central Michigan Community Hospital
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MEDICAL STAFF

<i>Corporation Gross Revenue from Physician Admissions, FY1998 [OS Page A-11]</i>		
<i>Inpatient</i>	<i>Outpatient</i>	<i>Total</i>
\$24,342,974	\$27,119,325	\$51,462,300
Row total may not add due to rounding		

<i>Active Staff Specialization [OS Page A-11]</i>					
<i>Internal Medicine</i>		<i>Surgery</i>		<i>Other</i>	
General	6	General Surgery	3	Family Practice	7
Cardiology	1	Ophthalmology	2	Obstetrics/Gynecology	6
Endocrinology	1	Orthopedic Surgery	2	Pediatrics	4
Gastroenterology	1	Oral Surgery	1	Psychiatry	3
Physiatry	1	Otorhinolaryngology	1	Emergency Medicine	4
Pulmonology	1	Podiatric Surgery	2	Anesthesiology	2
Rheumatology	1	Urology	1	Diagnostic Imaging	3
		Vascular Surgery	1	Pathology	2
<i>Total Internal Medicine</i>	<i>12</i>	<i>Total Surgery</i>	<i>13</i>	<i>GRAND TOTAL</i>	<i>56</i>

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<i>Characteristics of Employed Physicians</i> <i>[OS Page A-12]</i>	
Number, by Specialty	
Family Practice	5
Internal Medicine	8
Obstetrics/Gynecology	5
Pediatrics	4
Surgery	1
Psychiatry	1
Emergency Medicine	3
Total Physicians	27
Percent of Gross Revenue Attributable to Above Physicians	44.8
Note: With the acquisition of the Davis Clinic, all physicians are employed either by the Corporation, or by Central Michigan Health Systems, an affiliate	

<i>Age Distribution of the Active Staff</i> <i>[OS Page A-12]</i>			
<i>Age Range</i>	<i>Number of Physicians</i>	<i>Percent of Active Staff</i>	<i>Percent of Gross Revenue</i>
34 and under	6	10.7	7.3
35 - 44	25	44.6	45.5
45 - 54	16	28.6	27.1
55 - 64	6	10.7	11.2
65 and over	3	5.4	8.9
TOTAL	56		
Note: Columns may not add to 100.0 due to rounding			

MUNICIPAL SECONDARY MARKET DISCLOSURE
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<i>Active Staff Physicians, by Major Specialty</i> <i>[OS Page A-13]</i>		
	<i>Median Age</i>	<i>Percent Board Certified or Eligible</i>
Family Practice	44	42.9%
Internal Medicine	41	83.3%
Surgery	46	76.9%
Obstetrics/Gynecology	42	83.3%
Pediatrics	38	100.0%
Psychiatry	51	100.0%
Total Active Staff	44	75.0%

HISTORICAL PERFORMANCE MEASURES

<i>Historical Inpatient Utilization</i> <i>(Occupancy Rates calculated on the basis of Staffed Beds)</i> <i>[OS Page A-17]</i>					
	<i>Fiscal Years Ended September 30</i>				
	<i>1998</i>	<i>1997</i>	<i>1996</i>	<i>1995</i>	<i>1994</i>
Days in Period	365	365	366	365	365
Licensed Beds	151	151	151	151	151
Staffed Beds	118	118	118	118	114
Admissions	3,667	3,667	3,722	3,564	3,681
Patient Days	13,893	13,851	15,245	15,188	16,652
Average Daily Census	38.1	37.9	41.7	41.6	45.6
Average Length of Stay	3.8	3.8	4.1	4.3	4.5
Occupancy Rate (%)	32.3	32.2	35.3	35.3	40.0

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<i>Historical Inpatient Medical/Surgical Utilization</i> <i>(Occupancy Rates calculated on the basis of Staffed Beds)</i> <i>[OS Page A-18]</i>					
	<i>Fiscal Years Ended September 30</i>				
	<i>1998</i>	<i>1997</i>	<i>1996</i>	<i>1995</i>	<i>1994</i>
Days in Period	365	365	366	365	365
Licensed Beds*	118	118	118	118	118
Staffed Beds ⁷³	73	73	73	73	69
Admissions	2,739	2,834	2,871	2,705	2,829
Patient Days	10,243	10,586	10,655	10,900	12,339
Average Daily Census	28.1	29.0	29.1	29.9	33.8
Average Length of Stay	3.7	3.7	3.7	4.0	4.4
Occupancy Rate (%)	38.4	39.7	39.9	40.9	49.0
* Includes 12 beds located in a distinct Obstetrics unit which are not separately licensed as such					

<i>Historical Inpatient Obstetrics Utilization</i> <i>(Occupancy Rates calculated on the basis of Staffed Beds)</i> <i>[OS Page A-18]</i>					
	<i>Fiscal Years Ended September 30</i>				
	<i>1998</i>	<i>1997</i>	<i>1996</i>	<i>1995</i>	<i>1994</i>
Days in Period	365	365	366	365	365
Licensed Beds	Included in Medical/Surgical Licensed Beds				
Staffed Beds	12	12	12	12	12
Admissions	584	502	498	433	376
Patient Days	1,247	911	849	727	695
Average Daily Census	3.4	2.5	2.3	2.0	1.9
Average Length of Stay	2.1	1.8	1.7	1.7	1.8
Occupancy Rate (%)	28.5	20.8	19.3	16.6	15.9

