

Financial Performance

September 2020

ANTELOPE VALLEY
HOSPITAL

A facility of Antelope Valley Healthcare District



Statement of Income – September (in thousands)

September 2020

	Actual	Budget	Last Year	Budget Variance	Last Year Variance
Revenues					
Net Patient Revenue	\$ 32,581	\$ 34,099	\$ 32,856	\$ (1,519)	\$ (276)
Supplemental Funds/Settlements	12,591	2,720	2,052	9,871	10,539
Other Operating Revenue	947	1,278	1,175	(331)	(228)
Total Operating Revenues	\$ 46,118	\$ 38,097	\$ 36,083	\$ 8,021	\$ 10,035
Expenses					
Productive Salaries	\$ 14,663	\$ 13,944	\$ 13,473	\$ 720	\$ 1,191
Non-Productive Salaries	2,332	2,069	2,221	263	111
Registry/Contract Labor	1,025	828	1,036	197	(11)
Benefits	5,186	5,547	4,940	(361)	246
Total Supplies	5,744	5,952	5,320	(207)	424
Purchased Svcs	2,784	2,453	2,559	332	225
Other	5,450	5,097	5,103	352	346
Total Operating Expenses	\$ 37,184	\$ 35,889	\$ 34,652	\$ 1,296	\$ 2,533
EBIDA	\$ 8,934	\$ 2,209	\$ 1,431	\$ 6,725	\$ 7,502
<i>EBIDA Margin</i>	19.4%	5.8%	4.0%		
Depreciation and Amortization	1,500	1,533	1,678	(33)	(178)
Interest Expense	532	514	523	17	9
Operating Income (loss)	\$ 6,902	\$ 162	\$ (770)	\$ 6,740	\$ 7,672
Investment Income (loss)	89	660	(13)	(571)	101
Capital Contribution	-	112	1,289	(112)	(1,289)
NET INCOME (LOSS)	\$ 6,991	\$ 933	\$ 506	\$ 6,057	\$ 6,484
<i>Net Profit (loss)Margin</i>	15.2%	2.5%	1.4%		
EBIDA w/o Supplemental and IGT	\$ (3,315)	\$ (263)	\$ (285)	\$ (3,052)	\$ (3,030)



EBIDA w/o Supplemental and IGT

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Statement of Income – Year to Date (in thousands)

September 2020 YTD	Actual	Budget	Last Year	Budget Variance	Last Year Variance
<u>Revenues</u>					
Net Patient Revenue	\$ 101,568	\$ 103,791	\$ 98,530	\$ (2,223)	\$ 3,038
Supplemental Funds/Settlements	16,601	8,159	6,197	8,441	10,404
Other Operating Revenue	2,782	3,837	3,495	(1,055)	(713)
Total Operating Revenues	\$ 120,951	\$ 115,788	\$ 108,222	\$ 5,164	\$ 12,729
<u>Expenses</u>					
Productive Salaries	\$ 44,306	\$ 42,634	\$ 40,659	\$ 1,672	\$ 3,647
Non-Productive Salaries	7,627	6,318	7,040	1,308	586
Registry/Contract Labor	3,208	2,515	3,152	694	56
Benefits	16,168	16,859	14,912	(690)	1,256
Total Supplies	18,050	18,116	16,595	(67)	1,455
Purchased Svcs	8,179	7,445	7,279	734	900
Other	14,905	14,887	14,148	18	758
Total Operating Expenses	\$ 112,443	\$ 108,775	\$ 103,785	\$ 3,669	\$ 8,658
<u>EBIDA</u>	\$ 8,508	\$ 7,013	\$ 4,438	\$ 1,495	\$ 4,070
<i>EBIDA Margin</i>	7.0%	6.1%	4.1%		
Depreciation and Amortization	4,728	4,610	4,960	118	(232)
Interest Expense	1,608	1,577	1,588	30	19
<u>Operating Income (loss)</u>	\$ 2,173	\$ 826	\$ (2,111)	\$ 1,347	\$ 4,284
Investment Income (loss)	925	2,018	1,340	(1,093)	(415)
Capital Contribution	-	336	1,289	(336)	(1,289)
<u>NET INCOME (LOSS)</u>	\$ 3,098	\$ 3,180	\$ 518	\$ (82)	\$ 2,580
<i>Net Profit (loss) Margin</i>	2.6%	2.7%	0.5%		
<u>EBIDA w/o Supplemental and IGT</u>	\$ (7,309)	\$ (387)	\$ (754)	\$ (6,922)	\$ (6,555)



