

# Financial Performance

December 2019

ANTELOPE VALLEY  
HOSPITAL

*A facility of Antelope Valley Healthcare District*



# Income Statement – December (in thousands)

December 2019

	Actual	Budget	Last Year	Budget Variance	Last Year Variance
<b><u>Revenues</u></b>					
Net Patient Revenue	\$ 34,682	\$ 31,897	\$ 29,368	\$ 2,785	\$ 5,314
Supplemental Funds/Settlements	6,173	3,128	288	3,045	5,885
Other Operating Revenue	1,226	1,325	1,339	(99)	(113)
<b>Total Operating Revenues</b>	<b>\$ 42,081</b>	<b>\$ 36,349</b>	<b>\$ 30,995</b>	<b>\$ 5,731</b>	<b>\$ 11,086</b>
<b><u>Expenses</u></b>					
Productive Salaries	\$ 13,844	\$ 13,303	\$ 12,848	\$ 541	\$ 995
Non-Productive Salaries	2,332	2,392	2,181	(60)	151
Registry/Contract Labor	1,039	1,063	921	(25)	118
Benefits	5,552	5,621	5,370	(69)	182
Total Supplies	5,601	4,501	4,677	1,100	923
Purchased Svcs	2,608	2,384	2,147	224	460
Other	5,628	4,778	5,048	850	580
<b>Total Operating Expenses</b>	<b>\$ 36,602</b>	<b>\$ 34,042</b>	<b>\$ 33,193</b>	<b>\$ 2,560</b>	<b>\$ 3,409</b>
<b><u>EBIDA</u></b>	<b>\$ 5,479</b>	<b>\$ 2,307</b>	<b>\$ (2,199)</b>	<b>\$ 3,171</b>	<b>\$ 7,677</b>
<i>EBIDA Margin</i>	13.0%	6.3%	-7.1%		
Depreciation and Amortization	1,520	1,587	1,474	(67)	46
Interest Expense	520	504	536	15	(16)
<b><u>Operating Income (loss)</u></b>	<b>\$ 3,439</b>	<b>\$ 216</b>	<b>\$ (4,208)</b>	<b>\$ 3,223</b>	<b>\$ 7,648</b>
Investment Income (loss)	478	526	1,145	(48)	(667)
Capital Contribution	-	-	111	-	(111)
<b><u>NET INCOME (LOSS)</u></b>	<b>\$ 3,917</b>	<b>\$ 742</b>	<b>\$ (2,953)</b>	<b>\$ 3,175</b>	<b>\$ 6,870</b>
<i>Net Profit (loss)Margin</i>	9.3%	2.0%	-9.5%		
<b>EBIDA w/o Supplemental and IGT</b>	<b>\$ (258)</b>	<b>\$ (263)</b>	<b>\$ (2,487)</b>	<b>\$ 5</b>	<b>\$ 2,229</b>



