

Financial Performance

August 2020

ANTELOPE VALLEY
HOSPITAL

A facility of Antelope Valley Healthcare District



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Statement of Income – August (in thousands)

August 2020

	Actual	Budget	Last Year	Budget Variance	Last Year Variance
Revenues					
Net Patient Revenue	\$ 34,121	\$ 34,846	\$ 32,988	\$ (725)	\$ 1,133
Supplemental Funds/Settlements	1,987	2,720	2,076	(733)	(89)
Other Operating Revenue	944	1,279	1,237	(335)	(293)
Total Operating Revenues	\$ 37,052	\$ 38,845	\$ 36,301	\$ (1,793)	\$ 751
Expenses					
Productive Salaries	\$ 15,025	\$ 14,345	\$ 13,764	\$ 680	\$ 1,261
Non-Productive Salaries	2,783	2,125	2,450	658	332
Registry/Contract Labor	1,133	856	1,030	277	103
Benefits	5,297	5,647	5,172	(350)	126
Total Supplies	5,945	6,074	5,780	(129)	165
Purchased Svcs	2,780	2,447	2,226	333	555
Other	4,812	4,912	4,307	(100)	504
Total Operating Expenses	\$ 37,776	\$ 36,408	\$ 34,729	\$ 1,368	\$ 3,046
EBIDA	\$ (724)	\$ 2,437	\$ 1,572	\$ (3,161)	\$ (2,296)
<i>EBIDA Margin</i>	-2.0%	6.3%	4.3%		
Depreciation and Amortization	1,621	1,536	1,640	85	(19)
Interest Expense	533	531	533	1	0
Operating Income (loss)	\$ (2,878)	\$ 370	\$ (601)	\$ (3,247)	\$ (2,277)
Investment Income (loss)	376	679	1,295	(304)	(919)
Capital Contribution	-	112	-	(112)	-
NET INCOME (LOSS)	\$ (2,502)	\$ 1,161	\$ 694	\$ (3,663)	\$ (3,196)
<i>Net Profit (loss)Margin</i>	-6.8%	3.0%	1.9%		
EBIDA w/o Supplemental and IGT	\$ (2,489)	\$ (27)	\$ (169)	\$ (2,463)	\$ (2,320)



EBIDA w/o Supplemental and IGT

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Statement of Income – Year to Date (in thousands)

August 2020 YTD	Actual	Budget	Last Year	Budget Variance	Last Year Variance
<u>Revenues</u>					
Net Patient Revenue	\$ 68,988	\$ 69,692	\$ 65,674	\$ (704)	\$ 3,314
Supplemental Funds/Settlements	4,010	5,440	4,145	(1,429)	(135)
Other Operating Revenue	1,835	2,559	2,320	(724)	(485)
Total Operating Revenues	\$ 74,833	\$ 77,690	\$ 72,139	\$ (2,857)	\$ 2,694
<u>Expenses</u>					
Productive Salaries	\$ 29,643	\$ 28,691	\$ 27,186	\$ 952	\$ 2,457
Non-Productive Salaries	5,295	4,250	4,819	1,045	475
Registry/Contract Labor	2,183	1,687	2,116	496	67
Benefits	10,982	11,312	9,973	(330)	1,010
Total Supplies	12,305	12,165	11,274	141	1,031
Purchased Svcs	5,395	4,993	4,720	402	675
Other	9,455	9,789	9,044	(334)	411
Total Operating Expenses	\$ 75,259	\$ 72,886	\$ 69,133	\$ 2,373	\$ 6,126
<u>EBIDA</u>	\$ (426)	\$ 4,804	\$ 3,006	\$ (5,230)	\$ (3,432)
<i>EBIDA Margin</i>	-0.6%	6.2%	4.2%		
Depreciation and Amortization	3,228	3,077	3,282	151	(54)
Interest Expense	1,076	1,063	1,065	13	10
<u>Operating Income (loss)</u>	\$ (4,729)	\$ 664	\$ (1,341)	\$ (5,393)	\$ (3,388)
Investment Income (loss)	836	1,358	1,353	(522)	(517)
Capital Contribution	-	224	-	(224)	-
<u>NET INCOME (LOSS)</u>	\$ (3,893)	\$ 2,247	\$ 12	\$ (6,140)	\$ (3,905)
<i>Net Profit (loss)Margin</i>	-5.2%	2.9%	0.0%		
<u>EBIDA w/o Supplemental and IGT</u>	\$ (3,994)	\$ (123)	\$ (469)	\$ (3,870)	\$ (3,525)



