



Executive Summary

Finance Committee

Held May 28, 2024

Capital Purchase Requests reviewed:

- Threshold: None
- Non-Threshold:
 - Sterile Processing – Ultrasonic Washer
 - Security – Vehicle purchase
 - IT – Conference Room hardware upgrade for Spruce/Fir

Discussion Items

- Budget Hearing – See Separate Agenda Item
- Monthly Financials – April lost money from operations, higher expenses and unfavorable payor mix were the driving factors
- Meet all Covenant Ratios

Financial Results:

- See attached Narrative and financials
 - April 2024 Operating Loss was \$1.87 Million vs a budget profit of \$264 Thousand
 - Year to date \$4.2 Million Loss vs budget loss of \$888 Thousand
 - April 2024 Overall Loss at \$1.9 Million due to interest expense
 - Year to date \$3.7 Million Loss vs budget of \$2.4 Million Loss
 - April 2024 Operating EBIDA – \$954 Thousand Loss
 - Year to date \$5.4 Million Profit
 - April 2024 Cash and Cash equivalents balance is \$57.6 million, up \$1.4 Million from last month and down \$7.9 Million from June 2023.

Executive Summary:

- None

Next meeting:

Next Meeting – June 25, 2024



Month End Financial Narrative
For month ending April 30, 2024

Overall, Bay Area hospital lost \$1.9M in April vs. budgeted income of \$114K and last year's loss of \$1.4M. Gross Revenue for April was strong ending at \$63.8M overall, \$8.8M ahead of budget. Net Revenue ended the month with a Net to Gross Revenue Margin of 32.7% or \$1.2M above budget. The Commercial Payer mix in April was only 13.29%, down from the YTD average of 14.44% and last year % of 15.73%.

Actual operating expenses were over budget by \$3.3M. Supply expense was \$1.4M over budget for the month. Supply expenses are mostly higher in support of additional volumes. Contract labor is higher compared to the run rate due to catch-up on locum physician Costs.

Overall, Net Income for the month was below budget \$2M. Below is a breakdown of the financials.

Bay Area Hospital										
Consolidated Income Statement - April 2024										
	Month to Date					Year to Date				
	Actual	Budget	Variance	Prior Year	Variance	Actual	Budget	Variance	Prior Year	Variance
Total Gross Patient Revenue	63,783,344	54,951,395	8,831,949	48,589,469	15,193,875	595,161,392	544,528,392	50,633,000	474,212,267	120,949,124
Total Deductions	43,291,852	35,429,634	(7,862,218)	29,636,032	(13,655,820)	395,957,936	353,073,985	(42,883,951)	308,938,698	(87,019,237)
Net Healthcare Revenue	20,491,492	19,521,761	969,731	18,953,437	1,538,055	199,203,456	191,454,407	7,749,049	165,273,569	33,929,887
Other Oper Revenue	335,787	126,719	209,068	203,908	131,879	2,730,336	1,267,190	1,463,146	2,163,094	567,242
Total Net Revenue	20,827,279	19,648,480	1,178,799	19,157,345	1,669,934	201,933,792	192,721,597	9,212,195	167,436,663	34,497,129
Net to Gross Ratio	32.7%	35.8%		39.4%		33.9%	35.4%		35.3%	
Total Operating Expenses	22,698,995	19,384,137	(3,314,858)	19,897,905	(2,801,090)	206,135,665	193,609,657	(12,526,009)	195,893,363	(10,242,302)
						6.30%				
Net Operating Income	(1,871,715)	264,343	(2,136,059)	(740,559)	(1,131,156)	(4,201,874)	(888,060)	(3,313,814)	(28,456,700)	24,254,827
Net Income	(1,903,408)	114,343	(2,017,752)	(477,752)	(1,425,657)	(3,702,968)	(2,388,060)	(1,314,908)	(29,933,308)	26,230,340

VOLUMES

Inpatient Discharges & Days

- For the month, Inpatient discharges were 17 patients ahead of budget (542 vs. 525) and 64 above last year (494). The largest increase from last year was Cardiology patients followed by Gastrointestinal Disease General Medicine and Septicemia patients. Patient days were 11.4% higher than budget (2,337 vs 2,098) and 395 above last year (1,942). This indicates a slightly longer average length of stay (ALOS) vs budget and last year (4.31 vs 4.0 vs 4.06)
- Year to date (YTD) discharges remain above budget and above last year (5,469 vs. 5,334 budgeted vs. 4,376 last year). YTD Patient Days are also higher than budget (23,064 vs 21,331). ALOS YTD is 4.22 vs 4.0 budget vs 4.2 last year.