Key Financial Ratios

September 2020

	Actual	Budget	Last Year	Budget Variance	Last Year Variance
<u>Key Financial Ratios</u>					
Net Income (Loss) Margin %	15.2%	2.5%	1.4%	12.7%	13.8%
Operating Income (Loss) Margin %	15.0%	0.4%	-2.1%	14.5%	17.1%
EBIDA (Loss) Margin %	19.4%	5.8%	4.0%	13.6%	15.4%
Outpatient Revenue %	33.3%	36.0%	36.9%	-2.6%	-3.5%
Realization Rate on Gross Charges	20.7%	21.0%	20.8%	-0.3%	-0.1%
<u>Working Capital Indicators</u>					
Cash Collections (in thousands)	\$ 33,663	\$ 34,276	\$ 28,237	\$(613)	\$ 5,426
Cash Collections/Net Patient Revenue	103.3%	100.5%	85.9%	2.8%	17.4%

September 2020

YTD

	Actual	Budget	Last Year	Budget Variance	Last Year Variance
<u>Key Financial Ratios</u>					
Net Income (Loss) Margin %	2.6%	2.7%	0.5%	-0.2%	2.1%
Operating Income (Loss) Margin %	1.8%	0.7%	-2.0%	1.1%	3.7%
EBIDA (Loss) Margin %	7.0%	6.1%	4.1%	1.0%	2.9%
Outpatient Revenue %	33.7%	35.6%	37.2%	-1.9%	-3.5%
Realization Rate on Gross Charges	21.5%	21.0%	21.1%	0.5%	0.4%
<u>Working Capital Indicators</u>					
Cash Collections (in thousands)	\$ 95,943	\$ 93,232	\$ 93,603	\$ 2,711	\$ 2,339
Cash Collections/Net Patient Revenue	94.5%	89.8%	95.0%	4.6%	-0.5%



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Ratios and Debt Covenant Requirements

**September 2020
YTD**

	Actual	Last Year	Last Year Variance
<u>Working Capital Indicators</u>			
Net Days in Accounts Receivable - 3 month lookback	50.5	55.8	(5.3)
Working Capital (in thousands)	\$ 190,749	\$ 185,918	\$ 4,831
Current Ratio	2.4	2.9	(0.5)
Inventory Turnover	2.3	2.4	(0.2)
<u>Operating Cash</u>			
Operating Liquid Cash (in thousands)	\$ 107,222	\$ 87,115	\$ 20,107
Total Cash (in thousands)	\$ 271,499	\$ 224,108	\$ 47,391
Operating Liquid Cash and Mkt Securities as % of Debt	186.0%	148.3%	37.6%
Debt To Capitalization	45.5%	46.3%	0.8%
Average Age of Plant (in years)	15.6	14.7	1.0
<u>Bond Covenant Requirements</u>			
Days Cash on Hand	201.0	Requirement 55.0	167.8



