

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

	Monthly			Year to Date		
	Aug/2020	Aug/2019	Budget 2020	Aug/2020	Aug/2019	Budget 2020
Net Operating Income (Loss)	(1,018,733)	(686,377)	(587,262)	(10,865,083)	(4,370,949)	(6,497,977)
Increase(Decrease) in Net Position	(330,365)	(392,029)	(292,914)	230,391	3,489,506	1,612,478

CFO SUMMARY

August 2020 Results

Net Patient Revenue

The most significant impact on Net Patient Revenue in both the month of and year to date month ended August 2020 was the COVID-19 Pandemic. Year-to-date net patient revenue is down \$6.3 million (19%) and is under budget by \$6.9 million (21%).

Operating Margin

The Operating Margin for August 2020 was -28% compared with -15% in August 2019. The operating margin is the fourth best of the eight months in 2020 to date. The \$1.0 million operating loss in August was less than the average monthly operating loss for the first 8 months of 2020 (\$1.4 million) and is tied for the fifth best of the eight months in 2020 to date. August was the third consecutive month with an operating loss better than the monthly average in 2020.

The highest average monthly operating losses through August, before overhead allocation, are consistently in the following three departments:

- Specialty Medical Services (SMS)/Orthopedics: \$110 thousand/month
- Primary Care (HPG): \$95 thousand/month
- Lab: \$61 thousand/month

The total combination of these three departments represents an annualized operating loss of \$3.2 million.

Organizational Expense increases year- over-year experienced in the following categories:

Salaries increased 1%. We have struggled to reduce staff even though volume of activity is lower. 19 Departments have increased salaries expense in 2020 vs. 2019. The 8 departments with the largest Salary increases are:

- Specialty Medical Services/Orthopedic
- HPG Primary Care
- Quality and Risk Management
- Subacute
- Infection Control
- MRI
- Respiratory Therapy
- Materials/Purchasing

The three departments with the largest reductions in Salaries expense are:

- Laboratory
- Patient Accounting
- Education

Benefits expense decreased 5% due to a decrease in self-insured health plan costs from a lower number of claims.

Contract Labor increased 10%, primarily in Lab, Accounting & Finance, Agency Nursing in Med/Surg, and Revenue Cycle.

Other Professional Fees increased 21% and are primarily in Orthopedics, Legal, Accounting and Revenue Cycle.

Purchased Services increased 42%. This category includes fees paid to Pharmacists and Therapists, Consultants, IT and HIM service contracts, etc. The largest increases were HRG Outsourcing of Billing, Due Diligence, Orthopedic Clinic Credentialing and Billing, Community Relations and Marketing, Reference Lab and Various IT Projects.

Rents and Leases increased 24% due in part to expansion into Sebastopol and additional locations including but not limited to six self-storage units and various technology and equipment leases.

Other Expenses increased 31%. This category includes Insurance, Licenses, Infectious Waste, Phones, Dues, Training, Travel and Recruiting.

There was an improvement in Supplies of 23% thanks to the improvement in management of surgical implants.

The Surgery Department, Surgical/Medical Providers, the Patient Access Department and the Materials Management Department have worked together to accomplish this savings. Along with staff reductions in Surgery, the change in Implant Policy contributes to the fourth consecutive month of profit in the Surgery department. First time ever.

Days Cash on Hand

Days Cash on Hand is 109 days for the month of August which is consistent with 106 days in July. This is above the goal of 90 and is the second best month of 2020 to date. Operating losses were offset by a strong month of cash collections, a \$560 thousand draw from OPUS Bank for reimbursement of capital spend, and a \$617 thousand payment from the PRIME IGT (net \$308 thousand as \$309 thousand was contributed in July to initiate the IGT). Cash collections as a percentage of Net Revenue was 110% in August and this is the highest since November 2019. This is also presented in the HRG report for the month.

Up-Front Cash Collections

\$21 thousand was collected in total from 3,149 outpatient visits including Clinics, for an average visit collection of \$6.67. The organizational goal is \$40 thousand. \$2 thousand was collected at HPG from 600 visits, for an average of \$3.00 per visit. Collections on mailed statements from HRG totaled \$48 thousand for the month and this represents the highest monthly amount for patient collections in HDH history.

Compensation Ratio

This efficiency measure increased (77% vs. 70%) to the same month year-over-year and is well short of the industry standard of 60%. This is the fourth best in the eight months in 2020 to date. However, this ratio continues to be a concern. Full time equivalents rose to 252 and represent the highest level since April.

