

**HEALDSBURG DISTRICT HOSPITAL  
SUMMARY STATEMENT OF OPERATIONS  
(PRELIMINARY - SUBJECT TO CHANGE)**

	Monthly			Year to Date		
	Oct/2018	Oct/2017	Budget 2018	Oct/2018	Oct/2017	Budget 2018
Net Operating Income (Loss)	(805,736)	(602,054)	(625,358)	(6,170,541)	(6,689,976)	(6,722,407)
Increase(Decrease) in Net Position	(512,382)	(119,621)	(118,801)	(1,603,009)	99,696	(1,709,912)

**HEALDSBURG DISTRICT HOSPITAL  
STATEMENT OF NET POSITION  
THIS MONTH vs LAST MONTH  
(PRELIMINARY - SUBJECT TO CHANGE)**

	This Month Oct-31-2018	Last Month Sep-30-2018	Variance	
			\$	%
<b>1 Assets</b>				
<b>2 Cash and Cash Equivalents</b>				
3 Unrestricted	7,508,734	6,786,955	721,778	10.6%
4 Board Designated	1,494,000	1,441,000	53,000	3.7%
5 Restricted	5,797,009	7,022,050	(1,225,041)	-17.4%
<b>6 Accounts receivable</b>				
7 Gross	23,272,903	24,163,743	(890,840)	-3.7%
8 Reserves	(18,532,366)	(19,033,455)	501,090	-2.6%
9 Net Accounts Receivable	4,740,538	5,130,288	(389,751)	-7.6%
10 Other Accounts Receivable	2,388,982	2,080,408	308,573	14.8%
11 Inventory	800,104	798,903	1,201	0.2%
12 Pre-Paid Expenses	279,189	249,166	30,023	12.0%
<b>13 Total Current Assets</b>	<b>23,008,555</b>	<b>23,508,771</b>	<b>(500,216)</b>	<b>-2.1%</b>
<b>14 Fixed Assets</b>				
15 Land & Buildings	13,520,967	13,520,967	0	0.0%
16 Equipment	10,077,158	10,070,696	6,462	0.1%
17 Construction In Process	1,909,529	1,773,893	135,637	7.6%
18 Depreciation	(16,144,310)	(15,932,678)	(211,632)	-1.3%
19 Total Property & Equip.	9,363,345	9,432,878	(69,533)	-0.7%
20 Investments	155,507	155,507	0	0.0%
<b>21 Total Assets</b>	<b>32,527,406</b>	<b>33,097,155</b>	<b>(569,749)</b>	<b>-1.7%</b>
<b>22 Liabilities</b>				
23 Vendor AP	3,707,366	3,412,174	295,191	8.7%
24 Other Payables	3,262,783	3,249,875	12,908	0.4%
25 Accrued Payroll	1,650,249	2,337,087	(686,838)	-29.4%
26 Accrued Payroll Taxes & Benefits	311,703	15,441	296,262	1918.7%
27 Other Current Liabilities	720,330	695,220	25,110	3.6%
<b>28 Total Current Liabilities</b>	<b>9,652,430</b>	<b>9,709,797</b>	<b>(57,367)</b>	<b>-0.6%</b>
29 Long-Term Liabilities	11,193,000	11,193,000	0	0.0%
<b>30 Total Liabilities</b>	<b>20,845,430</b>	<b>20,902,797</b>	<b>(57,367)</b>	<b>-0.3%</b>
<b>31 Net Position</b>				
32 Prior Year Earnings	13,284,985	13,284,985	0	0.0%
33 Current Earnings	(1,603,009)	(1,090,627)	(512,382)	47.0%
34 Total Net Position	11,681,976	12,194,358	(512,382)	-4.2%
<b>35 Total Liabilities &amp; Net Position</b>	<b>32,527,406</b>	<b>33,097,155</b>	<b>(569,749)</b>	<b>-1.7%</b>

**STATEMENT OF NET POSITION AS OF OCTOBER 31, 2018 COMPARED TO SEPTEMBER 30, 2018 (PAGE 2)**

**Lines 3, 4 & 5:** Total Cash and Cash Equivalents decreased \$450 thousand. Restricted Cash decreased and Unrestricted Cash increased from a \$1.2 million reimbursement that was received from Opus Bank. The remaining change in Unrestricted Cash was due to a significant increase in operating expenses for the month.

