

BUDGET

2014

ANTELOPE VALLEY
HOSPITAL

A facility of Antelope Valley Healthcare District



Summary of Major Items Impacting Budget FY2014

➤ **Volumes:**

- > IP volumes - slight increase to discharges, significant decrease to LOS
- > OP volumes - slight increase

❖ **Operating Revenues:**

- ◆ Revenues – decreased due to lower reimbursement
- ◇ Medicare rates and Medicare DSH – decreased (per Federal budget)
- ◇ Medicare RAC (Recovery Audit Committee) – continued adjustments
- ◇ Medi-Cal rates and Medi-Cal DSH – decreased (per State Budget)
- ◇ Payor Mix – continued shift from Medicare and Medi-Cal to Medicare and Medi-Cal Managed Care
- ◇ IGT funds – decreased to prior years

□ **Operating Expenses:**

- Salaries and Benefits – decreased due to lower LOS and premium pay
- Supplies – decreased due to cost cutting and gains in efficiency and pricing
- Purchased Services & Other – decreased due to some cuts
- Depreciation – increased due to completion of CIP projects
- Interest Expense – increased due to completion of CIP projects (currently capitalized)



BUDGET - KEY VOLUME STATISTICS - FY14

Fiscal Year-to-Date-June 30th

	Budget FY14	Projected FY13	FY13 Var%	Actual FY12	FY12 Var%
<u>Volumes</u>					
Acute Discharges	21,265	21,054	1.0%	23,480	(9.4%)
Adjusted Discharges	30,941	30,254	2.3%	33,320	(7.1%)
Acute Patient Days	87,612	93,343	(6.1%)	93,625	(6.4%)
Adjusted Patient Days	127,475	134,132	(5.0%)	132,855	(4.0%)
Average Daily Census	240	256	(6.2%)	256	(6.2%)
General Acute LOS	4.12	4.43	7.0%	3.99	(3.3%)
General Acute CMI	1.12	1.11	0.9%	1.08	3.7%
Mcare Acute LOS	5.91	7.15	17.3%	5.47	(8.0%)
Medicare CMI	1.76	1.73	1.7%	1.56	12.8%
Deliveries	5,374	5,386	(0.2%)	5,488	(2.1%)
ER Visits	103,623	101,591	2.0%	104,204	(0.6%)
IP Surgeries	4,808	4,760	1.0%	5,086	(5.5%)
IP Surgeries-WIP	2,070	2,076	(0.3%)	2,009	3.0%
OP Surgeries	3,521	3,486	1.0%	3,418	3.0%
Total Hospital Surgeries	10,399	10,322	0.7%	10,513	(1.1%)
OPSC Cases	5,180	5,179	0.0%	4,908	5.5%



BUDGET - HOSPITAL OPERATIONS - FY14

Fiscal Year-to-Date-June 30th

	Budget FY14	Projected FY13	Var Pos(Neg)	FY13 Var%	Actual FY12	Var Pos(Neg)	FY12 Var%
(in thousands)							
Revenues							
Net Patient Rev (net of bad debt)	\$324,984	\$327,271	(\$2,287)	(0.7%)	\$330,110	(\$5,126)	(1.6%)
Other Operating Revenue	\$7,827	\$7,402	\$425	5.7%	\$8,995	(\$1,168)	(13.0%)
Total Operating Revenues	\$332,811	\$334,673	(\$1,862)	(0.6%)	\$339,105	(\$6,294)	(1.9%)
Expenses							
Total Salaries and Benefits	\$208,047	\$210,616	\$2,569	1.2%	\$210,714	\$2,667	1.3%
Total Supplies	\$53,967	\$56,414	\$2,447	4.3%	\$53,472	(\$495)	(0.9%)
Purchased Svcs and Other	\$50,271	\$50,732	\$461	0.9%	\$55,158	\$4,887	8.9%
Total Operating Expenses	\$312,285	\$317,762	\$5,477	1.7%	\$319,344	\$7,059	2.2%
EBIDA	\$20,526	\$16,911	\$3,615	21.4%	\$19,761	\$765	3.9%
<i>EBIDA Margin</i>	<i>6.2%</i>	<i>5.1%</i>	<i>0.01</i>	<i>22.1%</i>	<i>5.8%</i>	<i>0.00</i>	<i>5.8%</i>
Depreciation and amortization	\$13,234	\$11,783	(\$1,451)	(12.3%)	\$12,104	(\$1,130)	(9.3%)
Interest Expense	\$6,855	\$5,395	(\$1,460)	(27.1%)	\$5,217	(\$1,638)	(31.4%)
Operating Income (loss)	\$437	(\$267)	\$704	(263.7%)	\$2,440	(\$2,003)	(82.1%)
Investment Income (loss)	\$978	\$1,014	(\$36)	(3.6%)	\$1,267	(\$289)	(22.8%)
NET INCOME (LOSS)	\$1,415	\$747	\$668	89.4%	\$3,707	(\$2,292)	(61.8%)
<i>Net Profit (loss)Margin</i>	<i>0.4%</i>	<i>0.2%</i>	<i>0.00</i>	<i>90.5%</i>	<i>1.1%</i>	<i>(0.01)</i>	<i>(61.1%)</i>