Non-Operating Revenue

CARES Funding received to date exceeds \$5.4 million. In addition, we are working on a FEMA grant which relates to payroll and non-payroll costs associated with the Pandemic. Kincade Fire insurance proceeds exceeded \$3.2 million but resulted in an increase in the Wildfire deductible to \$5 million under the new insurance policy. Parcel Tax Revenue continues to be at a \$3.5 million annual total. In addition, there are IGT's. The PRIME IGT in August was \$617k although we paid in \$308k, and brings the year-to-date revenue from IGT's to over \$5.8 million. Total Non-Operating Revenue is \$11.1 million August 2020 year to date and represents the highest amount in HDH History.

Medicare Rates Set to Break Even for a Critical Access Hospital

	<u>Interim 2020</u>	<u>2019</u>
Part A	\$5,661.11	\$5,639.00
Part B	44.87%	45.00%
Swing Bed A	\$3,311.39	\$3,137

Subacute Rates

Per Diem	\$1,928.61	\$1,960.00
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- Difference is 2.5% Quality Measures Withhold

Other Statistics

	<u>August 2020</u>	<u>August 2019</u>
Surgeries	183	402
Outpatient visits	3,149	4,156
Primary Care Clinic visits	600	710
Includes TeleHealth	396	0
CT Scan	160	261
MRI	79	74
Physical Therapy OP	983	1,186
Wound Care	264	438
Women's Clinic	48	66
ER visits	533	733

Comments

Surgeries Highest since June and the sixth best of the eight months in 2020.

Outpatient Visits third lowest total of the eight months in 2020.

HPG Clinic Visits third lowest total of the eight months in 2020.

TeleHealth Visits generate same revenue at less cost.

Wound Care managed by St. Joseph's Healthcare beginning with this month.

Women's Health Visits averaged 1.92 per weekday.

ER Visits lowest level since May and the third lowest of the eight months in 2020.

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

	This Month Aug-31-2020	Last Month Jul-31-2020	Variance	
			\$	%
1 Assets				
2 Cash and Cash Equivalents				
3 Unrestricted	13,927,201	13,364,827	562,374	4.2%
4 Board Designated	1,617,000	1,656,000	(39,000)	-2.4%
5 Restricted	3,126,359	3,686,998	(560,639)	-15.2%
6 Accounts Receivable				
7 Gross	30,373,480	30,031,230	342,250	1.1%
8 Reserves	(24,246,205)	(23,559,862)	(686,344)	2.9%
9 Net Accounts Receivable	6,127,275	6,471,369	(344,094)	-5.3%
10 Other Accounts Receivable	2,520,154	2,368,621	151,534	6.4%
11 Inventory	831,841	806,320	25,521	3.2%
12 Pre-Paid Expenses	340,739	373,658	(32,920)	-8.8%
13 Total Current Assets	28,490,569	28,727,793	(237,224)	-0.8%
14 Fixed Assets				
15 Land & Buildings	14,924,525	14,924,525	0	0.0%
16 Equipment	11,983,475	11,983,475	0	0.0%
17 Construction In Process	1,630,768	1,343,612	287,155	21.4%
18 Depreciation	(19,116,617)	(18,907,364)	(209,253)	-1.1%
19 Total Property & Equip.	9,422,150	9,344,248	77,902	0.8%
20 Investments & Long-Term Assets	128,617	128,617	0	0.0%
21 Total Assets	38,041,336	38,200,658	(159,322)	-0.4%
22 Liabilities				
23 Vendor AP	1,581,088	1,346,468	234,620	17.4%
24 Other Payables	6,873,573	6,912,573	(39,000)	-0.6%
25 Accrued Payroll, Taxes & Benefits	2,813,091	2,859,762	(46,672)	-1.6%
26 Other Current Liabilities	796,896	774,801	22,095	2.9%
27 Total Current Liabilities	12,064,648	11,893,604	171,043	1.4%
28 Long-Term Liabilities	10,088,000	10,088,000	0	0.0%
29 Total Liabilities	22,152,648	21,981,604	171,043	0.8%
30 Net Position				
31 Prior Year Earnings	15,658,298	15,658,298	0	0.0%
32 Current Earnings	230,391	560,756	(330,365)	-58.9%
33 Total Net Position	15,888,689	16,219,054	(330,365)	-2.0%
34 Total Liabilities & Net Position	38,041,336	38,200,658	(159,322)	-0.4%

STATEMENT OF NET POSITION AS OF AUGUST 31, 2020 COMPARED TO JULY 31, 2020 (PAGE 2)

Lines 3 and 4: Unrestricted and Board Designated Cash and Cash Equivalents increased \$523 thousand. Losses from operations were offset by a strong month of cash collections, a draw from OPUS Bank for capital reimbursement, and the receipt of the PRIME IGT.