EBIDA w/o Supplemental and IGT

# Income Statement – Year to Date (in thousands)

December 2019 YTD	Actual	Budget	Last Year	Budget Variance	Last Year Variance
<b><u>Revenues</u></b>					
Net Patient Revenue	\$ 196,914	\$ 195,827	\$ 183,453	\$ 1,088	\$ 13,462
Supplemental Funds/Settlements	17,351	18,795	3,097	(1,444)	14,253
Other Operating Revenue	7,975	7,862	9,375	113	(1,400)
<b>Total Operating Revenues</b>	<b>\$ 222,240</b>	<b>\$ 222,483</b>	<b>\$ 195,925</b>	<b>\$ (243)</b>	<b>\$ 26,315</b>
<b><u>Expenses</u></b>					
Productive Salaries	\$ 81,982	\$ 80,376	\$ 74,951	\$ 1,606	\$ 7,031
Non-Productive Salaries	14,099	14,477	14,634	(378)	(535)
Registry/Contract Labor	6,043	6,379	6,213	(336)	(170)
Benefits	31,011	34,165	32,737	(3,155)	(1,726)
Total Supplies	34,143	30,300	28,802	3,844	5,341
Purchased Svcs	14,913	14,305	13,602	608	1,310
Other	29,454	28,666	27,295	788	2,159
<b>Total Operating Expenses</b>	<b>\$ 211,645</b>	<b>\$ 208,668</b>	<b>\$ 198,235</b>	<b>\$ 2,977</b>	<b>\$ 13,410</b>
<b><u>EBIDA</u></b>	<b>\$ 10,595</b>	<b>\$ 13,815</b>	<b>\$ (2,310)</b>	<b>\$ (3,220)</b>	<b>\$ 12,905</b>
<i>EBIDA Margin</i>	4.8%	6.2%	-1.2%		
Depreciation and Amortization	9,675	9,521	8,324	154	1,351
Interest Expense	3,151	3,024	3,243	126	(92)
<b><u>Operating Income (loss)</u></b>	<b>\$ (2,230)</b>	<b>\$ 1,270</b>	<b>\$ (13,877)</b>	<b>\$ (3,500)</b>	<b>\$ 11,647</b>
Investment Income (loss)	2,321	3,122	2,786	(801)	(465)
Capital Contribution	1,289	-	111	1,289	1,178
<b><u>NET INCOME (LOSS)</u></b>	<b>\$ 1,380</b>	<b>\$ 4,392</b>	<b>\$ (10,981)</b>	<b>\$ (3,012)</b>	<b>\$ 12,361</b>
<i>Net Profit (loss)Margin</i>	0.6%	2.0%	-5.6%		
<b>EBIDA w/o Supplemental and IGT</b>	<b>\$ (4,542)</b>	<b>\$ (1,636)</b>	<b>\$ (5,408)</b>	<b>\$ (2,906)</b>	<b>\$ 865</b>



# Volumes - December

## December 2019

	Actual	Budget	Last Year	Budget Variance	Last Year Variance
<b><u>Volumes</u></b>					
Acute Discharges	1,720	1,698	1,613	22	107
Adjusted Discharges	2,640	2,548	2,336	92	304
Acute Patient Days	7,186	7,276	6,876	(90)	310
Adjusted Patient Days	11,031	10,920	9,960	111	1,071
Observations (as Patient Days)	355	287	255	68	100
Average Daily Census	232	235	222	(3)	10
Adjusted Occupied Bed	356	352	321	4	35
General Acute LOS	4.18	4.29	4.26	(0.11)	(0.08)
General Acute CMI	1.34	1.34	1.24	0.00	0.10
Medicare Acute LOS	5.06	5.54	5.30	(0.48)	(0.24)
AVH GM LOS	3.42	4.00	3.54	(0.58)	(0.12)
CMS GM LOS	3.78	4.00	3.75	(0.22)	0.03
Medicare CMI	1.76	1.85	1.68	(0.09)	0.08



# Volumes – December (continued)

December 2019

	Actual	Budget	Last Year	Budget Variance	Last Year Variance
<b><u>Volumes</u></b>					
Deliveries	356	398	394	(42)	(38)
I/P Surgeries-WIP	127	131	134	(4)	(7)
Trauma Cases	101	115	99	(14)	2
E/R Visits	11,683	10,586	9,526	1,097	2,157
E/R Admits	1,294	1,117	1,034	177	260
E/R Conversion to I/P %	11.1%	10.6%	10.9%	0.5%	0.2%
E/R Admits to Total Admits %	75.2%	65.8%	64.1%	9.4%	11.1%
I/P Surgeries	318	299	302	19	16
O/P Surgeries	354	320	293	34	61
Total Surgeries	672	619	595	53	77



ANTELOPE VALLEY  
HOSPITAL

A facility of Antelope Valley Healthcare District

# Volumes – Year to Date

December 2019 YTD	Actual	Budget	Last Year	Budget Variance	Last Year Variance
<b><u>Volumes</u></b>					
Acute Discharges	10,021	10,205	9,690	(184)	331
Adjusted Discharges	15,822	15,488	14,827	334	995
Acute Patient Days	40,088	43,177	39,806	(3,089)	282
Adjusted Patient Days	63,275	65,507	60,874	(2,232)	2,401
Observations (as Patient Days)	2,111	1,946	1,869	165	242
Average Daily Census	218	235	216	(17)	2
Adjusted Occupied Bed	344	356	331	(12)	13
General Acute LOS	4.00	4.23	4.11	(0.23)	(0.11)
General Acute CMI	1.31	1.34	1.27	(0.03)	0.04
Medicare Acute LOS	4.95	5.46	5.41	(0.51)	(0.46)
AVH GM LOS	3.57	4.00	3.91	(0.43)	(0.34)
CMS GM LOS	3.78	4.00	3.75	(0.22)	0.03
Medicare CMI	1.83	1.85	1.80	(0.02)	0.03

