

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

	Monthly			Year to Date		
	Nov/2018	Nov/2017	Budget 2018	Nov/2018	Nov/2017	Budget 2018
Net Operating Income (Loss)	(243,798)	(2,100,568)	(755,508)	(6,414,339)	(8,790,545)	(7,477,915)
Increase(Decrease) in Net Position	36,780	(886,835)	(258,282)	(1,566,229)	(787,139)	(1,968,194)

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

	This Month Nov-30-2018	Last Month Oct-31-2018	Variance	
			\$	%
1 Assets				
2 Cash and Cash Equivalents				
3 Unrestricted	6,500,086	7,508,734	(1,008,648)	-13.4%
4 Board Designated	1,518,000	1,494,000	24,000	1.6%
5 Restricted	5,799,399	5,797,009	2,390	0.0%
6 Accounts receivable				
7 Gross	23,139,041	23,272,903	(133,862)	-0.6%
8 Reserves	(18,555,582)	(18,532,366)	(23,216)	0.1%
9 Net Accounts Receivable	4,583,459	4,740,538	(157,078)	-3.3%
10 Other Accounts Receivable	2,858,713	2,388,982	469,732	19.7%
11 Inventory	812,212	800,104	12,108	1.5%
12 Pre-Paid Expenses	246,355	279,189	(32,834)	-11.8%
13 Total Current Assets	22,318,224	23,008,555	(690,330)	-3.0%
14 Fixed Assets				
15 Land & Buildings	13,520,967	13,520,967	0	0.0%
16 Equipment	10,123,080	10,077,158	45,922	0.5%
17 Construction In Process	2,055,489	1,909,529	145,960	7.6%
18 Depreciation	(16,355,942)	(16,144,310)	(211,632)	-1.3%
19 Total Property & Equip.	9,343,594	9,363,345	(19,750)	-0.2%
20 Investments	155,507	155,507	0	0.0%
21 Total Assets	31,817,325	32,527,406	(710,080)	-2.2%
22 Liabilities				
23 Vendor AP	2,839,902	3,707,366	(867,463)	-23.4%
24 Other Payables	3,245,556	3,262,783	(17,227)	-0.5%
25 Accrued Payroll	1,778,650	1,650,249	128,401	7.8%
26 Accrued Payroll Taxes & Benefits	300,006	311,703	(11,697)	-3.8%
27 Other Current Liabilities	741,456	720,330	21,126	2.9%
28 Total Current Liabilities	8,905,570	9,652,430	(746,860)	-7.7%
29 Long-Term Liabilities	11,193,000	11,193,000	0	0.0%
30 Total Liabilities	20,098,570	20,845,430	(746,860)	-3.6%
31 Net Position				
32 Prior Year Earnings	13,284,985	13,284,985	0	0.0%
33 Current Earnings	(1,566,229)	(1,603,009)	36,780	-2.3%
34 Total Net Position	11,718,756	11,681,976	36,780	0.3%
35 Total Liabilities & Net Position	31,817,325	32,527,406	(710,080)	-2.2%

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

Lines 3, 4 & 5: Total Cash and Cash Equivalents decreased \$982 thousand, primarily from unrestricted cash. The decrease was due to an increase in operating expenses for the month, payments for amounts due from Accounts Payable, and a \$188 thousand payment to the CA Department of Healthcare Services (DHCS) to initiate the PRIME IGT, which should result in reimbursement of \$376 thousand.

Line 10: Other Accounts Receivable increased \$470 thousand from the monthly accrual of parcel tax revenue and the \$188 thousand payment noted above to initiate the PRIME IGT.

Line 23: Vendor AP decreased \$867 thousand primarily from the timing of amounts owed to vendors, and a continued effort to pay down vendor balances.

