

Financial Performance

November 2019

ANTELOPE VALLEY
HOSPITAL

A facility of Antelope Valley Healthcare District



Statement of Income – November (in thousands)

November 2019

	Actual	Budget	Last Year	Budget Variance	Last Year Variance
Revenues					
Net Patient Revenue	\$ 31,821	\$ 31,492	\$ 27,037	\$ 329	\$ 4,784
Supplemental Funds/Settlements	2,937	2,912	288	25	2,649
Other Operating Revenue	2,157	1,282	1,307	875	849
Total Operating Revenues	\$ 36,914	\$ 35,686	\$ 28,632	\$ 1,229	\$ 8,282
Expenses					
Productive Salaries	\$ 13,644	\$ 12,794	\$ 11,863	\$ 851	\$ 1,781
Non-Productive Salaries	2,347	2,307	3,093	40	(746)
Registry/Contract Labor	880	1,063	1,094	(183)	(214)
Benefits	5,022	5,609	5,499	(587)	(477)
Total Supplies	5,815	4,434	4,763	1,381	1,052
Purchased Svcs	2,339	2,384	2,198	(45)	141
Other	4,979	4,778	4,896	202	83
Total Operating Expenses	\$ 35,027	\$ 33,369	\$ 33,406	\$ 1,658	\$ 1,621
EBIDA	\$ 1,888	\$ 2,317	\$ (4,774)	\$ (429)	\$ 6,661
<i>EBIDA Margin</i>	5.1%	6.5%	-16.7%		
Depreciation and Amortization	1,538	1,587	1,452	(49)	86
Interest Expense	520	504	537	16	(16)
Operating Income (loss)	\$ (171)	\$ 226	\$ (6,762)	\$ (397)	\$ 6,591
Investment Income (loss)	106	509	515	(403)	(409)
Capital Contribution	-	-	-	-	-
NET INCOME (LOSS)	\$ (65)	\$ 735	\$ (6,247)	\$ (800)	\$ 6,182
<i>Net Profit (loss)Margin</i>	-0.2%	2.1%	-21.8%		
EBIDA w/o Supplemental and IGT	\$ (613)	\$ (38)	\$ (5,062)	\$ (575)	\$ 4,449



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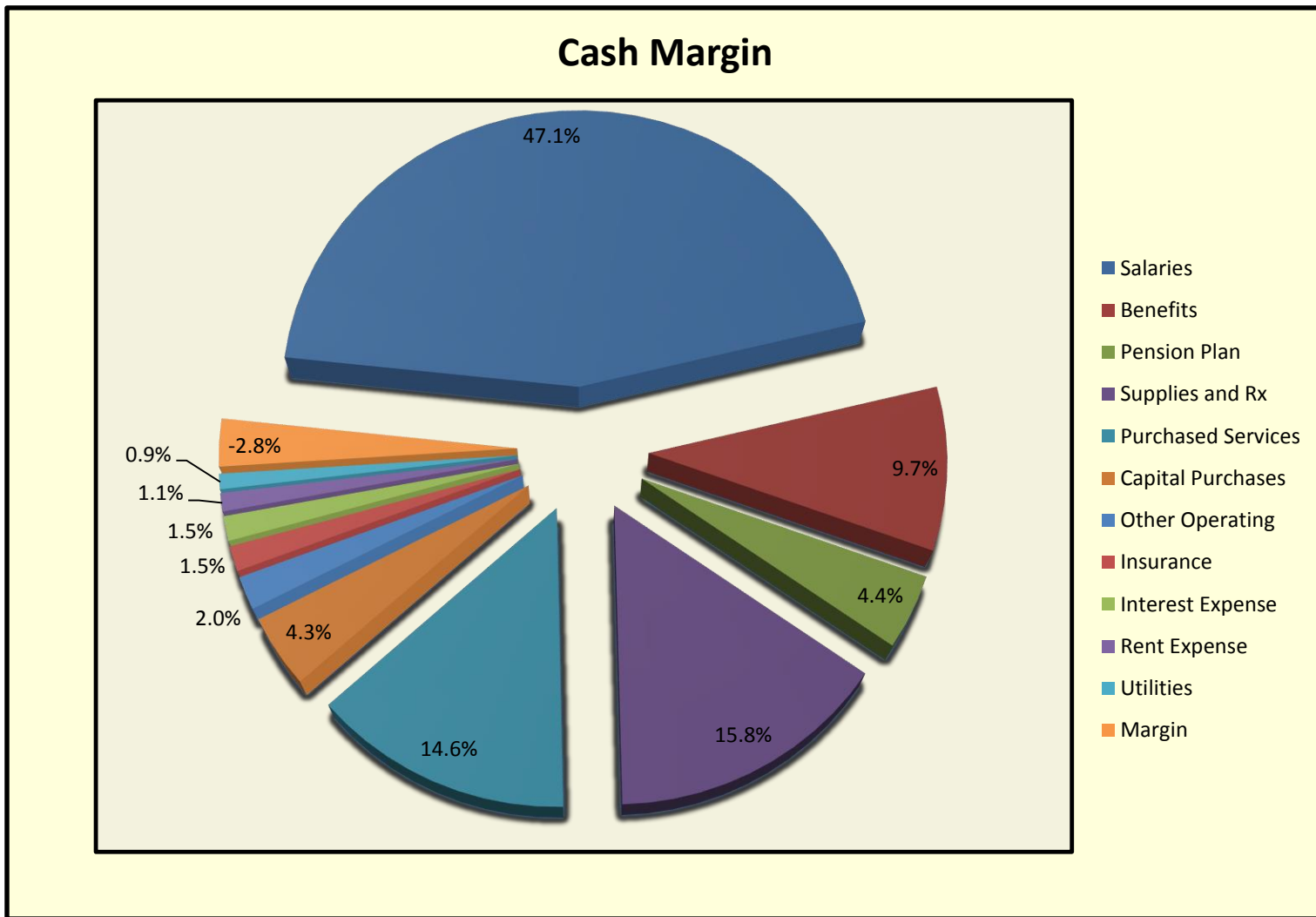
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Statement of Income – Year to Date (in thousands)