EBIDA w/o Supplemental and IGT

\$ (3,994)	\$ (123)	\$ (469)	\$ (3,870)	\$ (3,525)
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Key Financial Ratios

August 2020

	Actual	Budget	Last Year	Budget Variance	Last Year Variance
<u>Key Financial Ratios</u>					
Net Income (Loss) Margin %	-6.8%	3.0%	1.9%	-9.7%	-8.7%
Operating Income (Loss) Margin %	-7.8%	1.0%	-1.7%	-8.7%	-6.1%
EBIDA (Loss) Margin %	-2.0%	6.3%	4.3%	-8.2%	-6.3%
Outpatient Revenue %	33.0%	35.3%	37.5%	-2.4%	-4.6%
Realization Rate on Gross Charges	21.9%	21.0%	21.0%	0.9%	0.9%
<u>Working Capital Indicators</u>					
Cash Collections (in thousands)	\$ 29,162	\$ 31,294	\$ 32,998	\$(2,132)	\$(3,837)
Cash Collections/Net Patient Revenue	85.5%	89.8%	100.0%	-4.3%	-14.6%

August 2020

YTD

	Actual	Budget	Last Year	Budget Variance	Last Year Variance
<u>Key Financial Ratios</u>					
Net Income (Loss) Margin %	-5.2%	2.9%	0.0%	-8.1%	-5.2%
Operating Income (Loss) Margin %	-6.3%	0.9%	-1.9%	-7.2%	-4.5%
EBIDA (Loss) Margin %	-0.6%	6.2%	4.2%	-6.8%	-4.7%
Outpatient Revenue %	33.8%	35.3%	37.4%	-1.5%	-3.5%
Realization Rate on Gross Charges	21.9%	21.0%	21.2%	0.9%	0.7%
<u>Working Capital Indicators</u>					
Cash Collections (in thousands)	\$ 62,280	\$ 58,956	\$ 65,366	\$ 3,324	\$(3,086)
Cash Collections/Net Patient Revenue	90.3%	84.6%	99.5%	5.7%	-9.3%



Ratios and Debt Covenant Requirements

**August 2020
YTD**

	Actual	Last Year	Last Year Variance
<u>Working Capital Indicators</u>			
Net Days in Accounts Receivable - 3 month lookback	50.5	55.5	(5.0)
Working Capital (in thousands)	\$ 180,722	\$ 185,172	\$ (4,450)
Current Ratio	2.4	2.9	(0.6)
Inventory Turnover	1.5	1.6	(0.1)
<u>Operating Cash</u>			
Operating Liquid Cash (in thousands)	\$ 93,701	\$ 88,932	\$ 4,769
Total Cash (in thousands)	\$ 260,938	\$ 225,841	\$ 35,097
Operating Liquid Cash and Mkt Securities as % of Debt	175.5%	148.9%	26.6%
Debt To Capitalization	46.8%	46.3%	-0.5%
Average Age of Plant (in years)	15.2	14.8	0.4
<u>Bond Covenant Requirements</u>			
Days Cash on Hand	192.2	Requirement 55.0	23.0



**ANTELOPE VALLEY
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Volumes – August

August 2020

	Actual	Budget	Last Year	Budget Variance	Last Year Variance
<u>Volumes</u>					
Acute Discharges	1,644	1,735	1,673	(91)	(29)
Adjusted Discharges	2,453	2,730	2,678	(277)	(225)
Acute Patient Days	7,167	7,153	6,416	14	751
Adjusted Patient Days	10,695	11,241	10,271	(546)	424
Observations (as Patient Days)	301	369	340	(68)	(39)
Average Daily Census	231	231	207	0	24
Adjusted Occupied Bed	345	363	331	(18)	14
General Acute LOS	4.36	4.12	3.84	0.24	0.52
General Acute CMI	1.41	1.37	1.35	0.04	0.06
Medicare Acute LOS	5.76	5.09	4.91	0.67	0.84
AVH GM LOS	4.04	3.73	3.64	0.31	0.40
CMS GM LOS	3.97	4.00	3.94	(0.03)	0.03
Medicare CMI	1.86	1.94	1.93	(0.08)	(0.07)



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Volumes – August (continued)