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<i>Historical Inpatient Psychiatry Utilization</i> <i>(Occupancy Rates calculated on the basis of Staffed Beds)</i> <i>[OS Page A-19]</i>					
	<i>Fiscal Years Ended September 30</i>				
	<i>1998</i>	<i>1997</i>	<i>1996</i>	<i>1995</i>	<i>1994</i>
Days in Period	365	365	366	365	365
Licensed Beds	33	33	33	33	33
Staffed Beds	33	33	33	33	33
Admissions	344	331	353	426	476
Patient Days	2,403	2,354	2,741	3,561	3,618
Average Daily Census	6.6	6.4	7.5	9.8	9.9
Average Length of Stay	7.0	7.1	7.8	8.4	7.6
Occupancy Rate (%)	20.0	19.5	22.7	29.6	30.0

<i>Historical Outpatient Utilization, in Visits</i> <i>[OS Page A-19]</i>					
	<i>Fiscal Years Ended September 30</i>				
	<i>1998</i>	<i>1997</i>	<i>1996</i>	<i>1995</i>	<i>1994</i>
Emergency Department	18,016	16,734	17,580	17,890	18,085
ReadyCare	16,360	13,686	12,799	16,799	23,354
Family Care Center	266	4,395	4,183	3,278	4,800
COMP	10,147	11,417	9,611	5,400	N/A
Employed Physicians *	13,329	14,471	14,073	897	N/A
Ambulance Runs	3,024	3,424	2,905	2,279	2,351

MUNICIPAL SECONDARY MARKET DISCLOSURE**Michigan State Hospital Finance Authority / Central Michigan Community Hospital****Fiscal Year Ended September 30, 1998****Page 7**

<i>Historical Ancillary Services Volumes, <u>Inpatients</u></i> <i>[OS Page A-20]</i>						
<i>Service</i>	<i>Units</i>	<i>Fiscal Years Ended September 30</i>				
		<i>1998</i>	<i>1997</i>	<i>1996</i>	<i>1995</i>	<i>1994</i>
Endoscopy	Visits	85	105	93	113	86
Diagnostic Radiology	Procedures	3,356	3,591	3,837	3,200	3,043
Ultrasound	Procedures	1,061	1,252	1,272	816	754
CT Scanning	Procedures	384	376	385	308	341
Nuclear Medicine	Procedures	333	264	288	200	118
Electrocardiography	Visits	1,504	1,362	1,235	1,060	1,487
Respiratory Therapy*	Procedures	24,290	22,549	20,873	20,208	21,740
Physical Therapy	Procedures	4,989	4,574	3,400	2,908	2,724
Laboratory	Tests	50,808	67,627	71,014	64,904	79,828
Pharmacy	Line Items**	140,677	157,613	145,319	126,339	136,468
* FY1994 and FY1995 figures correct erroneous data published in the OS						
** American Society of Hospital Pharmacists' Weighted Line Items						

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Michigan State Hospital Finance Authority / Central Michigan Community Hospital
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<i>Historical Ancillary Services Volumes, Outpatients</i> [OS Page A-21]						
<i>Service</i>	<i>Units</i>	<i>Fiscal Years Ended September 30</i>				
		<i>1998</i>	<i>1997</i>	<i>1996</i>	<i>1995</i>	<i>1994</i>
Endoscopy	Visits	975	978	901	784	869
Diagnostic Radiology	Procedures	21,461	20,490	19,867	18,168	17,388
Ultrasound	Procedures	6,770	5,573	3,898	2,703	2,144
CT Scanning	Procedures	2,674	2,562	2,155	1,712	1,545
Nuclear Medicine	Procedures	1,640	1,171	1,418	956	893
Electrocardiography	Visits	4,644	4,347	4,505	3,707	2,839
Respiratory Therapy*	Procedures	8,990	6,955	5,852	4,872	4,095
Physical Therapy	Procedures	4,630	7,950	11,260	8,182	6,175
Laboratory	Tests	250,890	158,204	137,973	114,646	130,603
Pharmacy	Line Items**	37,350	37,043	32,299	28,885	28,851
* FY1994 and FY1995 figures correct erroneous data published in the OS						
** American Society of Hospital Pharmacists' Weighted Line Items						

<i>Historical Surgical Utilization</i> [OS Page A-21]					
	<i>Fiscal Years Ended September 30</i>				
	<i>1998</i>	<i>1997</i>	<i>1996</i>	<i>1995</i>	<i>1994</i>
Inpatient	991	977	1,055	1,046	1,122
Outpatient	2,956	2,989	2,792	2,720	2,498
TOTAL	3,947	3,966	3,847	3,766	3,620
Percent Outpatient Surgery	74.9	75.4	72.6	72.2	69.0

