

## Financial Performance

February 2020

ANTELOPE VALLEY  
HOSPITAL

*A facility of Antelope Valley Healthcare District*



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# Statement of Income – February (in thousands)

## February 2020

	Actual	Budget	Last Year	Budget Variance	Last Year Variance
<b><u>Revenues</u></b>					
Net Patient Revenue	\$ 33,867	\$ 31,588	\$ 31,715	\$ 2,279	\$ 2,152
Supplemental Funds/Settlements	2,751	2,824	1,645	(72)	1,106
Other Operating Revenue	1,192	1,239	1,078	(47)	114
<b>Total Operating Revenues</b>	<b>\$ 37,810</b>	<b>\$ 35,651</b>	<b>\$ 34,438</b>	<b>\$ 2,159</b>	<b>\$ 3,372</b>
<b><u>Expenses</u></b>					
Productive Salaries	\$ 13,986	\$ 12,533	\$ 11,645	\$ 1,452	\$ 2,340
Non-Productive Salaries	2,464	2,264	1,912	200	552
Registry/Contract Labor	809	1,063	1,117	(254)	(308)
Benefits	4,907	5,644	5,593	(737)	(687)
Total Supplies	5,876	4,702	4,921	1,173	954
Purchased Svcs	2,494	2,384	2,685	110	(191)
Other	5,078	4,777	4,201	301	877
<b>Total Operating Expenses</b>	<b>\$ 35,612</b>	<b>\$ 33,367</b>	<b>\$ 32,074</b>	<b>\$ 2,245</b>	<b>\$ 3,538</b>
<b><u>EBIDA</u></b>	<b>\$ 2,198</b>	<b>\$ 2,283</b>	<b>\$ 2,363</b>	<b>\$ (86)</b>	<b>\$ (166)</b>
<i>EBIDA Margin</i>	5.8%	6.4%	6.9%		
Depreciation and Amortization	1,545	1,587	1,469	(42)	76
Interest Expense	511	504	534	7	(23)
<b><u>Operating Income (loss)</u></b>	<b>\$ 142</b>	<b>\$ 192</b>	<b>\$ 360</b>	<b>\$ (51)</b>	<b>\$ (218)</b>
Investment Income (loss)	1,060	492	345	567	715
Capital Contribution	-	-	-	-	-
<b><u>NET INCOME (LOSS)</u></b>	<b>\$ 1,201</b>	<b>\$ 684</b>	<b>\$ 705</b>	<b>\$ 517</b>	<b>\$ 497</b>
<i>Net Profit (loss) Margin</i>	3.2%	1.9%	2.0%		
<b><u>EBIDA w/o Supplemental and IGT</u></b>	<b>\$ (117)</b>	<b>\$ 17</b>	<b>\$ 718</b>	<b>\$ (134)</b>	<b>\$ (836)</b>



# Statement of Income – Year to Date (in thousands)

February 2020 YTD	Actual	Budget	Last Year	Budget Variance	Last Year Variance
<b><u>Revenues</u></b>					
Net Patient Revenue	\$ 266,818	\$ 260,080	\$ 247,413	\$ 6,738	\$ 19,406
Supplemental Funds/Settlements	22,426	24,773	10,274	(2,348)	12,152
Other Operating Revenue	10,246	10,425	11,548	(180)	(1,302)
<b>Total Operating Revenues</b>	<b>\$ 299,490</b>	<b>\$ 295,279</b>	<b>\$ 269,234</b>	<b>\$ 4,211</b>	<b>\$ 30,255</b>
<b><u>Expenses</u></b>					
Productive Salaries	\$ 109,889	\$ 106,454	\$ 99,303	\$ 3,435	\$ 10,586
Non-Productive Salaries	18,684	19,173	18,731	(489)	(47)
Registry/Contract Labor	7,756	8,505	8,687	(750)	(932)
Benefits	41,164	45,582	43,970	(4,417)	(2,806)
Total Supplies	46,328	39,863	38,742	6,465	7,585
Purchased Svcs	19,760	19,073	18,700	687	1,060
Other	40,033	38,221	35,750	1,812	4,283
<b>Total Operating Expenses</b>	<b>\$ 283,614</b>	<b>\$ 276,871</b>	<b>\$ 263,884</b>	<b>\$ 6,743</b>	<b>\$ 19,730</b>
<b><u>EBIDA</u></b>	<b>\$ 15,876</b>	<b>\$ 18,408</b>	<b>\$ 5,350</b>	<b>\$ (2,532)</b>	<b>\$ 10,525</b>
<i>EBIDA Margin</i>	5.3%	6.2%	2.0%		
Depreciation and Amortization	12,754	12,695	11,265	59	1,489
Interest Expense	4,173	4,033	4,311	141	(138)
<b><u>Operating Income (loss)</u></b>	<b>\$ (1,051)</b>	<b>\$ 1,680</b>	<b>\$ (10,226)</b>	<b>\$ (2,732)</b>	<b>\$ 9,174</b>
Investment Income (loss)	4,518	4,141	3,866	378	653
Capital Contribution	1,289	-	111	1,289	1,178
<b><u>NET INCOME (LOSS)</u></b>	<b>\$ 4,756</b>	<b>\$ 5,821</b>	<b>\$ (6,249)</b>	<b>\$ (1,065)</b>	<b>\$ 11,005</b>
<i>Net Profit (loss) Margin</i>	1.6%	2.0%	-2.3%		
<b><u>EBIDA w/o Supplemental and IGT</u></b>	<b>\$ (3,464)</b>	<b>\$ (1,908)</b>	<b>\$ (4,923)</b>	<b>\$ (1,556)</b>	<b>\$ 1,459</b>