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

	This Fiscal Year Nov-30-2018	Last Fiscal Year Nov-30-2017	Variance	
			\$	%
1 Assets				
2 Cash and Cash Equivalents				
3 Unrestricted	6,500,086	4,210,140	2,289,946	54.4%
4 Board Designated	1,518,000	335,000	1,183,000	353.1%
5 Restricted	5,799,399	2,137,472	3,661,927	171.3%
6 Accounts receivable				
7 Gross	23,139,041	32,791,564	(9,652,523)	-29.4%
8 Reserves	(18,555,582)	(28,216,368)	9,660,786	34.2%
9 Net Accounts Receivable	4,583,459	4,575,196	8,264	0.2%
10 Other Accounts Receivable	2,858,713	2,822,715	35,998	1.3%
11 Inventory	812,212	850,634	(38,422)	-4.5%
12 Pre-Paid Expenses	246,355	430,754	(184,399)	-42.8%
13 Total Current Assets	22,318,224	15,361,911	6,956,313	45.3%
14 Fixed Assets				
15 Land & Buildings	13,520,967	13,487,024	33,943	0.3%
16 Equipment	10,123,080	7,846,769	2,276,311	29.0%
17 Construction In Process	2,055,489	206,964	1,848,525	893.2%
18 Depreciation	(16,355,942)	(14,188,030)	(2,167,912)	15.3%
19 Total Property & Equip.	9,343,594	7,352,727	1,990,868	27.1%
20 Investments	155,507	369,389	(213,883)	-57.9%
21 Total Assets	31,817,325	23,084,027	8,733,299	37.8%
22 Liabilities				
23 Vendor AP	2,839,902	4,300,832	(1,460,930)	-34.0%
24 Other Payables	3,245,556	3,340,663	(95,107)	-2.8%
25 Accrued Payroll	1,778,650	1,473,978	304,672	20.7%
26 Accrued Payroll Taxes & Benefits	300,006	24,610	275,395	1119.0%
27 Other Current Liabilities	741,456	692,600	48,856	7.1%
28 Total Current Liabilities	8,905,570	9,832,683	(927,113)	-9.4%
29 Long Term Liabilities	11,193,000	4,898,102	6,294,898	128.5%
30 Total Liabilities	20,098,570	14,730,785	5,367,785	36.4%
31 Net Position				
32 Prior Year Earnings	13,284,985	9,140,381	4,144,604	45.3%
33 Current Earnings	(1,566,229)	(787,139)	(779,090)	99.0%
34 Total Net Position	11,718,756	8,353,242	3,365,514	40.3%
35 Total Liabilities & Net Position	31,817,325	23,084,027	8,733,299	37.8%

STATEMENT OF NET POSITION AS OF NOV 30, 2018 COMPARED TO NOV 30, 2017(PAGE 3)

Lines 3 & 4: Unrestricted and Board Designated Cash & Cash Equivalents are up \$3.5 million. Including the settlement with Partnership Health Plan, cash collections on patient accounts have more than offset increases in operating expenses.

Line 5: Restricted Cash and Cash Equivalents are up \$3.7 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 16: The increase in Equipment of \$2.3 million is due to the new MRI being placed in service in May 2018 and various projects being funded by the 2016 COP.

Line 17: The increase in Construction In Process of \$1.8 million is due to the various projects being funded by the 2016 COP.

Lines 23 & 24: Vendor AP and Other Payables decreased \$1.5 million. Decreases from continued efforts to pay down amounts owed to vendors and the settlement and completion of Medicare cost reports accounted for the change.

Lines 25 & 26: Accrued Payroll and Accrued Payroll Taxes & Benefits are up \$580 thousand from an overall increase in payroll and benefits from staffing and wage and salary adjustments, and the timing of the November 2018 payroll versus November 2017 (2 extra days accrued in 2018).

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.