August 2020

	Actual	Budget	Last Year	Budget Variance	Last Year Variance
<u>Volumes</u>					
Deliveries	369	373	363	(4)	6
I/P Surgeries-WIP	115	133	139	(18)	(24)
Trauma Cases	115	118	120	(3)	(5)
E/R Visits	8,584	11,112	11,102	(2,528)	(2,518)
E/R Admits	1,075	1,175	1,165	(100)	(90)
E/R Conversion to I/P %	12.5%	10.6%	10.5%	1.9%	2.0%
E/R Admits to Total Admits %	65.4%	67.7%	69.6%	-2.3%	-4.2%
I/P Surgeries	274	322	296	(48)	(22)
O/P Surgeries	314	359	352	(45)	(38)
Total Surgeries	588	681	648	(93)	(60)



Volumes – Year to Date

August 2020 YTD

Actual

Budget

Last Year

Budget
Variance

Last Year
Variance

Volumes

Acute Discharges	3,149	3,470	3,274	(321)	(125)
Adjusted Discharges	4,757	5,460	5,227	(703)	(470)
Acute Patient Days	14,220	14,307	12,814	(87)	1,406
Adjusted Patient Days	21,490	22,482	20,457	(992)	1,033
Observations (as Patient Days)	625	738	687	(113)	(62)
Average Daily Census	229	231	207	(2)	22
Adjusted Occupied Bed	347	363	330	(16)	17
General Acute LOS	4.52	4.12	3.91	0.39	0.60
General Acute CMI	1.43	1.37	1.33	0.06	0.10
Medicare Acute LOS	5.55	5.09	4.98	0.46	0.57
AVH GM LOS	3.70	3.73	3.63	(0.03)	0.07
CMS GM LOS	3.97	4.00	3.89	(0.03)	0.08
Medicare CMI	1.92	1.94	1.86	(0.02)	0.06



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Volumes – Year to Date (continued)

August 2020 YTD	Actual	Budget	Last Year	Budget Variance	Last Year Variance
<u>Volumes</u>					
Deliveries	701	746	743	(45)	(42)
I/P Surgeries-WIP	230	265	261	(35)	(31)
Trauma Cases	246	236	219	10	27
E/R Visits	18,106	22,224	21,524	(4,118)	(3,418)
E/R Admits	2,167	2,350	2,220	(183)	(53)
E/R Conversion to I/P %	12.0%	10.6%	10.3%	1.4%	1.7%
E/R Admits to Total Admits %	68.8%	67.7%	67.8%	1.1%	1.0%
I/P Surgeries	570	644	607	(74)	(37)
O/P Surgeries	630	718	722	(88)	(92)
Total Surgeries	1,200	1,361	1,329	(161)	(129)