Lines 6- 9: Nets Accounts Receivable decreased \$344 thousand due to a strong month of cash collections and a slow month for patient revenues.

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

	This Fiscal Year Aug-31-2020	Last Fiscal Year Aug-31-2019	Variance	
			\$	%
1 Assets				
2 Cash and Cash Equivalents				
3 Unrestricted	13,927,201	11,586,192	2,341,009	20.2%
4 Board Designated	1,617,000	1,637,000	(20,000)	-1.2%
5 Restricted	3,126,359	4,469,195	(1,342,836)	-30.0%
6 Accounts Receivable				
7 Gross	30,373,480	28,701,761	1,671,719	5.8%
8 Reserves	(24,246,205)	(21,931,516)	(2,314,689)	-10.6%
9 Net Accounts Receivable	6,127,275	6,770,245	(642,970)	-9.5%
10 Other Accounts Receivable	2,520,154	2,386,769	133,385	5.6%
11 Inventory	831,841	807,390	24,451	3.0%
12 Pre-Paid Expenses	340,739	295,964	44,775	15.1%
13 Total Current Assets	28,490,569	27,952,755	537,813	1.9%
14 Fixed Assets				
15 Land & Buildings	14,924,525	14,158,940	765,585	5.4%
16 Equipment	11,983,475	10,854,955	1,128,520	10.4%
17 Construction In Process	1,630,768	2,213,253	(582,485)	-26.3%
18 Depreciation	(19,116,617)	(17,483,332)	(1,633,285)	9.3%
19 Total Property & Equip.	9,422,150	9,743,816	(321,665)	-3.3%
20 Investments & Long-term Assets	128,617	113,182	15,435	13.6%
21 Total Assets	38,041,336	37,809,753	231,583	0.6%
22 Liabilities				
23 Vendor AP	1,581,088	2,647,271	(1,066,183)	-40.3%
24 Other Payables	6,873,573	3,742,968	3,130,605	83.6%
25 Accrued Payroll, Taxes & Benefits	2,813,091	2,581,158	231,933	9.0%
26 Other Current Liabilities	796,896	750,788	46,108	6.1%
27 Total Current Liabilities	12,064,648	9,722,185	2,342,463	24.1%
28 Long Term Liabilities	10,088,000	11,343,000	(1,255,000)	-11.1%
29 Total Liabilities	22,152,648	21,065,185	1,087,463	5.2%
30 Net Position				
31 Prior Year Earnings	15,658,298	13,255,062	2,403,235	18.1%
32 Current Earnings	230,391	3,489,506	(3,259,115)	-93.4%
33 Total Net Position	15,888,689	16,744,568	(855,880)	-5.1%
34 Total Liabilities & Net Position	38,041,336	37,809,753	231,583	0.6%

STATEMENT OF NET POSITION AS OF AUGUST 31, 2020 COMPARED TO AUGUST 31, 2019 (PAGE 3)

Line 3: Unrestricted Cash and Cash Equivalents increased \$2.3 million due to COVID-19 stimulus payments, Kincade Fire insurance payments, and the drawdown of Restricted Cash and Cash Equivalents from Opus Bank for capital reimbursement.

Line 5: Restricted Cash and Cash Equivalents were down \$1.3 million due to the drawdown of funds from the OPUS Bank account restricted for capital.

Line 23: Vendor AP decreased \$1.1 million from a concerted effort to improve the time frame for vendor payments.

Line 24: Other Payables increased \$3.1 million from Medicare Cost Report reserves and reserves against the COVID-19 stimulus payments.

Line 28: Long-Term Liabilities were down \$1.3 million from scheduled principal payments made for the 2016 COP.