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

	MONTHLY				YEAR TO DATE			
	Actual		Variance		Actual		Variance	
	Nov-18	Budget	\$	%	Nov-18	Budget	\$	%
1 GROSS REVENUE:								
2 Inpatient Routine	1,855,581	2,267,555	(411,974)	-18.2%	21,382,414	25,245,433	(3,863,019)	-15.3%
3 Inpatient Ancillary	1,910,289	1,839,068	71,221	3.9%	19,131,638	20,474,988	(1,343,350)	-6.6%
4 Total Inpatient	3,765,870	4,106,623	(340,753)	-8.3%	40,514,052	45,720,421	(5,206,369)	-11.4%
5 Outpatient	5,282,691	5,392,417	(109,726)	-2.0%	62,873,542	60,035,560	2,837,982	4.7%
6 Total Gross Patient Revenue	9,048,561	9,499,040	(450,479)	-4.7%	103,387,594	105,755,981	(2,368,387)	-2.2%
7 Contractual Expenses	5,000,488	5,820,460	819,972	14.1%	60,308,146	64,801,125	4,492,979	6.9%
8 Bad Debt Expense	154,952	164,115	9,163	5.6%	2,024,590	1,827,144	1,974,446	10.8%
9 Total Revenue Deductions	5,155,440	5,984,575	829,135	13.9%	62,332,736	66,628,269	4,295,533	6.4%
10 NET PATIENT REVENUE	3,893,121	3,514,465	378,656	10.8%	41,054,858	39,127,712	1,927,146	4.9%
11 Other Revenue	517,028	75,166	441,862	587.8%	2,637,141	1,353,329	1,283,812	94.9%
12 Total Net Revenue	4,410,149	3,589,631	820,518	22.9%	43,692,000	40,481,041	3,210,958	7.9%
13 Operating Expense:								
14 Salaries & Wages	1,915,536	1,756,512	159,024	9.1%	20,095,717	19,321,632	774,085	4.0%
15 Benefits	894,773	676,628	218,145	32.2%	8,067,896	7,442,908	624,978	8.4%
16 Contract Labor	127,403	241,458	(114,055)	-47.2%	1,921,219	2,388,657	(467,438)	-19.6%
17 Medical Pro Fees	474,757	457,200	17,557	3.8%	5,009,748	5,131,264	(121,516)	-2.4%
18 Other Professional Fees	21,307	34,340	(13,033)	-38.0%	629,790	375,815	253,975	67.6%
19 Purchased Services	200,571	160,953	39,618	24.6%	2,165,550	1,694,795	470,755	27.8%
20 Supplies	426,261	466,116	(39,855)	-8.6%	5,652,182	4,524,249	1,127,933	24.9%
21 Repairs & Maintenance	50,248	88,751	(38,503)	-43.4%	792,955	1,119,386	(326,431)	-29.2%
22 Rents & Leases	110,189	73,310	36,879	50.3%	1,128,733	1,059,482	69,251	6.5%
23 Utilities	44,885	50,318	(5,433)	-10.8%	587,194	590,492	(3,298)	-0.6%
24 Other Direct Expenses	152,068	96,481	55,587	57.6%	1,443,555	1,622,149	(178,594)	-11.0%
25 Interest Expense	24,316	39,773	(15,457)	-38.9%	383,857	451,838	(67,981)	-15.0%
26 Depreciation & Amortization	211,632	203,299	8,333	4.1%	2,227,952	2,236,289	(8,337)	-0.4%
27 Total Operating Expenses	4,653,947	4,345,139	308,808	7.1%	50,106,338	47,958,956	2,147,382	4.5%
28 Net Operating Income (Loss)	(243,798)	(755,508)	511,710	67.7%	(6,414,339)	(7,477,915)	1,063,576	14.2%
29 Total Non-Operating	280,578	497,226	(216,648)	-43.6%	4,848,110	5,509,721	(661,611)	-12.0%
30 Revenue Over (Under) Expenses	36,780	(258,282)	295,062	114.2%	(1,566,229)	(1,968,194)	401,965	20.4%
31 Capital Contributions	0	0	0	0.0%	0	0	0	0.0%
32 Change in Fund Balance	36,780	(258,282)	295,062	114.2%	(1,566,229)	(1,968,194)	401,965	20.4%

SUMMARY STATEMENT OF OPERATIONS ACTUAL VS BUDGET (PAGE 4)

Lines 1 – 6: 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 for the year. For just the second month this year outpatient revenues were below budget due to a slower than normal month for Surgery, ER and Clinics. Inpatient revenues were under budget for the eleventh month this year.