**Lines 6 – 9:** Gross Accounts Receivable, Reserves, and Net Accounts Receivable decreases were attributable to a phenomenal month of cash collections on patient accounts. The \$4.7 million collected from patient accounts was the highest month of cash collections in the three years presented on page 7.

**Line 10:** Other Accounts Receivable increased \$309 thousand primarily from the monthly accrual of parcel tax revenue.

**Line 23:** Vendor AP increased \$295 thousand primarily from the increased operating expenses for the month.

**Lines 25 and 26:** Accrued Payroll and Accrued Payroll Taxes and Benefits decreased \$391 thousand due to the timing of the final October pay date in comparison to September.

**HEALDSBURG DISTRICT HOSPITAL  
STATEMENT OF NET POSITION  
THIS YEAR vs LAST YEAR  
(PRELIMINARY - SUBJECT TO CHANGE)**

	This Fiscal Year Oct-31-2018	Last Fiscal Year Oct-31-2017	Variance	
			\$	%
<b>1 Assets</b>				
<b>2 Cash and Cash Equivalents</b>				
3 Unrestricted	7,508,734	2,262,791	5,245,943	231.8%
4 Board Designated	1,494,000	388,000	1,106,000	285.1%
5 Restricted	5,797,009	2,236,259	3,560,750	159.2%
<b>6 Accounts receivable</b>				
7 Gross	23,272,903	34,048,675	(10,775,772)	-31.6%
8 Reserves	(18,532,366)	(27,599,911)	9,067,545	32.9%
9 Net Accounts Receivable	4,740,538	6,448,764	(1,708,227)	-26.5%
10 Other Accounts Receivable	2,388,982	3,672,609	(1,283,627)	-35.0%
11 Inventory	800,104	850,645	(50,541)	-5.9%
12 Pre-Paid Expenses	279,189	459,785	(180,596)	-39.3%
<b>13 Total Current Assets</b>	<b>23,008,555</b>	<b>16,318,853</b>	<b>6,689,702</b>	<b>41.0%</b>
<b>14 Fixed Assets</b>				
15 Land & Buildings	13,520,967	13,487,024	33,943	0.3%
16 Equipment	10,077,158	7,846,769	2,230,390	28.4%
17 Construction In Process	1,909,529	165,644	1,743,886	1052.8%
18 Depreciation	(16,144,310)	(14,026,398)	(2,117,912)	15.1%
19 Total Property & Equip.	9,363,345	7,473,039	1,890,306	25.3%
20 Investments	155,507	382,216	(226,709)	-59.3%
<b>21 Total Assets</b>	<b>32,527,406</b>	<b>24,174,108</b>	<b>8,353,298</b>	<b>34.6%</b>
<b>22 Liabilities</b>				
23 Vendor AP	3,707,366	4,937,475	(1,230,110)	-24.9%
24 Other Payables	3,262,783	2,384,114	878,669	36.9%
25 Accrued Payroll	1,650,249	1,194,288	455,961	38.2%
26 Accrued Payroll Taxes & Benefits	311,703	852,317	(540,614)	-63.4%
27 Other Current Liabilities	720,330	667,736	52,594	7.9%
<b>28 Total Current Liabilities</b>	<b>9,652,430</b>	<b>10,035,930</b>	<b>(383,500)</b>	<b>-3.8%</b>
29 Long Term Liabilities	11,193,000	4,898,102	6,294,898	128.5%
<b>30 Total Liabilities</b>	<b>20,845,430</b>	<b>14,934,032</b>	<b>5,911,398</b>	<b>39.6%</b>
<b>31 Net Position</b>				
32 Prior Year Earnings	13,284,985	9,140,381	4,144,604	45.3%
33 Current Earnings	(1,603,009)	99,696	(1,702,704)	-1707.9%
<b>34 Total Net Position</b>	<b>11,681,976</b>	<b>9,240,077</b>	<b>2,441,899</b>	<b>26.4%</b>
<b>35 Total Liabilities &amp; Net Position</b>	<b>32,527,406</b>	<b>24,174,108</b>	<b>8,353,298</b>	<b>34.6%</b>