**HEALDSBURG DISTRICT HOSPITAL
STATEMENT OF OPERATIONS
2020 ACTUAL vs BUDGET
(PRELIMINARY - SUBJECT TO CHANGE)**

	MONTHLY				YEAR TO DATE			
	Actual	Budget	Variance		Actual	Budget	Variance	
	Aug-20		\$	%	Aug-20		\$	%
1 Gross Patient Revenue:								
2 Inpatient Routine	2,135,821	2,288,369	(152,548)	-6.7%	15,779,009	18,124,047	(2,345,038)	-12.9%
3 Inpatient Ancillary	1,713,416	1,965,965	(252,549)	-12.8%	14,474,083	14,770,150	(296,067)	-2.0%
4 Total Inpatient	3,849,237	4,254,334	(405,097)	-9.5%	30,253,092	32,894,197	(2,641,105)	-8.0%
5 Outpatient	5,719,137	8,317,027	(2,597,890)	-31.2%	42,181,560	56,150,327	(13,968,767)	-24.9%
6 Total Gross Patient Revenue	9,568,373	12,571,361	(3,002,988)	-23.9%	72,434,652	89,044,524	(16,609,872)	-18.7%
7 Contractual Expenses	5,873,465	7,565,885	1,692,420	22.4%	44,780,698	53,802,277	9,021,579	16.8%
8 Bad Debt Expense	122,716	224,248	101,532	45.3%	1,147,383	1,798,877	651,494	36.2%
9 Total Revenue Deductions	5,996,181	7,790,133	1,793,952	23.0%	45,928,080	55,601,154	9,673,074	17.4%
10 Net Patient Revenue	3,572,192	4,781,228	(1,209,036)	-25.3%	26,506,572	33,443,370	(6,936,798)	-20.7%
11 Other Revenue	72,658	106,061	(33,403)	-31.5%	1,655,598	2,497,711	(842,113)	-33.7%
12 Total Operating Revenue	3,644,850	4,887,289	(1,242,439)	-25.4%	28,162,170	35,941,081	(7,778,911)	-21.6%
13 Operating Expense:								
14 Salaries & Wages	1,933,258	2,134,511	(201,253)	-9.4%	16,075,467	17,357,749	(1,282,282)	-7.4%
15 Benefits	703,181	876,204	(173,023)	-19.7%	6,130,661	6,889,137	(758,476)	-11.0%
16 Contract Labor	116,018	174,328	(58,310)	-33.4%	1,227,035	1,389,922	(162,887)	-11.7%
17 Medical Pro Fees	395,764	406,871	(11,107)	-2.7%	3,083,492	3,361,152	(277,660)	-8.3%
18 Other Professional Fees	37,369	47,598	(10,229)	-21.5%	432,910	380,621	52,289	13.7%
19 Purchased Services	353,856	286,455	67,401	23.5%	2,605,792	2,016,092	589,700	29.2%
20 Supplies	484,345	955,719	(471,374)	-49.3%	4,477,865	6,444,482	(1,966,617)	-30.5%
21 Repairs & Maintenance	60,119	66,009	(5,890)	-8.9%	479,831	579,874	(100,043)	-17.3%
22 Rents & Leases	107,651	100,543	7,108	7.1%	969,319	782,445	186,874	23.9%
23 Utilities	76,675	76,437	238	0.3%	522,696	479,758	42,938	8.9%
24 Other Direct Expenses	164,387	117,285	47,102	40.2%	1,175,862	895,496	280,366	31.3%
25 Interest Expense	21,706	23,338	(1,632)	-7.0%	175,296	188,306	(13,010)	-6.9%
26 Depreciation & Amortization	209,253	209,253	0	0.0%	1,671,026	1,674,024	(2,998)	-0.2%
27 Total Operating Expenses	4,663,583	5,474,551	(810,968)	-14.8%	39,027,252	42,439,058	(3,411,806)	-8.0%
28 Net Operating Income (Loss)	(1,018,733)	(587,262)	(431,471)	-73.5%	(10,865,083)	(6,497,977)	(4,367,106)	-67.2%
29 Total Non-Operating	688,367	294,348	394,019	133.9%	11,095,474	8,110,455	2,985,019	36.8%
30 Revenue Over (Under) Expenses	(330,365)	(292,914)	(37,451)	-12.8%	230,391	1,612,478	(1,382,087)	-85.7%
31 Capital Contributions	0	0	0	0.0%	0	0	0	0.0%
32 Change in Net Position	(330,365)	(292,914)	(37,451)	-12.8%	230,391	1,612,478	(1,382,087)	-85.7%

SUMMARY STATEMENT OF OPERATIONS ACTUAL VS BUDGET (PAGE 4)

Budget to Actual All Operations: For the month and year the budget variances in revenues and expenses are largely due to COVID-19.

Some of the significant variances outside of the impact of COVID-19 are discussed below.

Line 19: Purchased Services were over budget \$590 thousand for the year primarily due to the outsourcing of patient billing to HRG and various projects in support of the proposed affiliation.

Line 29: Total Non-Operating was over budget \$3.0 million for the year due Kincade Fire insurance settlements and COVID-19 stimulus payments.