November 2019 YTD	Actual	Budget	Last Year	Budget Variance	Last Year Variance
Revenues					
Net Patient Revenue	\$ 162,233	\$ 163,929	\$ 154,085	\$ (1,697)	\$ 8,148
Supplemental Funds/Settlements	11,178	15,667	2,809	(4,489)	8,369
Other Operating Revenue	6,749	6,537	8,036	212	(1,287)
Total Operating Revenues	\$ 180,159	\$ 186,134	\$ 164,930	\$ (5,974)	\$ 15,229
Expenses					
Productive Salaries	\$ 68,138	\$ 67,074	\$ 62,102	\$ 1,065	\$ 6,036
Non-Productive Salaries	11,767	12,085	12,453	(318)	(686)
Registry/Contract Labor	5,005	5,316	5,292	(311)	(288)
Benefits	25,459	28,544	27,367	(3,085)	(1,908)
Total Supplies	28,543	25,798	24,125	2,744	4,418
Purchased Svcs	12,305	11,921	11,455	384	850
Other	23,827	23,888	22,247	(62)	1,580
Total Operating Expenses	\$ 175,043	\$ 174,626	\$ 165,042	\$ 417	\$ 10,001
EBIDA	\$ 5,116	\$ 11,508	\$ (112)	\$ (6,391)	\$ 5,228
<i>EBIDA Margin</i>	2.8%	6.2%	-0.1%		
Depreciation and Amortization	8,155	7,934	6,850	221	1,305
Interest Expense	2,631	2,520	2,707	111	(76)
Operating Income (loss)	\$ (5,670)	\$ 1,053	\$ (9,669)	\$ (6,723)	\$ 3,999
Investment Income (loss)	1,844	2,596	1,641	(753)	203
Capital Contribution	1,289	-	-	1,289	1,289
NET INCOME (LOSS)	\$ (2,537)	\$ 3,650	\$ (8,028)	\$ (6,187)	\$ 5,491
<i>Net Profit (loss)Margin</i>	-1.4%	2.0%	-4.9%		
EBIDA w/o Supplemental and IGT	\$ (4,285)	\$ (1,373)	\$ (2,921)	\$ (2,911)	\$ (1,364)



Cash Expenditures and Cash Margin (YTD – November)