**STATEMENT OF NET POSITION AS OF OCT 31, 2018 COMPARED TO OCT 31, 2017(PAGE 3)**

**Lines 3 & 4:** Unrestricted and Board Designated Cash & Cash Equivalents are up \$6.4 million. Including the settlement with Partnership Health Plan, cash collections on patient accounts are up nearly \$9 million, which has more than offset increases in operating expenses.

**Line 5:** Restricted Cash and Cash Equivalents are up \$3.6 million primarily due to the drawdown of funds from the 2016 COP's in excess of the amounts remaining from the Foundation Grant for the MRI Project.

**Line 10:** Other Accounts Receivable decreased \$1.3 million primarily due to the timing of IGT's.

**Line 16:** The increase in Equipment of \$2.2 million is due to the new MRI being placed in service in May 2018.

**Line 17:** The increase in Construction In Process of \$1.7 million is due to the various projects being funded by the 2016 COP.

**Lines 23 & 24:** Vendor AP and Other Payables decreased \$351 thousand. Decreases from continued efforts to pay down amounts owed to vendors and the settlement and completion of Medicare cost reports accounted for the change.

**Line 29:** Long-Term Liabilities were up \$6.3 million due to the \$7.5 million drawdown of funds from the 2016 COP's and scheduled principal payments made for the 2016 COP and Capital Lease.

**SUMMARY STATEMENT OF OPERATIONS ACTUAL VS BUDGET (PAGE 4)**

**Lines 1 – 6:** For the month and the year unfavorable budget variances within Inpatient Revenues for Med/Surg Patient Days have been offset by favorable budget variances within Outpatient Revenues for Surgeries and Clinic Visits.

**Line 7:** Contractual Expenses were \$462 thousand under budget for the month and \$3.5 million for the year. A historically good month with patient cash collections accounts for the monthly variance, while the new subacute patient rates with Partnership primarily account for the positive variance year-to-date.

**Lines 14 and 15:** Salaries & Wages and Benefits were \$553 thousand over budget for the month and \$1 million for the year. Within salaries, the wage adjustment and increased FTE's accounted for the monthly variance. The year-to-date variance is primarily attributable to lump sum salary adjustments and the July 2017 wage adjustment. Within benefits, the negative budget variance is primarily a result of unfavorable claims experience for employee health. The \$448 thousand paid in October for employee health claims were the highest monthly total of the year.

**Line 16:** Contract Labor was \$353 thousand under budget for the year. Within registry nursing, positive budget variances for the year for med-surg and subacute more than offset a negative budget variance in ICU registry nursing. Other positive budget variances within contract labor include administration, physical therapy, and surgical services.

**Line 18:** Other Professional Fees were over budget \$267 thousand for the year primarily from Lab and Physical Therapy.

**Line 19:** Purchased Services were over budget \$431 thousand for the year primarily from IT for various Medhost services and HIM for coding.

**Line 20:** Supplies were over budget \$412 thousand for the month and \$1.2 million for the year primarily from Surgical Services implants and prosthesis (primarily pain management), and Wound Care grafts and other medical supplies.

**Line 29:** Total Non-Operating was under budget \$213 thousand for the month and \$445 thousand for the year due to timing of IGT.