**HEALDSBURG DISTRICT HOSPITAL
STATEMENT OF OPERATIONS
ACTUAL 2020 vs ACTUAL 2019
(PRELIMINARY - SUBJECT TO CHANGE)**

	MONTHLY				YEAR TO DATE			
	ACTUAL		Variance		ACTUAL		Variance	
	Aug-20	Aug-19	\$	%	Aug-20	Aug-19	\$	%
1 Gross Patient Revenue								
2 Inpatient Routine	2,135,821	2,036,992	98,829	4.9%	15,779,009	15,961,826	(182,817)	-1.1%
3 Inpatient Ancillary	1,713,416	1,869,437	(156,022)	-8.3%	14,474,083	15,005,821	(531,738)	-3.5%
4 Total Inpatient	3,849,237	3,906,429	(57,193)	-1.5%	30,253,092	30,967,647	(714,555)	-2.3%
5 Outpatient	5,719,137	7,536,696	(1,817,559)	-24.1%	42,181,560	53,156,688	(10,975,128)	-20.6%
6 Total Gross Patient Revenue	9,568,373	11,443,125	(1,874,752)	-16.4%	72,434,652	84,124,336	(11,689,683)	-13.9%
7 Contractual Expenses	5,873,465	6,850,998	977,533	14.3%	44,780,698	49,671,558	4,890,861	9.8%
8 Bad Debt Expense	122,716	197,575	74,859	37.9%	1,147,383	1,653,370	505,988	30.6%
9 Total Revenue Deductions	5,996,181	7,048,573	1,052,392	14.9%	45,928,080	51,324,929	5,396,848	10.5%
10 Net Patient Revenue	3,572,192	4,394,553	(822,360)	-18.7%	26,506,572	32,799,407	(6,292,835)	-19.2%
11 Other Revenue	72,658	106,062	(33,404)	-31.5%	1,655,598	2,197,716	(542,119)	-24.7%
12 Total Operating Revenue	3,644,850	4,500,615	(855,764)	-19.0%	28,162,170	34,997,123	(6,834,954)	-19.5%
13 Operating Expense:								
14 Salaries & Wages	1,933,258	2,076,239	(142,981)	-6.9%	16,075,467	15,907,776	167,691	1.1%
15 Benefits	703,181	846,629	(143,449)	-16.9%	6,130,661	6,452,455	(321,794)	-5.0%
16 Contract Labor	116,018	144,938	(28,920)	-20.0%	1,227,035	1,115,050	111,985	10.0%
17 Medical Pro Fees	395,764	402,971	(7,207)	-1.8%	3,083,492	3,345,549	(262,057)	-7.8%
18 Other Professional Fees	37,369	44,931	(7,562)	-16.8%	432,910	359,285	73,625	20.5%
19 Purchased Services	353,856	263,298	90,558	34.4%	2,605,792	1,840,326	765,466	41.6%
20 Supplies	484,345	822,507	(338,162)	-41.1%	4,477,865	5,807,972	(1,330,106)	-22.9%
21 Repairs & Maintenance	60,119	61,783	(1,664)	-2.7%	479,831	537,161	(57,331)	-10.7%
22 Rents & Leases	107,651	100,442	7,209	7.2%	969,319	781,625	187,694	24.0%
23 Utilities	76,675	74,210	2,465	3.3%	522,696	464,491	58,205	12.5%
24 Other Direct Expenses	164,387	116,538	47,849	41.1%	1,175,862	894,739	281,123	31.4%
25 Interest Expense	21,706	23,338	(1,632)	-7.0%	175,296	188,306	(13,010)	-6.9%
26 Depreciation & Amortization	209,253	209,167	86	0.0%	1,671,026	1,673,336	(2,310)	-0.1%
27 Total Operating Expenses	4,663,583	5,186,992	(523,409)	-10.1%	39,027,252	39,368,072	(340,820)	-0.9%
28 Net Operating Income (Loss)	(1,018,733)	(686,377)	(332,356)	-48.4%	(10,865,083)	(4,370,949)	(6,494,133)	-148.6%
29 Total Non-Operating	688,367	294,348	394,019	133.9%	11,095,474	7,860,455	3,235,018	41.2%
30 Revenue Over (Under) Expenses	(330,365)	(392,029)	61,664	15.7%	230,391	3,489,506	(3,259,115)	93.4%
31 Capital Contributions	0	0	0	0.0%	0	0	0	0.0%
32 Change in Net Position	(330,365)	(392,029)	61,664	15.7%	230,391	3,489,506	(3,259,115)	93.4%

SUMMARY STATEMENT OF OPERATIONS ACTUAL 2020 VS ACTUAL 2019 (PAGE 5)

2020 vs. 2019 All Operations: For the month and year variances in revenues and expenses are largely due to COVID-19.