Line 9: Total Revenue Deductions were \$829 thousand under budget for the month and \$4.3 million for the year. A strong 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.

Line 11: Other Revenue was over budget \$442 thousand for the month due to \$468 thousand in payments for the HQAF Program in November. Other Revenue is over budget \$1.3 million for the year as increased revenues from the HQAF program have offset a slight decrease in revenue from other supplemental outpatient funding from Medi-Cal.

Lines 14 and 15: Salaries & Wages and Benefits were \$337 thousand over budget for the month and \$1.4 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. November was the second consecutive month of claims in excess of \$400 thousand, and year-to-date medical payments are over \$800 thousand more than the prior year.

Line 16: Contract Labor was \$114 thousand under budget for the month and \$467 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 \$254 thousand for the year primarily from Lab and Physical Therapy.

Line 19: Purchased Services were over budget \$471 thousand for the year primarily from IT for various Medhost services and HIM for coding.

Line 20: Supplies were over budget \$1.1 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 \$217 thousand for the month and \$662 thousand for the year due to IGT's. Favorable variances in the Rate Range and AB 915 IGT's were offset by an unfavorable variance of \$850 thousand in the PRIME IGT.

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

	MONTHLY				YEAR TO DATE			
	ACTUAL		Variance		ACTUAL		Variance	
	Nov-18	Nov-17	\$	%	Nov-18	Nov-17	\$	%
1 GROSS REVENUE:								
2 Inpatient Routine	1,855,581	2,227,488	(371,907)	-16.7%	21,382,414	23,970,944	(2,588,530)	-10.8%
3 Inpatient Ancillary	1,910,289	2,557,713	(647,424)	-25.3%	19,131,638	19,492,852	(361,215)	-1.9%
4 Total Inpatient	3,765,870	4,785,201	(1,019,331)	-21.3%	40,514,052	43,463,796	(2,949,745)	-6.8%
5 Outpatient	5,282,691	5,740,419	(457,728)	-8.0%	62,873,542	56,627,459	6,246,083	11.0%
6 Total Gross Patient Revenue	9,048,561	10,525,620	(1,477,059)	-14.0%	103,387,594	100,091,255	3,296,338	3.3%
7 Contractual Expenses	5,000,488	8,199,004	3,198,516	39.0%	60,308,146	63,746,989	3,438,843	5.4%
8 Bad Debt Expense	154,952	171,293	16,341	9.5%	2,024,590	1,815,245	209,345	11.5%
9 Total Revenue Deductions	5,155,440	8,370,297	3,214,857	38.4%	62,332,736	65,562,234	3,229,498	4.9%
10 NET PATIENT REVENUE	3,893,121	2,155,323	1,737,797	80.6%	41,054,858	34,529,021	6,525,837	18.9%
11 Other Revenue	517,028	71,988	445,040	618.2%	2,637,141	1,293,050	1,344,091	103.9%
12 Total Net Revenue	4,410,149	2,227,312	2,182,837	98.0%	43,692,000	35,822,072	7,869,928	22.0%
13 Operating Expense:								
14 Salaries & Wages	1,915,536	1,847,000	68,536	3.7%	20,095,717	17,296,603	2,799,114	16.2%
15 Benefits	894,773	637,002	257,771	40.5%	8,067,886	6,639,569	1,428,317	21.5%
16 Contract Labor	127,403	233,785	(106,383)	-45.5%	1,921,219	2,213,152	(291,932)	-13.2%
17 Medical Pro Fees	474,757	472,145	2,612	0.6%	5,009,748	5,298,962	(289,214)	-5.5%
18 Other Professional Fees	21,307	43,994	(22,687)	-51.6%	629,790	560,932	68,859	12.3%
19 Purchased Services	200,571	120,962	79,609	65.8%	2,165,550	1,529,928	635,622	41.5%
20 Supplies	426,261	472,397	(46,136)	-9.8%	5,652,182	4,569,894	1,082,288	23.7%
21 Repairs & Maintenance	50,248	91,028	(40,780)	-44.8%	792,955	1,141,359	(348,404)	-30.5%
22 Rentals & Leases	110,189	72,923	37,267	51.1%	1,128,733	1,057,119	71,615	6.8%
23 Utilities	44,885	50,987	(6,102)	-12.0%	587,194	598,558	(11,365)	-1.9%
24 Other Direct Expenses	152,068	84,251	67,817	80.5%	1,443,555	1,476,750	(33,195)	-2.2%
25 Interest Expense	24,316	39,773	(15,457)	-38.9%	383,857	451,839	(67,982)	-15.0%
26 Depreciation & Amortization	211,632	161,632	50,000	30.9%	2,227,952	1,777,952	450,000	25.3%
27 Total Operating Expenses	4,653,947	4,327,880	326,067	7.5%	50,106,338	44,612,616	5,493,722	12.3%
28 Net Operating Income (Loss)	(243,798)	(2,100,566)	1,856,770	88.4%	(6,414,339)	(8,790,545)	2,376,206	27.0%
29 Total Non-Operating	280,578	1,213,733	(933,155)	-76.9%	4,848,110	8,003,405	(3,155,295)	-39.4%
30 Revenue Over (Under) Expenses	36,780	(886,835)	923,615	104.1%	(1,566,229)	(787,139)	(779,090)	-99.0%
31 Capital Contributions	0	0	0	0.0%	0	0	0	0.0%
32 Change in Fund Balance	36,780	(886,835)	923,615	104.1%	(1,566,229)	(787,139)	(779,090)	-99.0%