**EBIDA w/o Supplemental and IGT**

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# Volumes – February

## February 2020

	Actual	Budget	Last Year	Budget Variance	Last Year Variance
<b><u>Volumes</u></b>					
Acute Discharges	1,596	1,533	1,456	63	140
Adjusted Discharges	2,439	2,346	2,210	93	229
Acute Patient Days	7,425	6,804	6,362	621	1,063
Adjusted Patient Days	11,348	10,411	9,658	937	1,690
Observations (as Patient Days)	350	321	281	29	69
Average Daily Census	256	235	227	21	29
Adjusted Occupied Bed	391	359	345	32	46
General Acute LOS	4.65	4.44	4.37	0.21	0.28
General Acute CMI	1.46	1.34	1.38	0.12	0.08
Medicare Acute LOS	5.56	5.73	6.02	(0.17)	(0.46)
AVH GM LOS	4.07	4.00	3.89	0.07	0.18
CMS GM LOS	4.07	4.00	3.81	0.07	0.26
Medicare CMI	2.06	1.85	1.76	0.21	0.30



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# Volumes – February (continued)

February 2020

	Actual	Budget	Last Year	Budget Variance	Last Year Variance
<b><u>Volumes</u></b>					
Deliveries	326	292	289	34	37
I/P Surgeries-WIP	106	90	92	16	14
Trauma Cases	96	108	98	(12)	(2)
E/R Visits	11,893	10,587	10,260	1,306	1,633
E/R Admits	1,166	1,084	1,004	82	162
E/R Conversion to I/P %	9.8%	10.2%	9.8%	-0.4%	0.0%
E/R Admits to Total Admits %	73.1%	70.7%	69.0%	2.4%	4.1%
I/P Surgeries	296	272	272	24	24
O/P Surgeries	320	339	312	(19)	8
Total Surgeries	616	611	584	5	32



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# Volumes – Year to Date

**February 2020  
YTD**

	<b>Actual</b>	<b>Budget</b>	<b>Last Year</b>	<b>Budget Variance</b>	<b>Last Year Variance</b>
<b><u>Volumes</u></b>					
Acute Discharges	13,304	13,451	12,773	(147)	531
Adjusted Discharges	20,921	20,500	19,500	421	1,421
Acute Patient Days	54,813	57,257	53,247	(2,444)	1,566
Adjusted Patient Days	86,135	87,241	81,249	(1,106)	4,886
Observations (as Patient Days)	2,992	2,589	2,479	403	513
Average Daily Census	225	235	219	(10)	6
Adjusted Occupied Bed	353	358	334	(5)	19
General Acute LOS	4.12	4.26	4.17	(0.14)	(0.05)
General Acute CMI	1.34	1.34	1.29	0.00	0.05
Medicare Acute LOS	5.09	5.49	5.44	(0.41)	(0.35)
AVH GM LOS	3.63	4.00	3.91	(0.37)	(0.28)
CMS GM LOS	4.07	4.00	3.81	0.07	0.26
Medicare CMI	1.86	1.85	1.80	0.01	0.06



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# Volumes – Year to Date (continued)

**February 2020  
YTD**

	<b>Actual</b>	<b>Budget</b>	<b>Last Year</b>	<b>Budget Variance</b>	<b>Last Year Variance</b>
<b><u>Volumes</u></b>					
Deliveries	2,892	3,150	3,118	(258)	(226)
I/P Surgeries-WIP	1,021	1,028	1,050	(7)	(29)
Trauma Cases	903	905	845	(2)	58
E/R Visits	90,050	85,583	82,431	4,467	7,619
E/R Admits	9,338	9,103	8,429	235	909
E/R Conversion to I/P %	10.4%	10.6%	10.2%	-0.3%	0.1%
E/R Admits to Total Admits %	70.2%	67.7%	66.0%	2.5%	4.2%
I/P Surgeries	2,445	2,526	2,544	(81)	(99)
O/P Surgeries	2,858	2,677	2,450	181	408
<b>Total Surgeries</b>	<b>5,303</b>	<b>5,203</b>	<b>4,994</b>	<b>100</b>	<b>309</b>