Total Operating Revenues for the year were down \$6.8 million. Operating Expenses for the year were down \$341 thousand. The effects of the operating losses have been slightly offset by an increase in Total Non-Operating of \$3.2 million due to COVID-19 stimulus payments and Kincade Fire insurance settlements. Overall, the bottom line for the Hospital is down \$3.3 million from the prior year.

**HEALDSBURG DISTRICT HOSPITAL
KEY STATISTICS
ACTUAL 2020 vs ACTUAL 2019 & BUDGET 2020
(PRELIMINARY - SUBJECT TO CHANGE)**

	MONTH						YEAR TO DATE							
	Current 2020	Prior 2019	Variance		Goals or Budget	Variance		Current 2020	Prior 2019	Variance		Goals or Budget	Variance	
			#	%		#	%			\$	%		\$	%
1 Days Cash on Hand	108.71	82.74	25.97	31.39%	60.00	48.71	81.18%	102.01	86.02	15.98	18.58%	60.00	42.01	70.01%
2 Gross Days Revenue in Accounts Receivable	98.41	77.75	20.65	26.56%	60.00	38.41	64.01%	102.31	83.25	19.07	22.90%	60.00	42.31	70.52%
3 Net Days Revenue in Accounts Receivable	53.17	47.76	5.41	11.34%	40.00	13.17	32.93%	56.40	50.36	6.04	11.99%	40.00	16.40	41.01%
4 Days Expense In Accounts Payable	11.06	16.56	(5.51)	-33.24%	25.00	(13.94)	-55.77%	10.38	17.22	(6.85)	-39.75%	25.00	(14.62)	-58.50%
5 Case Mix														
6 Medicare	1.2293	1.4793	(0.2500)	-16.90%	1.0000	0.2293	22.93%	1.4021	1.2825	0.1196	9.33%	1.0000	0.4021	40.21%
7 All Payers	1.2381	1.5059	(0.2678)	-17.78%	1.0000	0.2381	23.81%	1.3698	1.3212	0.0486	3.68%	1.0000	0.3698	36.98%
8 Patient Days														
9 Med/Surg	143	103	40	38.83%	108	35	32.41%	1,010	1,068	(58)	-5.43%	1,168	(158)	-13.53%
10 ICU	30	62	(32)	-51.61%	56	(26)	-46.43%	278	376	(98)	-26.06%	287	(9)	-3.14%
11 Swing	46	34	12	35.29%	34	12	35.29%	243	428	(185)	-43.22%	410	(167)	-40.73%
12 Sub-Acute	527	490	37	7.55%	490	37	7.55%	3,995	3,893	102	2.62%	3,893	102	2.62%
13 Patient Admissions														
14 Med/Surg	33	54	(21)	-38.89%	36	(3)	-8.33%	318	413	(95)	-23.00%	389	(71)	-18.32%
15 ICU	12	11	1	9.09%	19	(7)	-35.71%	67	92	(25)	-27.17%	96	(29)	-29.97%
16 Swing	6	6	0	0.00%	9	(3)	-29.41%	36	68	(32)	-47.06%	103	(67)	-64.88%
17 Sub-Acute	0	1	(1)	0.00%	1	(1)	-100.00%	1	7	(6)	-85.71%	11	(10)	0.00%
18 Average Length of Stay														
19 Med/Surg	3.90	4.40	(0.50)	-11.36%	3.00	0.90	30.00%	3.10	4.53	(1.43)	-31.57%	3.00	0.10	3.33%
20 ICU	2.70	1.90	0.80	42.11%	3.00	(0.30)	-10.00%	4.40	2.47	1.93	77.98%	3.00	1.40	46.67%
21 Swing	9.20	6.80	2.40	35.29%	4.00	5.20	130.00%	6.80	5.63	1.17	20.75%	4.00	2.80	70.00%
22 Average Daily Census														
23 Med/Surg	4.61	3.32	1.29	38.83%	3.48	1.13	32.41%	4.14	4.38	(0.24)	-5.43%	3.48	0.66	18.81%
24 ICU	0.97	2.00	(1.03)	-51.61%	1.81	(0.84)	-46.43%	1.14	1.54	(0.40)	-26.06%	1.81	(0.67)	-36.93%
25 Swing	1.48	1.10	0.39	35.29%	1.10	0.39	35.29%	1.00	1.75	(0.76)	-43.22%	1.10	(0.10)	-9.20%
26 Sub-Acute	17.00	15.81	1.19	7.55%	15.81	1.19	7.55%	16.37	15.95	0.42	2.62%	15.81	0.57	3.58%
27 Compensation Ratio	77%	70%	7%	10.38%	60%	17%	28.42%	88%	72%	17%	23.52%	60%	28%	47.34%
28 Total Surgeries	183	402	(219)	-54.48%	427	(244)	-57.14%	1,393	2,649	(1,256)	-47.41%	2,526	(1,133)	-44.85%
29 Total Outpatient Visits	3,149	4,156	(1,007)	-24.23%	4,534	(1,385)	-30.54%	25,468	31,011	(5,543)	-17.87%	33,889	(8,421)	-24.85%
30 Total Clinic Visits	1,164	1,188	(24)	-2.02%	1,456	(292)	-20.05%	9,514	8,850	664	7.50%	11,204	(1,690)	-15.08%
31 Total ER Visits	533	733	(200)	-27.29%	746	(213)	-28.55%	4,614	5,826	(1,212)	-20.80%	5,804	(1,190)	-20.50%