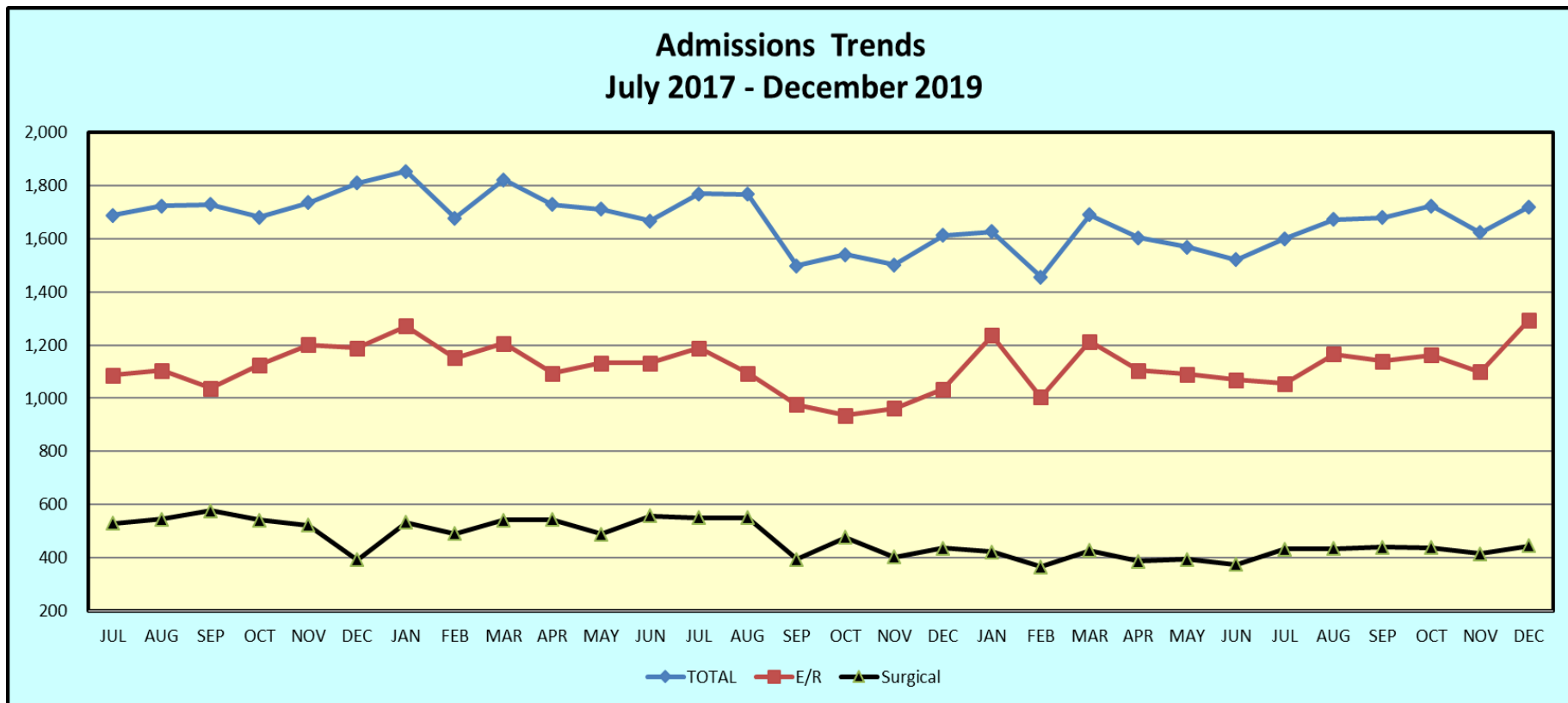


# Volumes – Year to Date (continued)

December 2019 YTD	Actual	Budget	Last Year	Budget Variance	Last Year Variance
<b><u>Volumes</u></b>					
Deliveries	2,249	2,462	2,437	(213)	(188)
I/P Surgeries-WIP	784	795	812	(11)	(28)
Trauma Cases	691	682	644	9	47
E/R Visits	65,581	62,407	60,704	3,174	4,877
E/R Admits	6,914	6,683	6,188	231	726
E/R Conversion to I/P %	10.5%	10.7%	10.2%	-0.2%	0.3%
E/R Admits to Total Admits %	69.0%	65.5%	63.9%	3.5%	5.1%
I/P Surgeries	1,820	1,981	1,998	(161)	(178)
O/P Surgeries	2,175	1,976	1,806	199	369
Total Surgeries	3,995	3,957	3,804	38	191



# Admission Trends July 2017 – December 2019



ANTELOPE VALLEY  
HOSPITAL

A facility of Antelope Valley Healthcare District



# Gross Charges by Payor Mix

December 2019