HEADSBERG DISTRICT HOSPITAL  
STATEMENT OF OPERATIONS  
2018 ACTUAL vs BUDGET  
(PRELIMINARY - SUBJECT TO CHANGE)

	MONTHLY			YEAR TO DATE		
	Actual	Budget	Variance	Actual	Budget	Variance
	Oct-18		\$ %	Oct-18		\$ %
<b>1 GROSS REVENUE:</b>						
2 Inpatient Routine	1,778,152	2,343,138	(564,986) -24.1%	19,526,833	22,977,878	(3,451,045) -15.0%
3 Inpatient Ancillary	1,632,225	1,900,374	(268,149) -14.1%	17,250,388	18,635,920	(1,385,533) -7.4%
4 Total Inpatient	3,410,377	4,243,512	(833,135) -19.6%	36,777,221	41,613,798	(4,836,578) -11.6%
5 Outpatient	6,578,614	5,572,161	1,006,453 18.1%	57,561,813	54,643,143	2,918,670 5.3%
6 Total Gross Patient Revenue	9,988,990	9,815,673	173,317 1.8%	94,339,033	96,256,941	(1,917,908) -2.0%
7 Contractual Expenses	5,567,495	6,014,476	446,981 7.4%	55,307,658	58,980,665	3,673,007 6.2%
8 Bad Debt Expense	154,202	169,585	15,383 9.1%	1,869,637	1,663,029	(206,608) -12.4%
9 Total Revenue Deductions	5,721,697	6,184,061	462,364 7.5%	57,177,296	60,643,694	3,466,398 5.7%
10 NET PATIENT REVENUE	4,267,293	3,631,612	635,681 17.5%	37,161,738	35,613,247	1,548,491 4.3%
11 Other Revenue	138,404	53,834	84,570 157.1%	2,120,113	1,278,163	841,950 65.9%
12 Total Net Revenue	4,405,698	3,685,446	720,252 19.5%	39,281,851	36,891,410	2,390,441 6.5%
13 Operating Expense:						
14 Salaries & Wages	2,039,981	1,756,512	283,469 16.1%	18,180,181	17,565,120	615,061 3.5%
15 Benefits	946,384	676,628	269,756 39.9%	7,173,113	6,766,280	406,833 6.0%
16 Contract Labor	170,881	192,541	(21,660) -11.2%	1,793,816	2,147,199	(353,383) -16.5%
17 Medical Pro Fees	433,156	451,434	(18,278) -4.0%	4,534,991	4,674,064	(139,073) -3.0%
18 Other Professional Fees	65,376	33,572	31,804 94.7%	608,483	341,475	267,008 78.2%
19 Purchased Services	209,850	154,051	55,799 36.2%	1,964,978	1,533,842	431,136 28.1%
20 Supplies	773,719	361,939	411,780 113.8%	5,225,921	4,058,133	1,167,788 28.8%
21 Repairs & Maintenance	32,023	93,414	(61,391) -65.7%	742,707	1,030,635	(287,928) -27.9%
22 Rents & Leases	83,749	97,023	(13,274) -13.7%	1,018,544	986,172	32,372 3.3%
23 Utilities	71,249	52,658	18,591 35.3%	542,309	540,174	2,135 0.4%
24 Other Direct Expenses	147,982	197,883	(49,901) -25.2%	1,291,487	1,525,668	(234,181) -15.3%
25 Interest Expense	25,451	39,850	(14,399) -36.1%	359,541	412,068	(52,524) -12.7%
26 Depreciation & Amortization	211,632	203,299	8,333 4.1%	2,016,320	2,032,990	(16,670) -0.8%
27 Total Operating Expenses	5,211,433	4,310,804	900,629 20.9%	45,452,392	43,613,817	1,838,575 4.2%
28 Net Operating Income (Loss)	(805,736)	(625,356)	(180,378) -28.8%	(6,170,541)	(6,722,407)	551,866 8.2%
29 Total Non-Operating	293,353	506,557	(213,204) -42.1%	4,567,532	5,012,495	(444,963) -8.9%
30 Revenue Over (Under) Expenses	(512,382)	(118,801)	(393,581) -331.3%	(1,603,009)	(1,709,912)	106,903 6.3%
31 Capital Contributions	0	0	0 0.0%	0	0	0 0.0%
32 Change in Fund Balance	(512,382)	(118,801)	(393,581) -331.3%	(1,603,009)	(1,709,912)	106,903 6.3%