Volumes - November

November 2019

	Actual	Budget	Last Year	Budget Variance	Last Year Variance
<u>Volumes</u>					
Acute Discharges	1,624	1,581	1,501	43	123
Adjusted Discharges	2,581	2,484	2,365	97	216
Acute Patient Days	6,658	7,038	6,253	(380)	405
Adjusted Patient Days	10,580	11,058	9,850	(478)	730
Observations (as Patient Days)	404	300	400	104	4
Average Daily Census	222	235	208	(13)	14
Adjusted Occupied Bed	353	369	328	(16)	24
General Acute LOS	4.10	4.45	4.17	(0.35)	(0.07)
General Acute CMI	1.29	1.34	1.32	(0.05)	(0.03)
Medicare Acute LOS	4.96	5.74	5.60	(0.78)	(0.64)
AVH GMLOS	3.54	4.00	4.12	(0.46)	(0.58)
CMS GMLOS	3.81	4.00	3.80	(0.19)	0.01
Medicare CMI	1.76	1.85	1.81	(0.09)	(0.05)



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Volumes – November (continued)

November 2019

	Actual	Budget	Last Year	Budget Variance	Last Year Variance
<u>Volumes</u>					
Deliveries	349	385	381	(36)	(32)
I/P Surgeries-WIP	122	114	116	8	6
Trauma Cases	119	111	105	8	14
E/R Visits	10,937	9,926	9,618	1,011	1,319
E/R Admits	1,099	1,038	961	61	138
E/R Conversion to I/P %	10.0%	10.5%	10.0%	-0.4%	0.1%
E/R Admits to Total Admits %	67.7%	65.6%	64.0%	2.0%	3.6%
I/P Surgeries	292	283	285	9	7
O/P Surgeries	360	336	309	24	51
Total Surgeries	652	619	594	33	58



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Volumes – Year to Date

**November 2019
YTD**

	Actual	Budget	Last Year	Budget Variance	Last Year Variance
<u>Volumes</u>					
Acute Discharges	8,301	8,507	8,077	(206)	224
Adjusted Discharges	13,182	12,940	12,491	242	691
Acute Patient Days	32,902	35,901	32,930	(2,999)	(28)
Adjusted Patient Days	52,244	54,587	50,914	(2,343)	1,330
Observations (as Patient Days)	1,756	1,659	1,614	97	142
Average Daily Census	215	235	215	(20)	0
Adjusted Occupied Bed	341	357	333	(15)	9
General Acute LOS	3.96	4.22	4.08	(0.26)	(0.11)
General Acute CMI	1.30	1.30	1.28	0.00	0.02
Medicare Acute LOS	4.92	5.45	5.43	(0.52)	(0.51)
AVH GM LOS	3.60	4.00	3.91	(0.40)	(0.31)
CMS GM LOS	3.81	4.00	3.80	(0.19)	0.01
Medicare CMI	1.84	1.85	1.82	(0.01)	0.02



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Volumes – Year to Date (continued)