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<i>Historical Home Care Volumes</i> <i>[OS Page A-22]</i>					
	<i>Fiscal Years Ended September 30</i>				
	<i>1998</i>	<i>1997</i>	<i>1996</i>	<i>1995</i>	<i>1994</i>
Skilled Nursing	9,890	10,857	11,863	10,935	9,303
Physical Therapy	2,934	3,715	2,970	1,888	1,201
Occupational Therapy	169	90	116	77	106
Speech Therapy	209	110	220	135	211
Medical Social Worker	35	15	62	81	12
Home Health Aide	2,691	2,926	3,171	2,730	2,018
TOTAL	15,928	17,713	18,402	15,846	12,851

FINANCIAL PERFORMANCE

<i>Balance Sheet Measures</i> <i>(\$000s Omitted Except for Days' Cash on Hand Figures)</i> <i>[OS Page A-25]</i>						
		<i>Fiscal Years Ended September 30</i>				
		<i>1998</i>	<i>1997</i>	<i>1996</i>	<i>1995</i>	<i>1994</i>
Financial Assets	Cash and Cash Equivalents	3,309	2,737	5,717	4,891	2,740
	Debt Service Reserve Account	2,566	2,272	2,126	769	766
	Depreciation Funds	3,799	5,336	3,440	9,685	9,497
	Total Financial Assets	9,674	10,345	11,283	15,345	13,003
	Days' Cash on Hand	100	105	124	193	178

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<i>Summary of Revenues and Expenses of the Corporation</i>					
<i>(\$000s omitted)</i>					
<i>[OS Page A-27]</i>					
	<i>Fiscal Years Ended September 30</i>				
	<i>1998</i>	<i>1997</i>	<i>1996</i>	<i>1995</i>	<i>1994</i>
Net Patient Service Revenue	38,084	36,138	34,371	29,414	28,701
Other Operating Revenue	<u>2,024</u>	<u>1,411</u>	<u>1,669</u>	<u>1,457</u>	<u>1,410</u>
Total Operating Revenue	40,108	37,549	36,040	30,871	30,111
Depreciation Expense	2,528	2,174	1,775	1,549	1,496
Interest Expense	639	463	337	421	431
Other Operating Expenses	<u>34,648</u>	<u>35,339</u>	<u>32,907</u>	<u>28,599</u>	<u>26,286</u>
Total Operating Expenses	37,815	37,976	35,019	30,569	28,213
Excess (Deficiency) of Operating Revenue over Expenses	2,293	(427)	1,021	302	1,898
Non-Operating Gains	<u>530</u>	<u>458</u>	<u>607</u>	<u>846</u>	<u>619</u>
Excess (Deficiency) of Revenue over Expenses before Extraordinary Items	<u>2,823</u>	<u>31</u>	<u>1,628</u>	<u>1,148</u>	<u>2,517</u>
Extraordinary Items	<u>0</u>	<u>0</u>	<u>0</u>	<u>(14)</u>	<u>548</u>
Excess (Deficiency) of Revenue over Expenses	<u>2,823</u>	<u>31</u>	<u>1,628</u>	<u>1,134</u>	<u>3,065</u>

<i>Percentages of Gross Patient Revenue by Service</i>					
<i>[OS Page A-28]</i>					
	<i>Fiscal Years Ended September 30</i>				
	<i>1998</i>	<i>1997</i>	<i>1996</i>	<i>1995</i>	<i>1994</i>
Inpatient	40.7%	40.3%	44.1%	46.7%	49.5%
Outpatient	59.3%	59.7%	55.9%	53.3%	50.5%

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<i>Corporation Payor Mix, by Gross Revenue</i>					
<i>[OS Page A-28]</i>					
	<i>Fiscal Years Ended September 30</i>				
<i>Payor</i>	<i>1998</i>	<i>1997</i>	<i>1996</i>	<i>1995</i>	<i>1994</i>
Medicare	39.7%	40.8%	40.2%	42.1%	43.2%
Blue Cross*	33.7%	30.2%	28.1%	27.3%	25.9%
Medicaid	7.6%	8.4%	9.2%	9.1%	9.3%
Commercial	12.8%	14.2%	15.2%	15.7%	15.2%
Self Pay	6.2%	6.4%	7.3%	5.7%	6.6%
* Includes Blue Cross Trust					
Note: Columns may not add to 100.0 due to rounding					

CENTRAL MICHIGAN COMMUNITY HOSPITAL

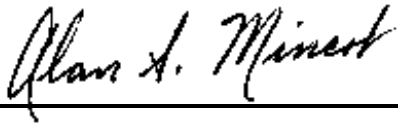
1221 South Drive
Mount Pleasant, MI 48858

REPORT OF DEPOSITORIES

This Report of Depositories is delivered pursuant to Section 10.11(f) of the Loan Agreement dated as of February 1, 1993 between the Michigan State Hospital Finance Authority and Central Michigan Community Hospital. The following is a list of financial institutions in which funds and accounts of the Corporation are maintained.

Isabella Bank & Trust Company

National City Bank

A handwritten signature in cursive script, reading "Alan S. Minert", is positioned above a solid horizontal line.

Alan S. Minert, Chief Financial Officer