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

Line 10: Net Patient Revenue was up \$1.7 million for the month and \$6.5 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. The large variance for the month was due to the clean-up of AR that was done in November 2017.

Line 11: Other Revenue was up \$445 thousand for the month due to \$468 thousand in payments for the HQAF Program. Other Revenue is up \$1.3 million for the year as 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 \$326 thousand for the month and \$4.2 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 16: Contract Labor was down \$106 thousand for the month and \$292 thousand for the year. Decreased utilization in surgical services, administration, physical therapy, and registry nursing more than offset increases in materials management, accounting, and IT.

Line 19: Purchased Services were up \$80 thousand for the month and \$636 thousand for the year primarily from IT for various Medhost services and HIM for coding.

Line 20: Supplies increased \$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 \$41 thousand down for the month and \$348 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 \$933 thousand down for the month due to the decrease in PRIME IGT and \$3.2 million for the year due to the MRI Project grant received in the prior year from the Foundation and the decrease in PRIME IGT.

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 #	Variance %	Current 2018	Prior 2017	Variance \$	Variance %	Goals or Budget	Variance \$	Variance %
1 Days Cash on Hand	54.45	33.04	21.40	64.77%							
2 Gross Days Revenue in Accounts Receivable	76.72	93.46	(16.75)	-17.92%							
3 Net Days Revenue in Accounts Receivable	35.32	63.66	(28.36)	-44.54%							
4 Days Expense in Accounts Payable	19.28	31.27	(11.98)	-38.33%							
5 Case Mix											
6 Medicare	1.2869	1.1769	0.1100	9.35%	1.20000	0.0869	7.24%		1.2000	0.0454	3.78%
7 All Payers	1.2562	1.1363	0.1199	10.55%	1.20000	0.0562	4.69%		1.2000	0.0734	6.12%
8 Patient Days											
9 Med/Surg	152	148	4	2.70%	171	(19)	-11.00%	(429)	1,902	(403)	-21.17%
10 ICU	55	59	(4)	-6.78%	36	19	52.78%	316	401	329	82.14%
11 Swing	58	43	15	34.88%	26	32	119.83%	166	294	154	52.52%
12 Sub-Acute	448	424	24	5.66%	407	41	10.18%	514	4,527	493	10.89%
13 Patient Admissions											
14 Med/Surg	47	44	3	6.82%	43	4	9.97%	(89)	476	(45)	-9.42%
15 ICU	15	17	(2)	-11.76%	9	6	65.91%	61	54	53.99%	
16 Swing	2	6	(4)	-66.67%	7	(5)	-69.58%	0	73	(15)	-20.77%
17 Sub-Acute	0	1	(1)	0.00%	1	(1)	-100.00%	(8)	11	(6)	0.00%
18 Average Length of Stay											
19 Med/Surg	3.23	3.36	(0.13)	-3.85%	4.00	(0.77)	-19.15%	(0.23)	4.00	(0.52)	-13.05%