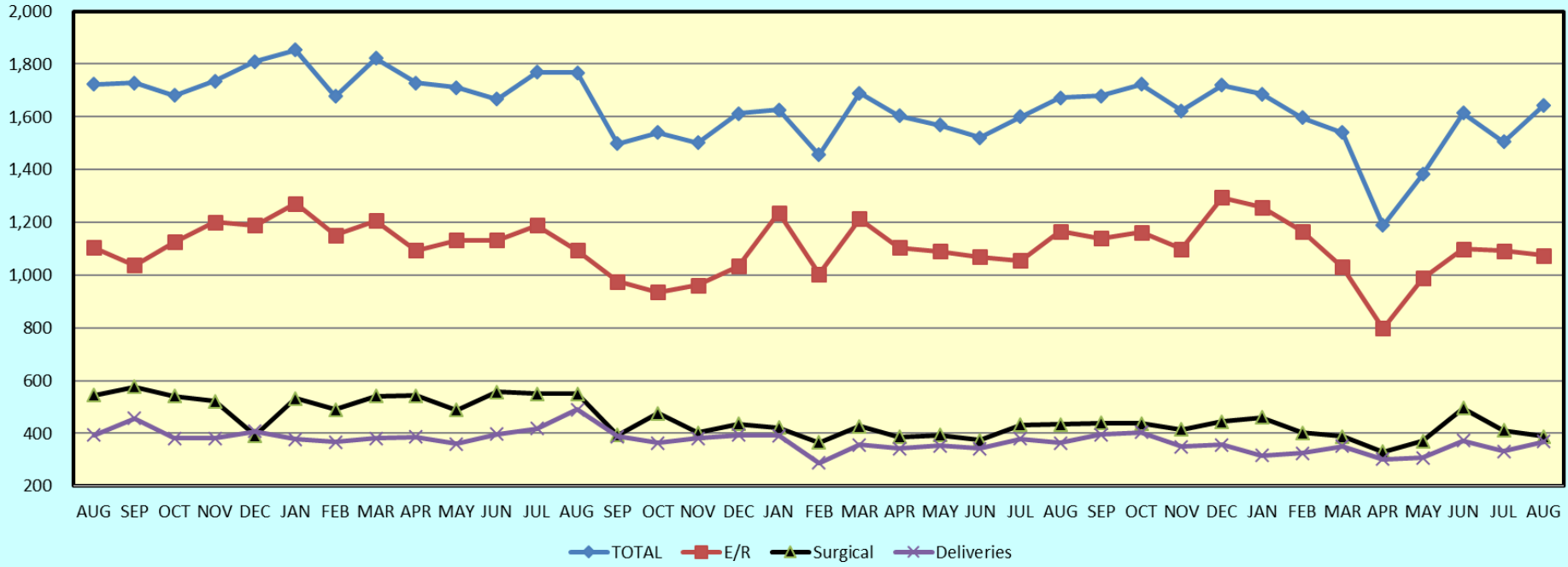


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Admissions Trends August 2017 – August 2020

Admissions Trends August 2017 - August 2020



Gross Charges by Payor Mix

August 2020

	Actual	Budget	Last Year	Budget Variance	Last Year Variance
<u>Payor Mix (Gross Charges)</u>					
Medicare	18.0%	18.9%	19.1%	-0.8%	-1.0%
Medicare Mgd Care	19.1%	17.4%	17.5%	1.7%	1.6%
MediCal	10.5%	11.2%	9.7%	-0.7%	0.7%
MediCal Mgd Care	27.4%	29.0%	29.7%	-1.6%	-2.3%
Commercial - Mgd Care	21.3%	20.7%	21.3%	0.6%	0.0%
Other	1.4%	1.8%	2.4%	-0.4%	-1.0%
Self Pay	2.3%	1.1%	0.3%	1.2%	2.0%

August 2020 YTD

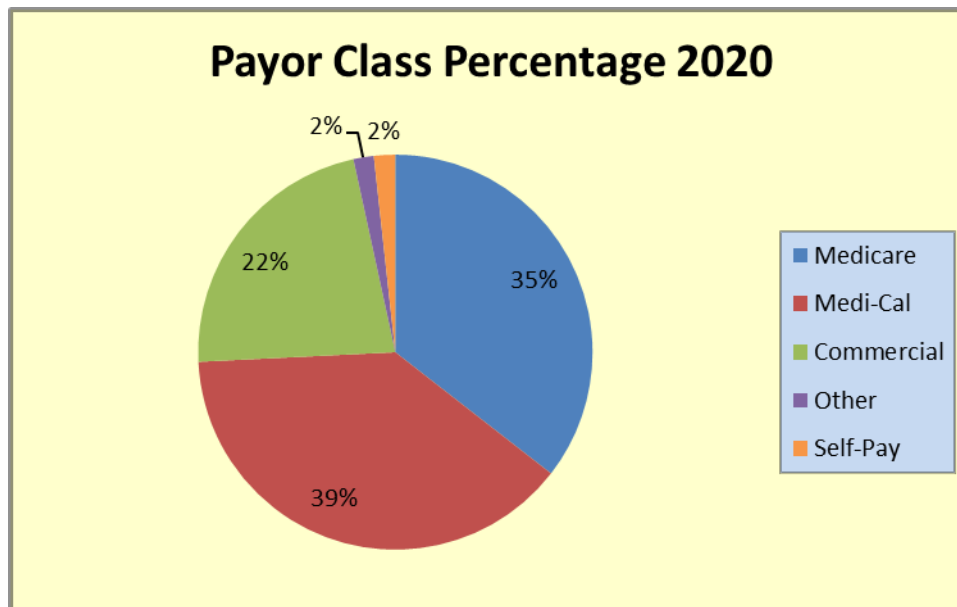
	Actual	Budget	Last Year	Budget Variance	Last Year Variance
<u>Payor Mix (Gross Charges)</u>					
Medicare	17.2%	18.9%	19.1%	-1.6%	-1.8%
Medicare Mgd Care	18.3%	17.4%	16.9%	0.9%	1.3%
MediCal	10.8%	11.2%	9.9%	-0.4%	0.9%
MediCal Mgd Care	27.9%	29.0%	29.4%	-1.1%	-1.5%
Commercial - Mgd Care	22.4%	20.7%	21.5%	1.7%	0.8%
Other	1.7%	1.8%	2.1%	-0.1%	-0.4%
Self Pay	1.7%	1.1%	1.0%	0.7%	0.8%