Volumes – September

September 2020

	Actual	Budget	Last Year	Budget Variance	Last Year Variance
<u>Volumes</u>					
Acute Discharges	1,563	1,679	1,680	(116)	(117)
Adjusted Discharges	2,345	2,642	2,662	(297)	(317)
Acute Patient Days	6,745	6,923	6,582	(178)	163
Adjusted Patient Days	10,120	10,879	10,430	(759)	(310)
Observations (as Patient Days)	280	369	338	(89)	(58)
Average Daily Census	225	231	219	(6)	6
Adjusted Occupied Bed	337	363	348	(25)	(10)
General Acute LOS	4.32	4.12	3.92	0.19	0.40
General Acute CMI	1.42	1.37	1.27	0.05	0.15
Medicare Acute LOS	4.85	5.09	5.06	(0.24)	(0.21)
AVH GM LOS	3.78	3.73	3.64	0.05	0.14
CMS GM LOS	4.19	4.00	3.94	0.19	0.25
Medicare CMI	1.94	1.94	1.89	0.00	0.05



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Volumes – September (continued)

September 2020

	Actual	Budget	Last Year	Budget Variance	Last Year Variance
<u>Volumes</u>					
Deliveries	358	361	396	(3)	(38)
I/P Surgeries-WIP	121	128	138	(7)	(17)
Trauma Cases	124	115	137	9	(13)
E/R Visits	9,029	11,074	10,701	(2,045)	(1,672)
E/R Admits	1,113	1,137	1,139	(24)	(26)
E/R Conversion to I/P %	12.3%	10.3%	10.6%	2.1%	1.7%
E/R Admits to Total Admits %	71.2%	67.7%	67.8%	3.5%	3.4%
I/P Surgeries	323	311	302	12	21
O/P Surgeries	327	359	363	(32)	(36)
Total Surgeries	650	670	665	(20)	(15)



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Volumes – Year to Date

**September 2020
YTD**

	Actual	Budget	Last Year	Budget Variance	Last Year Variance
<u>Volumes</u>					
Acute Discharges	4,712	5,149	4,954	(437)	(242)
Adjusted Discharges	7,102	8,102	7,889	(1,000)	(787)
Acute Patient Days	20,965	21,229	19,396	(264)	1,569
Adjusted Patient Days	31,610	33,361	30,887	(1,751)	723
Observations (as Patient Days)	905	1,107	1,025	(202)	(120)
Average Daily Census	228	231	211	(3)	17
Adjusted Occupied Bed	344	363	336	(19)	8
General Acute LOS	4.45	4.12	3.92	0.33	0.53
General Acute CMI	1.43	1.37	1.31	0.06	0.12
Medicare Acute LOS	5.31	5.09	5.01	0.22	0.31
AVH GM LOS	3.73	3.73	3.54	0.00	0.19
CMS GM LOS	4.19	4.00	3.85	0.19	0.34
Medicare CMI	1.93	1.94	1.87	(0.01)	0.06



**ANTELOPE VALLEY
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Volumes – Year to Date (continued)

September 2020
YTD

	Actual	Budget	Last Year	Budget Variance	Last Year Variance
<u>Volumes</u>					
Deliveries	1,059	1,107	1,139	(48)	(80)
I/P Surgeries-WIP	351	394	399	(43)	(48)
Trauma Cases	370	351	356	19	14
E/R Visits	27,135	33,298	32,225	(6,163)	(5,090)
E/R Admits	3,280	3,487	3,359	(207)	(79)
E/R Conversion to I/P %	12.1%	10.5%	10.4%	1.6%	1.7%
E/R Admits to Total Admits %	69.6%	67.7%	67.8%	1.9%	1.8%
I/P Surgeries	893	955	909	(62)	(16)
O/P Surgeries	957	1,077	1,085	(120)	(128)
Total Surgeries	1,850	2,032	1,994	(182)	(144)