**Payor Mix (Gross Charges)**

	Actual	Budget	Last Year	Budget Variance	Last Year Variance
Medicare	18.5%	17.9%	18.4%	0.6%	0.1%
Medicare Mgd Care	16.2%	16.9%	17.4%	-0.7%	-1.2%
MediCal	11.1%	10.4%	9.3%	0.8%	1.8%
MediCal Mgd Care	28.2%	29.5%	29.3%	-1.3%	-1.1%
Commercial - Mgd Care	23.0%	21.0%	21.6%	2.0%	1.4%
Other	1.6%	2.0%	1.0%	-0.4%	0.6%
Self Pay	1.3%	2.4%	3.0%	-1.1%	-1.6%

December 2019  
YTD

**Payor Mix (Gross Charges)**

	Actual	Budget	Last Year	Budget Variance	Last Year Variance
Medicare	18.9%	17.8%	17.7%	1.1%	1.2%
Medicare Mgd Care	16.8%	16.8%	16.1%	0.0%	0.7%
MediCal	11.0%	10.2%	10.3%	0.8%	0.7%
MediCal Mgd Care	29.3%	29.1%	29.8%	0.2%	-0.5%
Commercial - Mgd Care	21.0%	21.7%	21.7%	-0.7%	-0.7%
Other	1.8%	2.0%	2.1%	-0.3%	-0.4%
Self Pay	1.3%	2.4%	2.3%	-1.1%	-1.0%