HEADSBRURG DISTRICT HOSPITAL  
STATEMENT OF OPERATIONS  
ACTUAL 2018 vs ACTUAL 2017  
(PRELIMINARY - SUBJECT TO CHANGE)

	MONTHLY			YEAR TO DATE			
	ACTUAL		Variance	ACTUAL		Variance	
	Oct-18	Oct-17	\$	Oct-18	Oct-17	\$	
<b>1 GROSS REVENUE:</b>							
2 Inpatient Routine	1,778,152	2,158,925	(380,773)	19,526,833	21,743,456	(2,216,623)	-10.2%
3 Inpatient Ancillary	1,632,225	1,726,722	(94,498)	17,250,388	16,935,139	315,248	1.9%
4 Total Inpatient	3,410,377	3,885,647	(475,271)	36,777,221	38,678,595	(1,901,375)	-4.9%
5 Outpatient	6,578,614	5,828,091	750,523	57,561,813	50,887,040	6,674,772	13.1%
<b>6 Total Gross Patient Revenue</b>	<b>9,988,990</b>	<b>9,713,738</b>	<b>275,252</b>	<b>94,339,033</b>	<b>89,565,635</b>	<b>4,773,398</b>	<b>5.3%</b>
7 Contractual Expenses	5,567,495	5,978,321	410,826	55,307,658	55,547,986	240,327	0.4%
8 Bad Debt Expense	154,202	163,977	9,775	1,869,637	1,643,952	(225,685)	-13.7%
9 Total Revenue Deductions	5,721,697	6,142,298	420,601	57,177,296	57,191,937	14,642	0.0%
<b>10 NET PATIENT REVENUE</b>	<b>4,267,293</b>	<b>3,571,440</b>	<b>695,853</b>	<b>37,161,738</b>	<b>32,373,698</b>	<b>4,788,040</b>	<b>14.8%</b>
11 Other Revenue	138,404	51,653	86,751	2,120,113	1,221,062	899,051	73.6%
<b>12 Total Net Revenue</b>	<b>4,405,698</b>	<b>3,623,094</b>	<b>782,604</b>	<b>39,281,851</b>	<b>33,594,760</b>	<b>5,687,091</b>	<b>16.9%</b>
<b>13 Operating Expense:</b>							
14 Salaries & Wages	2,039,981	1,604,651	435,330	18,180,181	15,449,603	2,730,578	17.7%
15 Benefits	946,384	771,341	175,043	7,173,113	6,002,568	1,170,546	19.5%
16 Contract Labor	170,881	184,908	(14,027)	1,793,816	1,979,366	(185,550)	-9.4%
17 Medical Pro Fees	433,156	466,532	(33,377)	4,534,991	4,826,817	(291,826)	-6.0%
18 Other Professional Fees	65,376	50,774	14,602	608,483	516,938	91,546	17.7%
19 Purchased Services	209,850	142,792	67,059	1,964,978	1,408,965	556,013	39.5%
20 Supplies	773,719	365,572	408,148	5,225,921	4,097,497	1,128,424	27.5%
21 Repairs & Maintenance	32,023	95,409	(63,386)	742,707	1,050,331	(307,624)	-29.3%
22 Rents & Leases	83,749	96,954	(13,205)	1,018,544	984,196	34,348	3.5%
23 Utilities	71,249	53,549	17,700	542,309	547,571	(5,262)	-1.0%
24 Other Direct Expenses	147,982	191,184	(43,202)	1,291,487	1,392,500	(101,012)	-7.3%
25 Interest Expense	25,451	39,850	(14,398)	359,541	412,065	(52,524)	-12.7%
26 Depreciation & Amortization	211,632	161,632	50,000	2,016,320	1,616,320	400,000	24.7%
<b>27 Total Operating Expenses</b>	<b>5,211,433</b>	<b>4,225,147</b>	<b>986,286</b>	<b>45,452,392</b>	<b>40,284,736</b>	<b>5,167,655</b>	<b>12.8%</b>
<b>28 Net Operating Income (Loss)</b>	<b>(805,736)</b>	<b>(602,054)</b>	<b>(203,682)</b>	<b>(6,170,541)</b>	<b>(6,689,976)</b>	<b>519,435</b>	<b>7.8%</b>
29 Total Non-Operating	293,353	482,433	(189,080)	4,567,532	6,789,672	(2,222,140)	-32.7%
30 Revenue Over (Under) Expenses	(512,382)	(119,621)	(392,762)	(1,603,009)	99,696	(1,702,704)	1707.9%
31 Capital Contributions	0	0	0	0	0	0	0.0%
<b>32 Change in Fund Balance</b>	<b>(512,382)</b>	<b>(119,621)</b>	<b>(392,762)</b>	<b>(1,603,009)</b>	<b>99,696</b>	<b>(1,702,704)</b>	<b>1707.9%</b>