Payor Mix Graph

Payor Mix (Gross Charges)

Medicare	35.5%
Medi-Cal	38.7%
Commercial	22.4%
Other	1.7%
Self-Pay	1.7%



Metrics - Monthly

August 2020

Revenue Metrics

	Actual	Budget	Last Year	Budget Variance	Last Year Variance
Gross Revenue per Adj Patient Day	\$ 14,543	\$ 14,741	\$ 15,290	\$ (199)	\$ (747)
Net Patient Revenue Adj Patient Day	\$ 3,190	\$ 3,100	\$ 3,212	\$ 90	\$ (21)
Contractuals as a % of Gross Revenue	75.8%	77.6%	78.5%	-1.8%	-2.8%
Charity / Bad Debt as a % of Gross Revenue	2.3%	1.4%	0.5%	0.9%	1.8%

Labor Metrics

FTEs: Productive (Excluding Registry)	2,028	1,930	1,899	98	129
FTEs: Non-Productive	264	277	258	(13)	6
FTEs: Contract Labor/Registry	69	56	62	12	7
FTEs: Total	2,361	2,264	2,219	97	142
Productive FTEs / AOB	6.08	5.48	5.92	0.60	0.16
Paid FTEs / AOB	6.84	6.24	6.70	0.60	0.14
FTEs Contract Labor as % of FTEs Total Labor	2.9%	2.5%	2.8%	0.4%	0.1%
Labor Cost as % of Total Operating Revenue	65.4%	59.1%	61.8%	6.3%	3.7%
Benefits as % of Labor (Excluding Registry)	29.7%	34.3%	31.9%	-4.5%	-2.1%

Operating Expense Metrics

Total Operating Expenses / Adj Discharge	\$ 15,400	\$ 13,336	\$ 12,968	\$ 2,064	\$ 2,431
Total Operating Expenses / Adj Patient Day	\$ 3,532	\$ 3,239	\$ 3,381	\$ 293	\$ 151
Total Supplies / Adj Discharge	\$ 2,424	\$ 2,225	\$ 2,158	\$ 199	\$ 265
Total Supplies / Adj Patient Day	\$ 556	\$ 540	\$ 563	\$ 16	\$ (7)
Total Supplies as % of Total Operating Revenue	16.0%	15.6%	15.9%	0.4%	0.1%



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Metrics – Year to Date

August 2020

YTD

Revenue Metrics

	Actual	Budget	Last Year	Budget Variance	Last Year Variance
Gross Revenue per Adj Patient Day	\$ 14,657	\$ 14,741	\$ 15,155	\$ (84)	\$ (497)
Net Patient Revenue Adj Patient Day	\$ 3,210	\$ 3,100	\$ 3,210	\$ 110	\$ (0)
Contractuals as a % of Gross Revenue	76.6%	77.6%	77.6%	-1.0%	-1.0%
Charity / Bad Debt as a % of Gross Revenue	1.5%	1.4%	1.2%	0.2%	0.3%

Labor Metrics

FTEs: Productive (Excluding Registry)	1,999	1,930	1,876	68	123
FTEs: Non-Productive	295	277	295	17	(1)
FTEs: Contract Labor/Registry	66	56	63	10	4
FTEs: Total	2,359	2,264	2,233	96	126

Productive FTEs / AOB	5.96	5.48	5.87	0.48	0.08
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Paid FTEs / AOB	6.81	6.24	6.77	0.56	0.04
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FTEs Contract Labor as % of FTEs Total Labor	2.8%	2.5%	2.8%	0.3%	0.0%
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Labor Cost as % of Total Operating Revenue	64.3%	59.1%	61.1%	5.1%	3.2%
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Benefits as % of Labor (Excluding Registry)	31.4%	34.3%	31.2%	-2.9%	0.3%
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Operating Expense Metrics

Total Operating Expenses / Adj Discharge	\$ 15,821	\$ 13,349	\$ 13,226	\$ 2,472	\$ 2,595
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Total Operating Expenses / Adj Patient Day	\$ 3,502	\$ 3,242	\$ 3,379	\$ 260	\$ 123
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Total Supplies / Adj Discharge	\$ 2,587	\$ 2,228	\$ 2,157	\$ 359	\$ 430
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Total Supplies / Adj Patient Day	\$ 573	\$ 541	\$ 551	\$ 32	\$ 21
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Total Supplies as % of Total Operating Revenue	16.4%	15.7%	15.6%	0.8%	0.8%
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