20 ICU	3.67	3.47	0.20	5.65%	4.00	(0.33)	-8.33%	0.31	4.00	0.71	17.74%
21 Swing	29.00	7.17	21.83	304.65%	4.00	25.00	625.00%	2.86	4.00	3.72	93.10%
22 Average Daily Census											
23 Med/Surg	5.10	4.90	0.20	4.08%	5.70	(0.60)	-10.53%	(1.28)	5.70	(1.21)	-21.26%
24 ICU	1.80	2.00	(0.20)	-10.00%	1.20	0.60	50.00%	0.95	1.20	0.99	82.14%
25 Swing	1.90	1.40	0.50	35.71%	0.90	1.00	111.11%	0.50	0.90	0.44	49.04%
26 Sub-Acute	14.90	14.10	0.80	5.67%	13.60	1.30	9.56%	1.54	13.60	1.43	10.51%
27 Total Surgeries	219	103	116	112.62%	109	110	101.72%	1,560	1,209	1,129	93.43%
28 Total Outpatient Visits	3,561	3,875	(314)	-8.10%	3,661	(100)	-2.74%	2,057	40,763	2,364	5.80%
29 Total Clinic Visits	1,193	1,128	65	5.76%	1,037	156	15.01%	2,578	11,549	1,887	16.34%
30 Total ER Visits	641	793	(152)	-19.17%	719	(78)	-10.89%	(247)	8,009	(80)	-0.99%

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

Line 1: Days Cash on Hand was up 21 days for the month and 23 days for the year due to increased cash collections on patient accounts more than offsetting the increase 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. The November 2017 Net Days in Accounts Receivable was also higher due to the AR clean-up in November 2017.

Line 4: Days Expense in Accounts Payable was down 12 days for the month and 14 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 567 primarily from Sub-Acute.

Lines 18-21: Average Length of Stay was up 21.90 for the month and 2.94 for the year, primarily in Swing. The monthly increase was due to three patients in November with lengthy stays and the timing of admissions and discharges which impact the calculation. The yearly 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 1.30 for the month and 1.70 for the year. The decrease in Med/Surg Patient Days ADC was offset by increases in Sub-Acute.

Line 27: Total Surgeries were up 116 for the month and 1,560 for the year. The vast majority of the increase for the month and the year relate to pain management procedures.

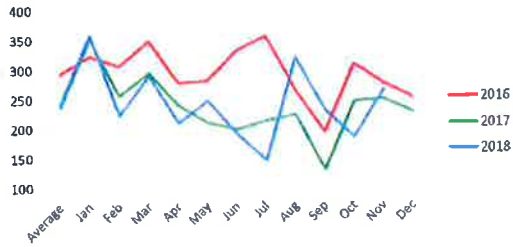
Line 28: Total Outpatient Visits were down 314 for the month due to decreases in Radiology (94), Lab (82) and Wound Care (163) and up 2,057 for the year. For the year, in addition to the increase attributable to surgeries noted above, increased year-to-date visits to HPG (679 visits or 9%) and Specialty Medical (2,018 or 152%) offset decreases in Occupational Medicine (912 visits or 43%), Wound Care (540 visits or 11%) and Lab (976 visits or 14%). At HPG providers YTD through November 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 65 for the month and 2,578 for the year. Increased visits for HPG, Specialty Medical and Windsor were slightly offset by decreases in Behavioral Health.