**November 2019
YTD**

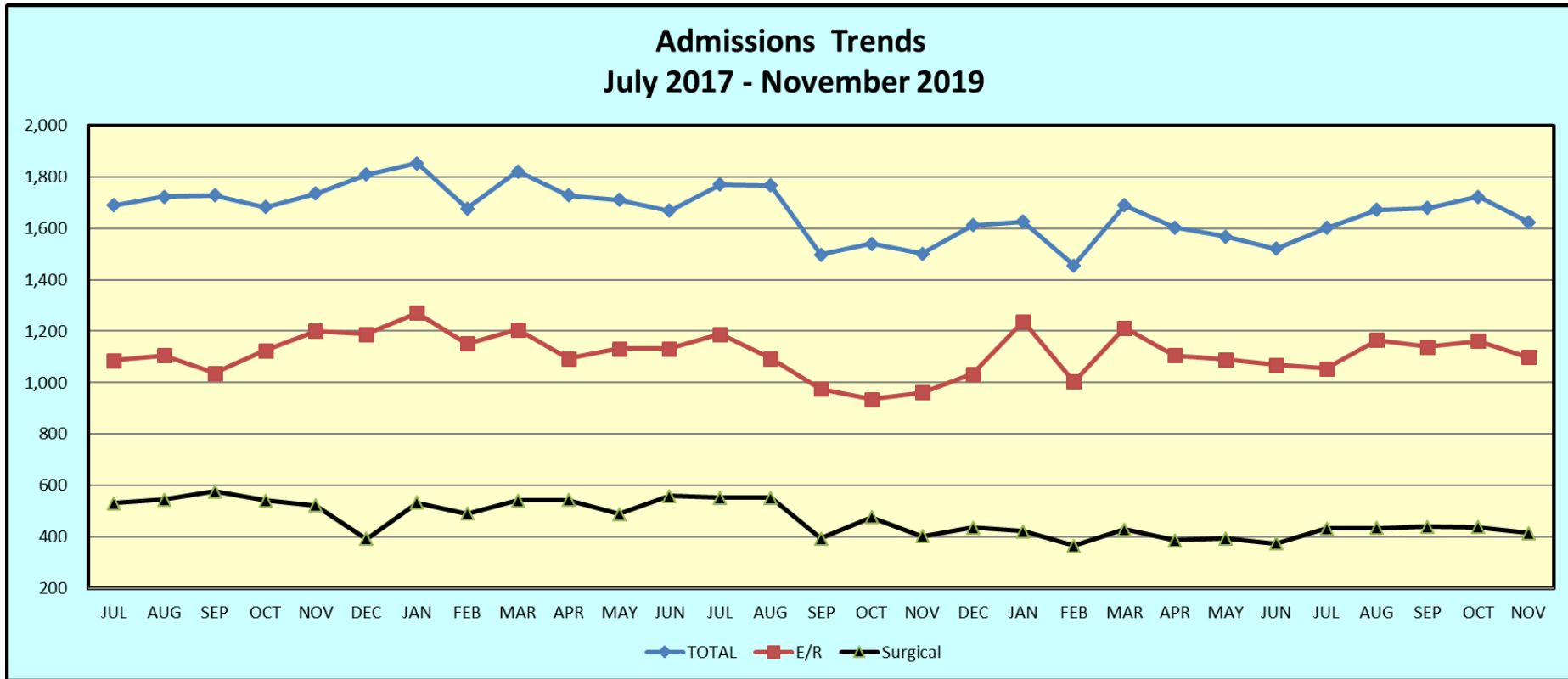
	Actual	Budget	Last Year	Budget Variance	Last Year Variance
<u>Volumes</u>					
Deliveries	1,893	2,064	2,043	(171)	(150)
I/P Surgeries-WIP	657	664	678	(7)	(21)
Trauma Cases	590	567	545	23	45
E/R Visits	53,898	51,821	51,178	2,077	2,720
E/R Admits	5,620	5,566	5,154	54	466
E/R Conversion to I/P %	10.4%	10.7%	10.1%	-0.3%	0.4%
E/R Admits to Total Admits %	67.7%	65.4%	63.8%	2.3%	3.9%
I/P Surgeries	1,502	1,682	1,696	(180)	(194)
O/P Surgeries	1,821	1,656	1,513	165	308
Total Surgeries	3,323	3,338	3,209	(15)	114



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Admissions Trends July 2017 – November 2019



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Gross Charges by Payor Mix

November 2019

Payor Mix (Gross Charges)

	Actual	Budget	Last Year	Budget Variance	Last Year Variance
Medicare	18.4%	17.3%	16.0%	1.1%	2.4%
Medicare Mgd Care	17.2%	16.4%	17.4%	0.8%	-0.2%
MediCal	10.8%	10.3%	8.6%	0.5%	2.2%
MediCal Mgd Care	30.0%	29.7%	28.8%	0.3%	1.2%
Commercial - Mgd Care	20.2%	21.8%	23.3%	-1.6%	-3.1%
Other	1.6%	2.0%	2.7%	-0.4%	-1.1%
Self Pay	1.8%	2.5%	3.2%	-0.7%	-1.4%

November 2019

YTD

Payor Mix (Gross Charges)

	Actual	Budget	Last Year	Budget Variance	Last Year Variance
Medicare	19.0%	17.8%	17.5%	1.2%	1.5%
Medicare Mgd Care	16.9%	16.8%	15.9%	0.1%	1.1%
MediCal	10.9%	10.1%	10.5%	0.8%	0.4%
MediCal Mgd Care	29.6%	29.1%	29.9%	0.5%	-0.4%
Commercial - Mgd Care	20.5%	21.8%	21.7%	-1.3%	-1.2%
Other	1.8%	2.0%	2.3%	-0.3%	-0.6%
Self Pay	1.3%	2.4%	2.2%	-1.1%	-0.9%