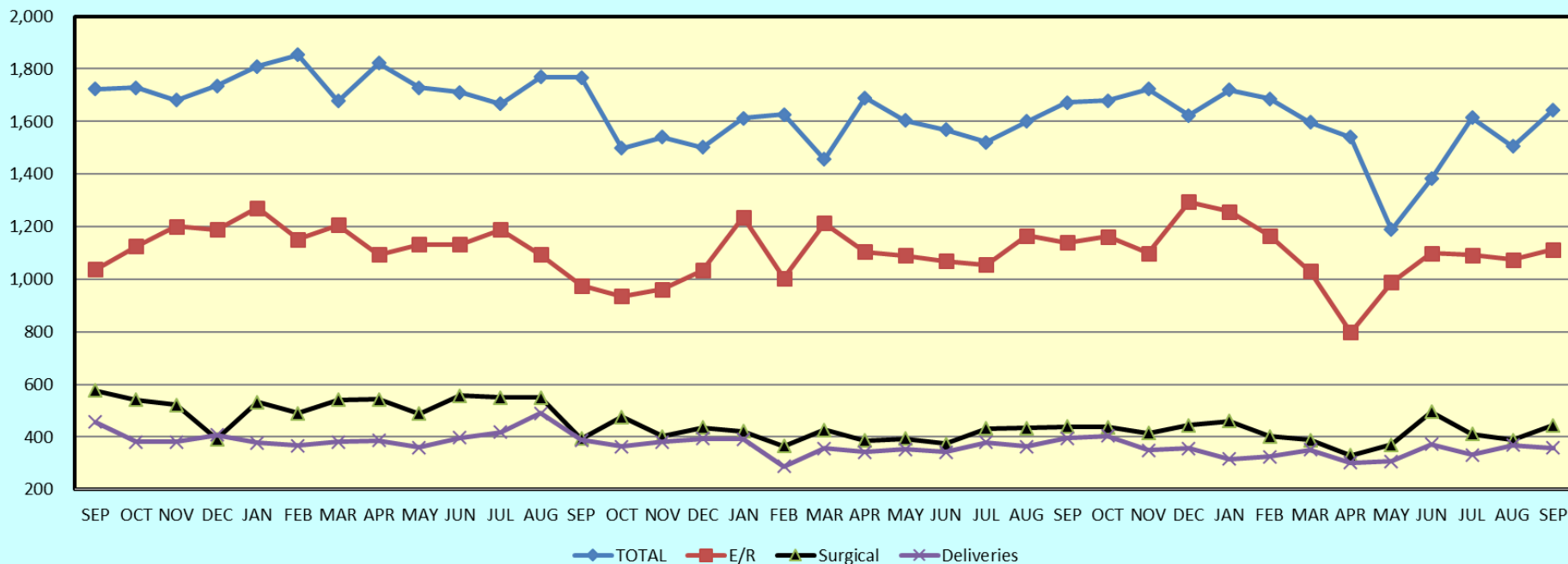


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Admissions Trends September 2017 – September 2020

Admissions Trends September 2017 - September 2020



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Gross Charges by Payor Mix

September 2020

	Actual	Budget	Last Year	Budget Variance	Last Year Variance
<u>Payor Mix (Gross Charges)</u>					
Medicare	16.9%	18.8%	19.5%	-1.9%	-2.6%
Medicare Mgd Care	18.5%	17.4%	17.0%	1.1%	1.5%
MediCal	13.3%	11.1%	12.0%	2.2%	1.2%
MediCal Mgd Care	29.9%	29.1%	28.5%	0.8%	1.4%
Commercial - Mgd Care	18.2%	20.7%	19.6%	-2.6%	-1.5%
Other	2.3%	1.8%	1.8%	0.5%	0.5%
Self Pay	1.0%	1.1%	1.5%	-0.1%	-0.5%

September 2020 YTD

	Actual	Budget	Last Year	Budget Variance	Last Year Variance
<u>Payor Mix (Gross Charges)</u>					
Medicare	17.1%	18.9%	19.2%	-1.7%	-2.1%
Medicare Mgd Care	18.3%	17.4%	17.0%	1.0%	1.4%
MediCal	11.6%	11.2%	10.6%	0.5%	1.0%
MediCal Mgd Care	28.6%	29.0%	29.1%	-0.4%	-0.5%
Commercial - Mgd Care	21.0%	20.7%	20.9%	0.2%	0.1%
Other	1.9%	1.8%	2.0%	0.1%	-0.1%
Self Pay	1.5%	1.1%	1.1%	0.4%	0.4%