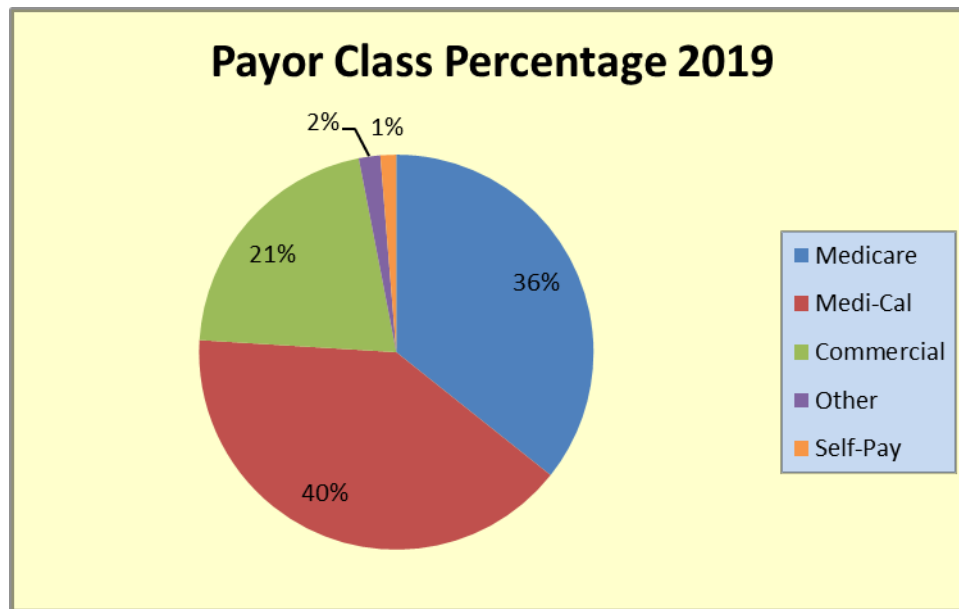


ANTELOPE VALLEY  
HOSPITAL

A facility of Antelope Valley Healthcare District

## Payor Mix (Gross Charges)

Medicare	35.7%
Medi-Cal	40.3%
Commercial	21.0%
Other	1.8%
Self-Pay	1.3%



# Key Financial Ratios

## December 2019

### Key Financial Ratios

	Actual	Budget	Last Year	Budget Variance	Last Year Variance
Net Income (Loss) Margin %	9.3%	2.0%	-9.5%	7.3%	18.8%
Operating Income (Loss) Margin %	8.2%	0.6%	-13.6%	7.6%	21.8%
EBIDA (Loss) Margin %	13.0%	6.3%	-7.1%	6.7%	20.1%
Outpatient Revenue %	34.9%	33.4%	31.0%	1.4%	3.9%
Realization Rate on Gross Charges	20.6%	21.4%	19.8%	-0.8%	0.8%

### Working Capital Indicators

Cash Collections (in thousands)	\$ 33,834	\$ 33,273	\$ 25,064	\$ 562	\$ 8,770
Cash Collections/Net Patient Revenue	97.6%	104.3%	85.3%	-6.8%	12.2%

## December 2019

### YTD

### Key Financial Ratios

	Actual	Budget	Last Year	Budget Variance	Last Year Variance
Net Income (Loss) Margin %	0.6%	2.0%	-5.6%	-1.4%	6.2%
Operating Income (Loss) Margin %	-1.0%	0.6%	-7.1%	-1.6%	6.1%
EBIDA (Loss) Margin %	4.8%	6.2%	-1.2%	-1.4%	5.9%
Outpatient Revenue %	36.6%	34.1%	34.6%	2.6%	2.0%
Realization Rate on Gross Charges	20.7%	21.1%	20.2%	-0.4%	0.5%

### Working Capital Indicators

Cash Collections (in thousands)	\$ 193,049	\$ 194,666	\$ 171,958	\$ (1,616)	\$ 21,092
Cash Collections/Net Patient Revenue	98.0%	99.4%	93.7%	-1.4%	4.3%



# Ratios and Debt Covenant Requirements

**December 2019  
YTD**

	<b>Actual</b>	<b>Last Year</b>	<b>Last Year Variance</b>
<b><u>Working Capital Indicators</u></b>			
Net Days in Accounts Receivable - 3 month lookback	57.2	67.0	(9.8)
Working Capital (in thousands)	\$ 61,064	\$ 36,348	\$ 24,716
Current Ratio	1.3	1.2	0.1
Inventory Turnover	5.0	4.3	0.7
<b><u>Operating Cash</u></b>			
Operating Liquid Cash (in thousands)	\$ 85,936	\$ 74,126	\$ 11,811
Total Cash (in thousands)	\$ 224,802	\$ 207,779	\$ 17,023
Operating Liquid Cash and Mkt Securities as % of Debt	148.0%	133.4%	14.6%
Debt To Capitalization	48.7%	49.1%	0.4%
Average Age of Plant ( in years)	14.7	16.5	(1.8)
<b><u>Bond Covenant Requirements</u></b>			
Days Cash on Hand	166.5	<b>Requirement</b> 55.0	161.5



**ANTELOPE VALLEY  
HOSPITAL**

A facility of Antelope Valley Healthcare District

# Metrics – Year to Date

## December 2019 YTD

### Revenue Metrics

	Actual	Budget	Last Year	Budget Variance	Last Year Variance
Gross Revenue per Adj Patient Day	\$ 15,034	\$ 14,135	\$ 14,884	\$ 899	\$ 151
Net Patient Revenue Adj Patient Day	\$ 3,112	\$ 2,989	\$ 3,014	\$ 123	\$ 98
Contractuals as a % of Gross Revenue	78.0%	76.5%	77.1%	1.5%	1.0%
Charity / Bad Debt as a % of Gross Revenue	1.3%	2.3%	2.7%	-1.1%	-1.4%