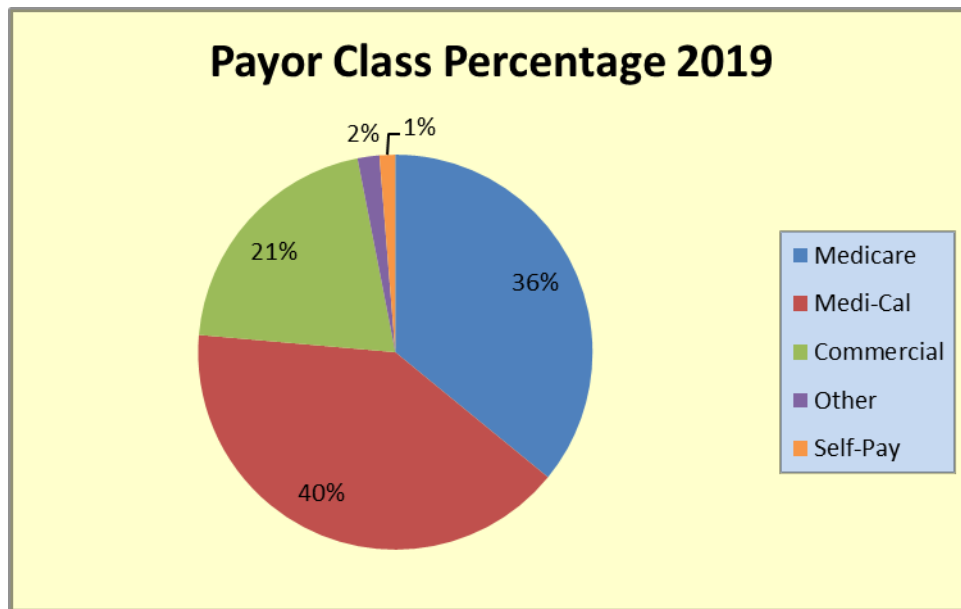


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Payor Mix (Gross Charges)

Medicare	35.9%
Medi-Cal	40.5%
Commercial	20.5%
Other	1.8%
Self-Pay	1.3%



Key Financial Ratios

November 2019

	Actual	Budget	Last Year	Budget Variance	Last Year Variance
<u>Key Financial Ratios</u>					
Net Income (Loss) Margin %	-0.2%	2.1%	-21.8%	-2.2%	21.6%
Operating Income (Loss) Margin %	-0.5%	0.6%	-23.6%	-1.1%	23.2%
EBIDA (Loss) Margin %	5.1%	6.5%	-16.7%	-1.4%	21.8%
Outpatient Revenue %	37.1%	36.4%	36.5%	0.7%	0.6%
Realization Rate on Gross Charges	20.5%	23.1%	18.9%	-2.6%	1.6%
<u>Working Capital Indicators</u>					
Cash Collections (in thousands)	\$ 30,133	\$ 33,775	\$ 25,800	\$(3,642)	4,333
Cash Collections/Net Patient Revenue	94.7%	107.2%	95.4%	-12.6%	-0.7%

November 2019

YTD

	Actual	Budget	Last Year	Budget Variance	Last Year Variance
<u>Key Financial Ratios</u>					
Net Income (Loss) Margin %	-1.4%	2.0%	-4.9%	-3.4%	3.5%
Operating Income (Loss) Margin %	-3.1%	0.6%	-5.9%	-3.7%	2.7%
EBIDA (Loss) Margin %	2.8%	6.2%	-0.1%	-3.3%	2.9%
Outpatient Revenue %	37.0%	34.2%	35.3%	2.8%	1.7%
Realization Rate on Gross Charges	20.7%	21.1%	20.3%	-0.4%	0.4%
<u>Working Capital Indicators</u>					
Cash Collections (in thousands)	\$ 159,854	\$ 161,393	\$ 146,893	\$(1,539)	12,961
Cash Collections/Net Patient Revenue	98.5%	98.5%	95.3%	0.1%	3.2%



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Ratios and Debt Covenant Requirements

**November 2019
YTD**

	Actual	Last Year	Last Year Variance
<u>Working Capital Indicators</u>			
Net Days in Accounts Receivable - 3 month lookback	56.6	63.3	(6.7)
Working Capital (in thousands)	\$ 56,353	\$ 28,028	\$ 28,325
Current Ratio	1.3	1.1	0.1
Inventory Turnover	4.1	3.6	0.6
<u>Operating Cash</u>			
Operating Liquid Cash (in thousands)	\$ 74,711	\$ 62,497	\$ 12,214
Total Cash (in thousands)	\$ 211,893	\$ 210,350	\$ 1,543
Operating Liquid Cash and Mkt Securities as % of Debt	140.3%	124.4%	16.0%
Debt To Capitalization	49.2%	49.1%	-0.1%
Average Age of Plant (in years)	14.4	16.7	(2.3)
<u>Bond Covenant Requirements</u>			
Days Cash on Hand	157.0	Requirement 55.0	164.8 (7.8)



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