Metrics - Monthly

September 2020

Revenue Metrics

	Actual	Budget	Last Year	Budget Variance	Last Year Variance
Gross Revenue per Adj Patient Day	\$ 15,558	\$ 14,904	\$ 15,122	\$ 654	\$ 436
Net Patient Revenue Adj Patient Day	\$ 3,219	\$ 3,134	\$ 3,150	\$ 85	\$ 69
Contractuals as a % of Gross Revenue	76.8%	77.6%	78.3%	-0.8%	-1.4%
Charity / Bad Debt as a % of Gross Revenue	2.5%	1.4%	0.9%	1.1%	1.6%

Labor Metrics

FTEs: Productive (Excluding Registry)	2,038	1,938	1,896	100	142
FTEs: Non-Productive	292	278	299	14	(7)
FTEs: Contract Labor/Registry	60	57	66	3	(7)
FTEs: Total	2,390	2,273	2,261	116	128
Productive FTEs / AOB	6.22	5.50	5.64	0.72	0.57
Paid FTEs / AOB	7.08	6.27	6.50	0.82	0.58
FTEs Contract Labor as % of FTEs Total Labor	2.5%	2.5%	2.9%	0.0%	-0.4%
Labor Cost as % of Total Operating Revenue	50.3%	58.8%	60.1%	-8.4%	-9.7%
Benefits as % of Labor (Excluding Registry)	30.5%	34.6%	31.5%	-4.1%	-1.0%

Operating Expense Metrics

Total Operating Expenses / Adj Discharge	\$ 15,857	\$ 13,584	\$ 13,017	\$ 2,273	\$ 2,840
Total Operating Expenses / Adj Patient Day	\$ 3,674	\$ 3,299	\$ 3,322	\$ 375	\$ 352
Total Supplies / Adj Discharge	\$ 2,450	\$ 2,253	\$ 1,999	\$ 197	\$ 451
Total Supplies / Adj Patient Day	\$ 568	\$ 547	\$ 510	\$ 21	\$ 57
Total Supplies as % of Total Operating Revenue	12.5%	15.6%	14.7%	-3.2%	-2.3%



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Metrics – Year to Date

September 2020 YTD

Revenue Metrics

	Actual	Budget	Last Year	Budget Variance	Last Year Variance
Gross Revenue per Adj Patient Day	\$ 14,946	\$ 14,794	\$ 15,144	\$ 151	\$ (198)
Net Patient Revenue Adj Patient Day	\$ 3,213	\$ 3,111	\$ 3,190	\$ 102	\$ 23
Contractuals as a % of Gross Revenue	76.6%	77.6%	77.8%	-0.9%	-1.2%
Charity / Bad Debt as a % of Gross Revenue	1.9%	1.4%	1.1%	0.5%	0.7%

Labor Metrics

FTEs: Productive (Excluding Registry)	2,012	1,933	1,882	79	129
FTEs: Non-Productive	294	277	296	16	(3)
FTEs: Contract Labor/Registry	64	57	64	8	0
FTEs: Total	2,369	2,267	2,243	103	127

Productive FTEs / AOB	6.04	5.49	5.80	0.56	0.24
Paid FTEs / AOB	6.90	6.25	6.68	0.64	0.22

FTEs Contract Labor as % of FTEs Total Labor	2.7%	2.5%	2.8%	0.2%	-0.1%
Labor Cost as % of Total Operating Revenue	59.0%	59.0%	60.8%	-0.1%	-1.8%
Benefits as % of Labor (Excluding Registry)	31.1%	34.4%	31.3%	-3.3%	-0.1%

Operating Expense Metrics

Total Operating Expenses / Adj Discharge	\$ 15,833	\$ 13,426	\$ 13,156	\$ 2,407	\$ 2,677
Total Operating Expenses / Adj Patient Day	\$ 3,557	\$ 3,261	\$ 3,360	\$ 297	\$ 197