KEY STATISTICS – ACTUAL 2020 VS ACTUAL 2019 AND BUDGET 2020 (PAGE 6)

Key Statistics: For the month and year variances are largely due to COVID-19.

Some of the significant variances outside of the impact of COVID-19 are discussed below.

Line 1: Days Cash on Hand is up 26 days for the month and 16 days for the year primarily due to the COVID-19 stimulus payments and Kincade Fire insurance settlements. The monthly improvement year-over-year is also attributable to decreased operating expenses.

Line 3: Net Days Revenue in Accounts Receivable is up for the year month and year primarily due to declining patient revenues and a slow-down in payments from payors.

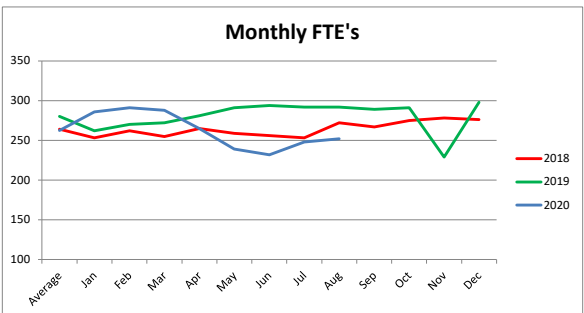
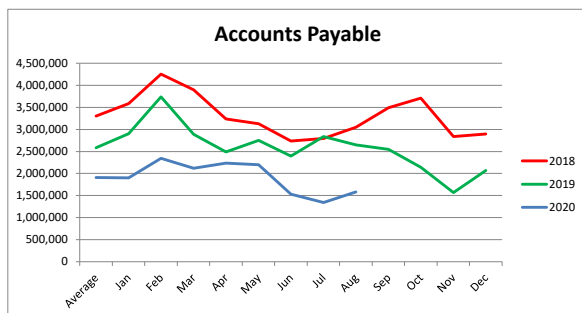
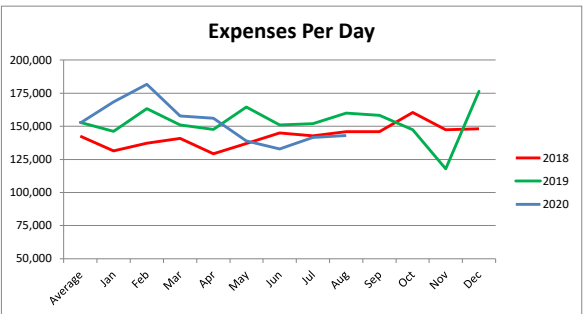
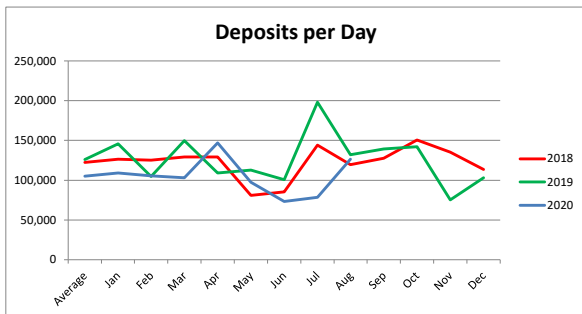
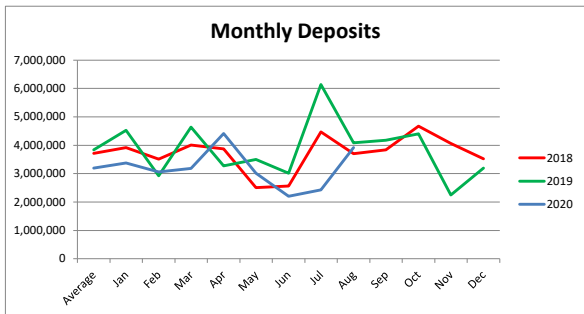
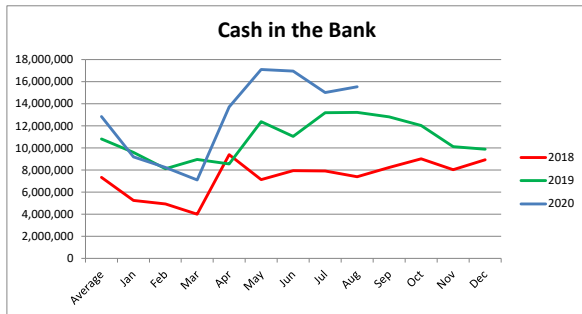
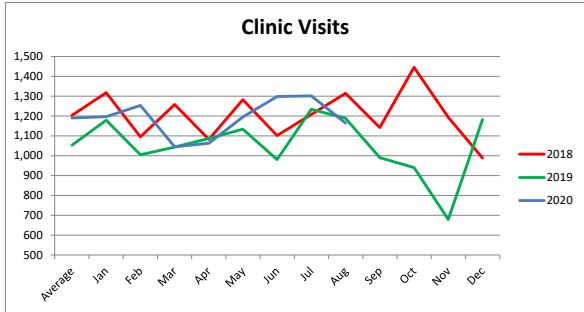
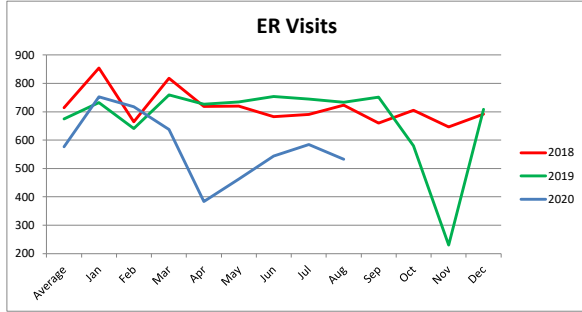
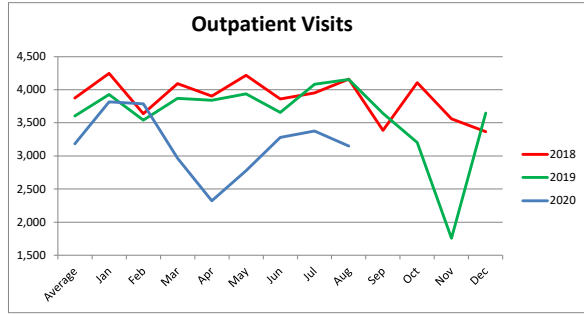
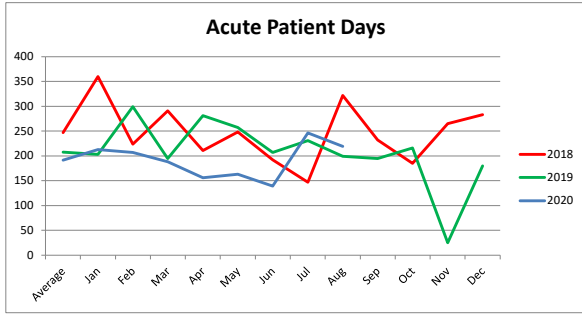
Line 4: Days Expense in Accounts Payable is down 33% for the prior year month and 40% for the prior year due to a concerted effort to pay vendors timely.

Line 30: Total Outpatient Visits were significantly down from the prior month and year and short of the yearly goal primarily due to the adverse impact of COVID-19. For the year, increases in clinics visits were offset by significant decreases in Surgeries, ER Visits, Radiology, Wound Care, Lab and Rehab.

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 targeted Days cash on hand for a critical access hospital is 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 or less.
- **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.
- **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.
- **Compensation Ratio:** The total of salaries & wages, benefits, and contract labor divided by net patient revenue. This measures the percentage of patient revenue that is labor costs, and is a common metric for evaluating efficiency and productivity within the labor force. High values generally indicate labor intensive organizations, employment of medical staff, and/or older property, plant and equipment.
- **Surgeries:** There is generally a positive 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 a clinic or associated facility for diagnosis or treatment.
- **ER Visits:** Significant not only because of the visit, but also the financial benefit from transfers of patients to the hospital for other services.

**HEALDSBURG DISTRICT HOSPITAL
KEY METRICS -THREE YEAR HISTORICAL TRENDS
(PRELIMINARY - SUBJECT TO CHANGE)**



**HEALDSBURG DISTRICT HOSPITAL
KEY METRICS - CURRENT YEAR MONTHLY TRENDS
(PRELIMINARY - SUBJECT TO CHANGE)**