**SUMMARY STATEMENT OF OPERATIONS ACTUAL 2018 VS ACTUAL 2017 (PAGE 5)**

**Line 10:** Net Patient Revenue was up \$696 thousand for the month and \$4.8 million year to date primarily from the 5.0% price increase effective January 1, 2018, increased outpatient volumes have offset decreased inpatient volumes, and the additional monthly net revenues from the increased subacute rates with Partnership.

**Line 11:** Other Revenue was up \$899 thousand for the year. Overall, increased revenues from the HQAF program have offset a slight decrease in revenue from other supplemental outpatient funding from Medi-Cal.

**Lines 14 & 15:** Salaries, Wages, and Benefits were up \$610 thousand for the month and \$3.9 million year to date. The primary reasons for the increase were the 2018 lump sum salary adjustments and wage increases, as well as the wage adjustments in July of 2017. In addition to generally higher staffing levels, we also hired 4 physicians in 2017 (January, July, September, and November) and 2 in 2018 (March and August), and currently have 5 physicians on payroll.

**Line 19:** Purchased Services were up \$67 thousand for the month and \$556 thousand for the year primarily from IT for various Medhost services and HIM for coding.

**Line 20:** Supplies increased \$408 thousand for the month and \$1.1 million for the year primarily from Surgical Services implants and prosthesis (mostly pain management) and Wound Care grafts and other medical supplies.

**Line 21:** Repairs & Maintenance was \$63 thousand down for the month and \$307 thousand for the year. The capital funding available from the 2016 COP has resulted in more capital items being replaced as opposed to being repaired.

**Line 29:** Total Non-Operating was \$189 thousand down for the month due to the timing of IGT settlements and \$2.2 million for the year due to the MRI Project grant received in the prior year from the Foundation.

**HEALDSBURG DISTRICT HOSPITAL**  
**Key Statistics**  
**Actual 2018 vs Actual 2017 & Budget 2018 (March)**  
**(PRELIMINARY - SUBJECT TO CHANGE)**