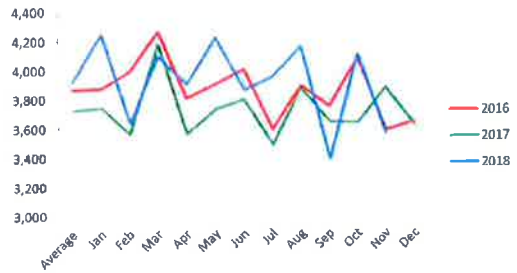
KEY STATISTICS - DEFINITIONS AND CONTEXT (PAGE 6)

- **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.

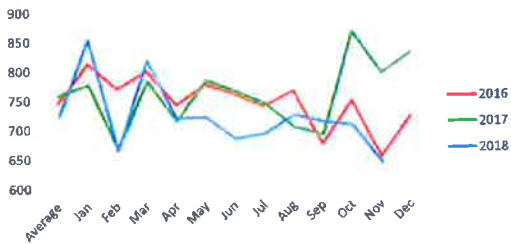
Acute Patient Days



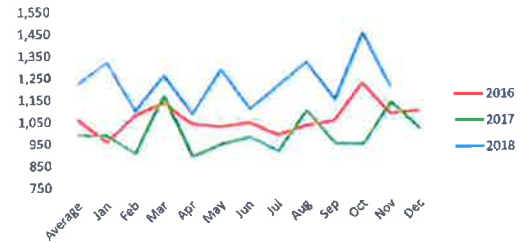
Outpatient Visits



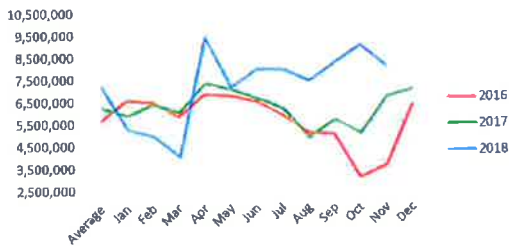
ER Visits



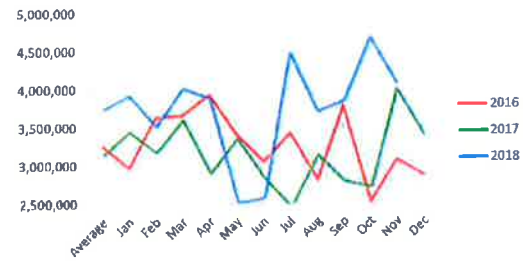
Clinic Visits



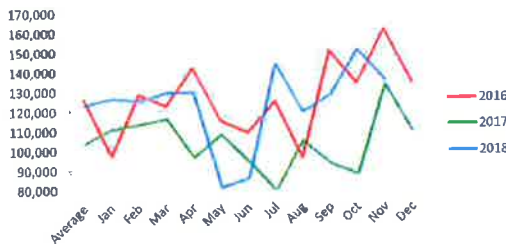
Cash in the Bank



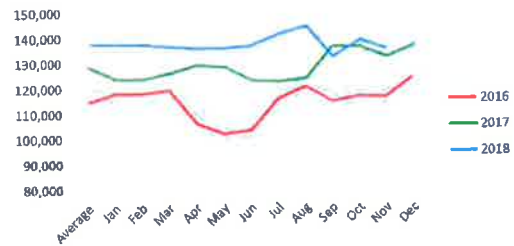
Monthly Deposits



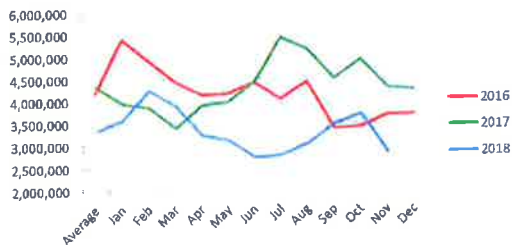
Deposits per Day



Expenses Per Day



Accounts Payable



Fixed Assets