### Labor Metrics

FTEs: Productive (Excluding Registry)	1,902	1,859	1,799	44	103
FTEs: Non-Productive	303	319	300	(16)	2
FTEs: Contract Labor/Registry	63	67	65	(4)	(2)
<b>FTEs: Total</b>	<b>2,268</b>	<b>2,244</b>	<b>2,165</b>	<b>24</b>	<b>103</b>
Productive FTEs / AOB	5.71	5.41	5.64	0.31	0.08
Paid FTEs / AOB	6.59	6.30	6.54	0.29	0.05
FTEs Contract Labor as % of FTEs Total Labor	2.8%	3.0%	3.0%	-0.2%	-0.2%
Labor Cost as % of Total Operating Revenue	59.9%	60.9%	65.6%	-1.0%	-5.7%
Benefits as % of Labor (Excluding Registry)	32.3%	36.0%	36.5%	-3.7%	-4.3%

### Operating Expense Metrics

Total Operating Expenses / Adj Discharge	\$ 13,377	\$ 13,473	\$ 13,370	\$ (96)	\$ 7
Total Operating Expenses / Adj Patient Day	\$ 3,345	\$ 3,185	\$ 3,256	\$ 159	\$ 88
Total Supplies / Adj Discharge	\$ 2,158	\$ 1,956	\$ 1,943	\$ 202	\$ 215
Total Supplies / Adj Patient Day	\$ 540	\$ 463	\$ 473	\$ 77	\$ 66
Total Supplies as % of Total Operating Revenue	15.4%	13.6%	14.7%	1.7%	0.7%



# Year to Date – Discharges / Days / Length of Stay

December 2019 YTD	Actual	Budget	Last Year	Budget Variance	Last Year Variance
<b><u>Acute Discharges by Payor</u></b>					
Medicare	1,793	1,684	1,561	109	232
Medicare Mgd Care	1,377	1,457	1,364	(80)	13
MediCal	1,152	1,280	1,258	(128)	(106)
MediCal Mgd Care	3,210	3,148	3,018	62	192
Commercial - Mgd Care	2,123	2,324	2,205	(201)	(82)
Other	145	146	147	(1)	(2)
Self Pay	221	166	137	55	84
<b>Total Acute Discharges</b>	<b>10,021</b>	<b>10,205</b>	<b>9,690</b>	<b>(184)</b>	<b>331</b>
<b><u>Acute Days by Payor</u></b>					
Medicare	8,871	9,198	8,440	(327)	431
Medicare Mgd Care	5,944	6,545	5,822	(601)	122
MediCal	5,096	5,657	5,379	(561)	(283)
MediCal Mgd Care	11,478	12,230	11,514	(752)	(36)
Commercial - Mgd Care	7,265	8,081	7,208	(816)	57
Other	571	732	801	(161)	(230)
Self Pay	863	734	642	129	221
<b>Total Acute Patient Days</b>	<b>40,088</b>	<b>43,177</b>	<b>39,806</b>	<b>(3,089)</b>	<b>282</b>
<b><u>Acute Average Length of Stay</u></b>					
Medicare	4.95	5.46	5.41	(0.51)	(0.46)
Medicare Mgd Care	4.32	4.49	4.27	(0.18)	0.05
MediCal	4.42	4.42	4.28	0.00	0.15
MediCal Mgd Care	3.58	3.88	3.82	(0.31)	(0.24)
Commercial - Mgd Care	3.42	3.48	3.27	(0.06)	0.15
Other	3.94	5.01	5.45	(1.07)	(1.51)
Self Pay	3.90	4.43	4.69	(0.52)	(0.78)
<b>Total Acute Avg. Length of Stay</b>	<b>4.00</b>	<b>4.23</b>	<b>4.11</b>	<b>(0.23)</b>	<b>(0.11)</b>