	MONTH				YEAR TO DATE							
	Current 2018	Prior 2017	Variance		Goals or Budget	#	Variance		Goals or Budget	Variance		
			#	%			\$	%		\$	%	
<b>1 Days Cash on Hand</b>	56.10	20.42	35.68	174.72%				45.55	253.34%			
<b>2 Gross Days Revenue in Accounts Receivable</b>	72.23	108.66	(36.44)	-33.53%				(40.57)	-35.11%			
<b>3 Net Days Revenue in Accounts Receivable</b>	34.44	55.98	(21.54)	-38.48%				(21.78)	-35.96%			
<b>4 Days Expense In Accounts Payable</b>	23.10	39.24	(16.13)	-41.11%				(13.07)	-33.32%			
<b>5 Case Mix</b>												
<b>6 Medicare</b>	1.1250	1.0724	0.0526	4.90%	1.20000	(0.0750)	-6.25%	0.0719	6.15%	1.2000	0.0402	3.35%
<b>7 All Payers</b>	1.2483	1.1245	0.1238	11.01%	1.20000	0.0483	4.03%	0.0815	6.83%	1.2000	0.0755	6.29%
<b>8 Patient Days</b>												
<b>9 Med/Surg</b>	105	193	(88)	-45.60%	176	(71)	-40.51%	(433)	-24.33%	1,731	(384)	-22.17%
<b>10 ICU</b>	45	40	5	12.50%	37	8	20.97%	320	90.14%	365	310	85.03%
<b>11 Swing</b>	35	13	22	169.23%	27	8	28.38%	151	63.18%	267	123	45.87%
<b>12 Sub-Acute</b>	474	417	57	13.67%	420	54	12.82%	490	12.00%	4,120	452	10.96%
<b>13 Patient Admissions</b>												
<b>14 Med/Surg</b>	35	66	(31)	-46.97%	44	(9)	-20.75%	(92)	-19.33%	433	(49)	-11.34%
<b>15 ICU</b>	18	8	10	125.00%	9	9	92.67%	63	81.82%	92	48	52.81%
<b>16 Swing</b>	7	7	0	0.00%	7	0	3.02%	4	7.69%	67	(11)	-15.95%
<b>17 Sub-Acute</b>	0	2	(2)	0.00%	1	(1)	-100.00%	(7)	-58.33%	10	(5)	0.00%
<b>18 Average Length of Stay</b>												
<b>19 Med/Surg</b>	3.00	2.92	0.08	2.59%	4.00	(1.00)	-25.00%	(0.23)	-6.20%	4.00	(0.49)	-12.30%
<b>20 ICU</b>	2.50	5.00	(2.50)	-50.00%	4.00	(1.50)	-37.50%	0.21	4.58%	4.00	0.82	20.54%
<b>21 Swing</b>	5.00	1.86	3.14	169.23%	4.00	1.00	25.00%	2.37	51.52%	4.00	2.96	74.11%
<b>22 Average Daily Census</b>												
<b>23 Med/Surg</b>	3.40	6.20	(2.80)	-45.16%	5.70	(2.30)	-40.35%	(1.42)	-24.33%	5.70	(1.27)	-22.26%
<b>24 ICU</b>	1.50	1.30	0.20	15.38%	1.20	0.30	25.00%	1.05	90.14%	1.20	1.02	85.03%
<b>25 Swing</b>	1.10	0.40	0.70	175.00%	0.90	0.20	22.22%	0.50	63.18%	0.90	0.38	42.54%
<b>26 Sub-Acute</b>	15.30	12.30	3.00	24.39%	13.60	1.70	12.50%	1.61	12.00%	13.60	1.44	10.58%
<b>27 Total Surgeries</b>	284	70	214	305.71%	112	172	153.15%	1,444	213.93%	1,100	1,019	92.61%
<b>28 Total Outpatient Visits</b>	4,108	3,635	473	13.01%	3,783	325	8.58%	2,371	6.37%	37,102	2,464	6.64%
<b>29 Total Clinic Visits</b>	1,444	937	507	54.11%	1,072	372	34.71%	2,513	25.83%	10,512	1,731	16.47%
<b>30 Total ER Visits</b>	705	864	(159)	-18.40%	743	(38)	-5.16%	(195)	-2.61%	7,289	(1)	-0.02%

**KEY STATISTICS – ACTUAL 2018 VS ACTUAL 2017 AND BUDGET 2018 (PAGE 6)**

**Line 1:** Days Cash on Hand was up 36 days for the month and 46 days for the year. Including the settlement with Partnership Health Plan, cash collections on patient accounts are up nearly \$9 million, which has more than offset increases in operating expenses.

**Line 2 & 3:** Gross and Net Days Revenue in Accounts Receivable improved from the prior year due to increased cash collections on Patient AR and a \$10.5 million and \$1.3 million write off in January and September 2018, respectively.