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# Gross Charges by Payor Mix

## February 2020

	Actual	Budget	Last Year	Budget Variance	Last Year Variance
<b><u>Payor Mix (Gross Charges)</u></b>					
Medicare	19.0%	18.0%	18.8%	1.0%	0.2%
Medicare Mgd Care	19.2%	17.1%	18.6%	2.1%	0.6%
MediCal	11.1%	10.1%	10.8%	0.9%	0.2%
MediCal Mgd Care	28.1%	29.2%	27.4%	-1.1%	0.7%
Commercial - Mgd Care	20.3%	21.2%	20.2%	-0.9%	0.1%
Other	1.6%	2.0%	2.0%	-0.4%	-0.4%
Self Pay	0.7%	2.4%	2.0%	-1.7%	-1.3%

## February 2020 YTD

	Actual	Budget	Last Year	Budget Variance	Last Year Variance
<b><u>Payor Mix (Gross Charges)</u></b>					
Medicare	18.8%	17.8%	17.7%	1.0%	1.2%
Medicare Mgd Care	17.4%	16.9%	16.8%	0.5%	0.6%
MediCal	11.1%	10.2%	10.5%	0.9%	0.5%
MediCal Mgd Care	29.2%	29.2%	29.3%	-0.1%	-0.2%
Commercial - Mgd Care	20.7%	21.5%	21.5%	-0.8%	-0.8%
Other	1.8%	2.0%	2.0%	-0.2%	-0.2%
Self Pay	1.1%	2.4%	2.2%	-1.3%	-1.1%





# Key Financial Ratios

## February 2020

	Actual	Budget	Last Year	Budget Variance	Last Year Variance
<b><u>Key Financial Ratios</u></b>					
Net Income (Loss) Margin %	3.2%	1.9%	2.0%	1.3%	1.1%
Operating Income (Loss) Margin %	0.4%	0.5%	1.0%	-0.2%	-0.7%
EBIDA (Loss) Margin %	5.8%	6.4%	6.9%	-0.6%	-1.1%
Outpatient Revenue %	34.6%	34.7%	34.1%	-0.1%	0.4%
Realization Rate on Gross Charges	20.1%	21.0%	21.0%	-0.9%	-0.8%
<b><u>Working Capital Indicators</u></b>					
Cash Collections (in thousands)	\$ 32,162	\$ 32,800	\$ 30,595	(\$ 638)	1,566
Cash Collections/Net Patient Revenue	95.0%	103.8%	96.5%	-8.9%	-1.5%

## February 2020

### YTD

	Actual	Budget	Last Year	Budget Variance	Last Year Variance
<b><u>Key Financial Ratios</u></b>					
Net Income (Loss) Margin %	1.6%	2.0%	-2.3%	-0.4%	3.9%
Operating Income (Loss) Margin %	-0.4%	0.6%	-3.8%	-0.9%	3.4%
EBIDA (Loss) Margin %	5.3%	6.2%	2.0%	-0.9%	3.3%
Outpatient Revenue %	36.4%	34.4%	34.5%	2.0%	1.9%
Realization Rate on Gross Charges	20.6%	21.0%	20.3%	-0.4%	0.2%
<b><u>Working Capital Indicators</u></b>					
Cash Collections (in thousands)	\$ 258,491	\$ 227,465	\$ 232,922	\$ 31,026	25,569
Cash Collections/Net Patient Revenue	96.9%	87.5%	94.1%	9.4%	2.7%



# Ratios and Debt Covenant Requirements

**February 2020  
YTD**

## Working Capital Indicators

	<b>Actual</b>	<b>Last Year</b>	<b>Last Year Variance</b>
Net Days in Accounts Receivable - 3 month lookback	58.1	63.1	(5.0)
Working Capital (in thousands)	\$ 59,381	\$ 41,912	\$ 17,469
Current Ratio	1.3	1.2	0.1
Inventory Turnover	6.7	5.7	0.9

## Operating Cash

Operating Liquid Cash (in thousands)	\$ 68,230	\$ 65,609	\$ 2,620
Total Cash (in thousands)	\$ 209,308	\$ 200,171	\$ 9,137
Operating Liquid Cash and Mkt Securities as % of Debt	137.6%	128.7%	8.9%
Debt To Capitalization	48.0%	49.1%	1.2%
Average Age of Plant ( in years)	15.0	16.2	(1.2)