Total Supplies / Adj Discharge	\$ 2,541	\$ 2,236	\$ 2,104	\$ 305	\$ 438
Total Supplies / Adj Patient Day	\$ 571	\$ 543	\$ 537	\$ 28	\$ 34
Total Supplies as % of Total Operating Revenue	14.9%	15.6%	15.3%	-0.7%	-0.4%



September – Discharges / Days / Length of Stay

September 2020

	Actual	Budget	Last Year	Budget Variance	Last Year Variance
<u>Acute Discharges by Payor</u>					
Medicare	265	300	285	(35)	(20)
Medicare Mgd Care	259	243	235	16	24
MediCal	178	191	208	(13)	(30)
MediCal Mgd Care	470	528	518	(58)	(48)
Commercial - Mgd Care	340	356	361	(16)	(21)
Other	21	25	31	(4)	(10)
Self Pay	30	36	42	(6)	(12)
Total Acute Discharges	1,563	1,679	1,680	(116)	(117)

<u>Acute Days by Payor</u>					
Medicare	1,285	1,529	1,441	(244)	(156)
Medicare Mgd Care	1,075	1,079	924	(4)	151
MediCal	1,094	888	984	206	110
MediCal Mgd Care	1,929	1,945	1,850	(16)	79
Commercial - Mgd Care	1,091	1,243	1,125	(152)	(34)
Other	82	101	99	(19)	(17)
Self Pay	189	138	159	51	30
Total Acute Patient Days	6,745	6,923	6,582	(178)	163

Acute Average Length of Stay

Medicare	4.85	5.09	5.06	(0.24)	(0.21)
Medicare Mgd Care	4.15	4.44	3.93	(0.29)	0.22
MediCal	6.15	4.65	4.73	1.50	1.42
MediCal Mgd Care	4.10	3.68	3.57	0.42	0.53
Commercial - Mgd Care	3.21	3.49	3.12	(0.28)	0.09
Other	3.90	4.07	3.19	(0.17)	0.71
Self Pay	6.30	3.87	3.79	2.43	2.51
Total Acute Avg. Length of Stay	4.32	4.12	3.92	0.19	0.40



Year to Date – Discharges / Days / Length of Stay

September 2020 YTD	Actual	Budget	Last Year	Budget Variance	Last Year Variance
<u>Acute Discharges by Payor</u>					
Medicare	772	921	865	(149)	(93)
Medicare Mgd Care	754	745	667	9	87
MediCal	514	586	578	(72)	(64)
MediCal Mgd Care	1,450	1,620	1,569	(170)	(119)
Commercial - Mgd Care	1,049	1,092	1,065	(43)	(16)
Other	64	76	88	(12)	(24)
Self Pay	109	109	122	(0)	(13)
Total Acute Discharges	4,712	5,149	4,954	(437)	(242)
<u>Acute Days by Payor</u>					
Medicare	4,101	4,688	4,330	(587)	(229)
Medicare Mgd Care	3,359	3,309	2,800	50	559
MediCal	2,889	2,723	2,477	166	412
MediCal Mgd Care	5,816	5,963	5,503	(147)	313
Commercial - Mgd Care	3,851	3,812	3,558	39	293
Other	308	311	316	(3)	(8)
Self Pay	641	422	412	219	229
Total Acute Patient Days	20,965	21,229	19,396	(264)	1,569
<u>Acute Average Length of Stay</u>					
Medicare	5.31	5.09	5.01	0.22	0.31
Medicare Mgd Care	4.45	4.44	4.20	0.02	0.26
MediCal	5.62	4.65	4.29	0.97	1.34
MediCal Mgd Care	4.01	3.68	3.51	0.33	0.50
Commercial - Mgd Care	3.67	3.49	3.34	0.18	0.33
Other	4.81	4.07	3.59	0.74	1.22
Self Pay	5.88	3.87	3.38	2.01	2.50
Total Acute Avg. Length of Stay	4.45	4.12	3.92	0.33	0.53