**Line 4:** Days Expense in Accounts Payable was down 16 days for the month and 13 days for the year. The improved cash position has enabled the Hospital to pay down amounts owed to vendors and there has been an increase in operating expenses.

**Lines 8-12:** Overall, Patient Days were reasonable compared to prior month and budget. For the year, Patient Days were up 528 primarily from Sub-Acute.

**Lines 18-21:** Average Length of Stay was up .72 for the month and 2.35 for the year, primarily in Swing. The increase was largely driven by a patient in a Swing Bed with a 100 day stay.

**Lines 22-26:** Average Daily Census (ADC) was up 1.10 for the month and 1.74 for the year. The decrease in Med/Surg Patient Days ADC was offset by increases in Sub-Acute.

**Line 27:** Total Surgeries were up 214 for the month and 1,444 for the year. The vast majority of the increase for the month and the year relate to pain management procedures.

**Line 28:** Total Outpatient Visits were up 473 for the month and 2,371 for the year. In addition to the increase attributable to surgeries noted above, increased year-to-date visits to HPG (674 visits or 9%) and Specialty Medical (1,942 or 63%) offset decreases in Occupational Medicine (925 visits or 47%), Wound Care (269 visits or 15%) and Lab (894 visits or 15%). At HPG providers YTD through October were 3 last year compared to 5 this year. For Specialty, we have also added 3 providers over the prior year.

**Line 29:** Total Clinic Visits were up 507 for the month and 2,513 for the year. Increased visits for HPG, Specialty Medical and Windsor were slightly offset by decreases in Behavioral Health.

**Line 30:** Total ER Visits were down 159 for the month and 195 for the year largely due to the Sonoma County fires in October 2017 that resulted in the closures of the Sutter and Kaiser ER's.

## KEY STATISTICS - DEFINITIONS AND CONTEXT (PAGE 6)

- **Days Cash on Hand:** Measures the number of days the hospital could continue paying its operating expenses from existing unrestricted cash and investments in the absence of any future cash collections. A higher ratio indicates greater financial flexibility. A good days cash on hand for a critical access hospital is at least 60 days.
- **Days Revenue in Accounts Receivable:** Measures the amount of time between patient discharge and when payment is received. This directly impacts cash flows for the facility and is a measure of the efficiency of the billing and collection in the revenue cycle. Gross and net days in accounts receivable are close in value in high functioning revenue cycles. A lower ratio indicates greater financial flexibility. A good days in AR for a critical access hospital is 45 days.
- **Days Expense in Accounts Payable:** Measures the average amount of time that elapses before the hospital meets its current liabilities. In other words, the number of days of cash expenses that are outstanding (not currently paid). High values for the average payment period often indicate a lack of liquidity.
- **Case Mix:** Case Mix Index (CMI) is a measure of the average severity level of a hospital's procedures. The CMI of a hospital reflects the diversity, clinical complexity and the needs for resources in the population of all the patients in the hospital. Hospitals with a higher CMI receive a higher reimbursement rate for its cases than a hospital with a lower CMI.
- **Patient Days:** The total number of days for all patients for an episode of care
- **Patient Admissions:** Patient admission to the hospital
- **Average Length of Stay (ALOS):** The average length of stay in hospitals is often used as an indicator of efficiency. All other things being equal, a shorter stay will reduce the cost per discharge and shift care from inpatient to less expensive post-acute settings.
- **Average Daily Census:** The average number of patients treated during a day.
- **Surgeries:** There is a strong correlation in hospitals between surgery volumes and operating margins.
- **Outpatient Visits:** An outpatient hospital service is any type of medical or surgical care performed at a hospital that your doctor does not expect will be an overnight hospital stay. In some cases, you may stay overnight in the hospital, but not be admitted as an inpatient (this would be considered outpatient service).
- **Clinic Visits:** a patient who is not hospitalized overnight but who visits clinic or associated facility for diagnosis or treatment
- **ER Visits:** Significant not only because of the visit, but also the transfer of patients to the hospital for other services.