## Bond Covenant Requirements

Days Cash on Hand	152.2	<b>Requirement</b> 55.0	154.1	(1.9)
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# Metrics - Monthly

February 2020

## Revenue Metrics

	Actual	Budget	Last Year	Budget Variance	Last Year Variance
Gross Revenue per Adj Patient Day	\$ 14,817	\$ 14,424	\$ 15,652	\$ 393	\$ (835)
Net Patient Revenue Adj Patient Day	\$ 2,984	\$ 3,034	\$ 3,284	\$ (50)	\$ (299)
Contractuals as a % of Gross Revenue	78.7%	76.8%	76.0%	1.9%	2.7%
Charity / Bad Debt as a % of Gross Revenue	1.2%	2.2%	3.1%	-1.0%	-1.9%

## Labor Metrics

FTEs: Productive (Excluding Registry)	2,114	1,903	1,827	211	287
FTEs: Non-Productive	249	325	255	(76)	(6)
FTEs: Contract Labor/Registry	49	73	79	(24)	(30)
<b>FTEs: Total</b>	<b>2,412</b>	<b>2,301</b>	<b>2,161</b>	<b>111</b>	<b>251</b>
Productive FTEs / AOB	5.53	5.50	5.53	0.02	0.00
Paid FTEs / AOB	6.16	6.41	6.26	(0.24)	(0.10)
FTEs Contract Labor as % of FTEs Total Labor	2.0%	3.2%	3.6%	-1.1%	-1.6%
Labor Cost as % of Total Operating Revenue	58.6%	60.3%	58.9%	-1.7%	-0.2%
Benefits as % of Labor (Excluding Registry)	29.8%	38.1%	41.3%	-8.3%	-11.4%

## Operating Expense Metrics

Total Operating Expenses / Adj Discharge	\$ 14,601	\$ 14,223	\$ 14,513	\$ 378	\$ 88
Total Operating Expenses / Adj Patient Day	\$ 3,138	\$ 3,205	\$ 3,321	\$ (67)	\$ (183)
Total Supplies / Adj Discharge	\$ 2,409	\$ 2,004	\$ 2,227	\$ 405	\$ 182
Total Supplies / Adj Patient Day	\$ 518	\$ 452	\$ 510	\$ 66	\$ 8
Total Supplies as % of Total Operating Revenue	15.5%	13.2%	14.3%	2.4%	1.2%



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# Metrics – Year to Date

## February 2020 YTD

### Revenue Metrics

	Actual	Budget	Last Year	Budget Variance	Last Year Variance
Gross Revenue per Adj Patient Day	\$ 15,044	\$ 14,202	\$ 14,966	\$ 842	\$ 77
Net Patient Revenue Adj Patient Day	\$ 3,098	\$ 2,981	\$ 3,045	\$ 117	\$ 53
Contractuals as a % of Gross Revenue	78.1%	76.8%	77.1%	1.3%	1.0%
Charity / Bad Debt as a % of Gross Revenue	1.3%	2.3%	2.5%	-0.9%	-1.2%

### Labor Metrics

FTEs: Productive (Excluding Registry)	1,927	1,864	1,796	63	131
FTEs: Non-Productive	303	319	301	(16)	2
FTEs: Contract Labor/Registry	59	67	69	(8)	(10)
<b>FTEs: Total</b>	<b>2,289</b>	<b>2,250</b>	<b>2,166</b>	<b>39</b>	<b>123</b>

Productive FTEs / AOB	5.63	5.40	5.58	0.23	0.05
Paid FTEs / AOB	6.49	6.29	6.48	0.19	0.01

FTEs Contract Labor as % of FTEs Total Labor	2.6%	3.0%	3.2%	-0.4%	-0.6%
Labor Cost as % of Total Operating Revenue	59.3%	60.9%	63.4%	-1.6%	-4.1%
Benefits as % of Labor (Excluding Registry)	32.0%	36.3%	37.3%	-4.3%	-5.2%

### Operating Expense Metrics

Total Operating Expenses / Adj Discharge	\$ 13,556	\$ 13,506	\$ 13,533	\$ 51	\$ 24
Total Operating Expenses / Adj Patient Day	\$ 3,293	\$ 3,174	\$ 3,248	\$ 119	\$ 45
Total Supplies / Adj Discharge	\$ 2,214	\$ 1,945	\$ 1,987	\$ 270	\$ 228
Total Supplies / Adj Patient Day	\$ 538	\$ 457	\$ 477	\$ 81	\$ 61
Total Supplies as % of Total Operating Revenue	15.5%	13.5%	14.4%	2.0%	1.1%