ED Visits

- ED visits were above budget for the month and above last year (2,253 visits this month vs. 2,085 budgeted vs. 2,073 last year). 17.3% of all ED Visits were admitted in April, compared to 16.3% in April a year ago. Chief complaints include Abdominal pain, Shortness of Breath, and Chest Pain.
- Patients leaving without being seen (LWBS) remained very low at .26% in April. Anything under 2% is considered best practice.
- YTD visits show 22,368 vs. 21,200 budgeted vs. last year-to-date of 20,883.

Cardiac Cath Cases

- This month there were 120 Cath Lab cases vs. budget of 105 and last year same month 112. Cath Lab volumes remain strong.
- Year -to date we had 934 cases vs. a budget of 932 and a prior year actual of 859.



Month End Financial Narrative
For month ending April 30, 2024

Outpatient Visits

- Down from budget (11,610 vs 12,544) but up over the same month last year by 6 billed procedures (11,604). Lab visits have seen the largest decrease followed by Cardiac Clinic. Wound Care, Medical Oncology and X-Ray have all increased in volumes over prior year.
- Year-to-date outpatient visits are .3% behind last year (116,075 vs 116,420).

REVENUES

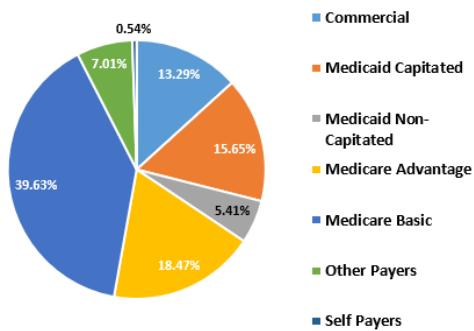
Gross Revenues

- April’s Gross Revenues were ahead of budget \$8.8M (16.1%) and over last year \$15.2M (31.3%). Emergency Room, Cardiac Cath Lab, Imaging, Pharmacy, and Lab all showed favorable actual vs. budget and year to year increases. The budget and actuals include a 6% price increase that took effect on July 1, 2023.
- Of the favorable variance \$8.8M was due to higher volumes and \$24K was due to rate variance. The Gross Revenue budget for April was \$11,077 per adjusted patient day and actual was \$11,081.

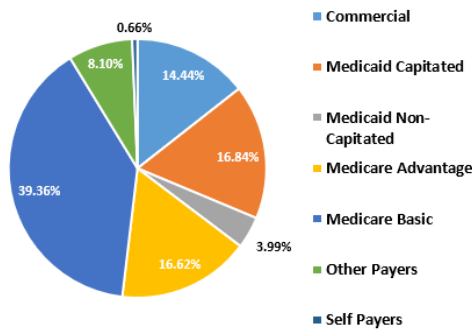
Deductions from Revenue

- As a %, Deductions from Revenue were higher than budget at 67.3% vs. 64.2% (32.7% and 35.8% revenue realization rates). FY22 deductions rate was 60.6%/39.4% revenue realization rate. We are showing a significant decline in Commercial payor mix the last two months with a shift to other payors, primarily Tricare/VA. In addition, the budget assumed renegotiation of all payer contracts would be complete by October 2023; however, most re-negotiated contracts did not become effective until January or February 2024, the effect of these new rates are not fully realized in the model due to normal payment delay from the time of service. Net healthcare revenue was favorable to budget \$970K for the month.
- The Year-to-Year Commercial payor mix decrease from 15.73% last year to 13.3% this month (14.44% YTD)- a decline of 2.44%. YTD, we see the corresponding increase in the Other Payers bucket, primarily in Tricare/VA, Medicare/Medicare Advantage are even from last year, 55.7% vs 56.0% this year and Medicaid/Medicaid CCO is close to even year to year at 20.8% this year compared to 20.9% last year. For the month of April, we see the biggest increase in Medicare Advantage.

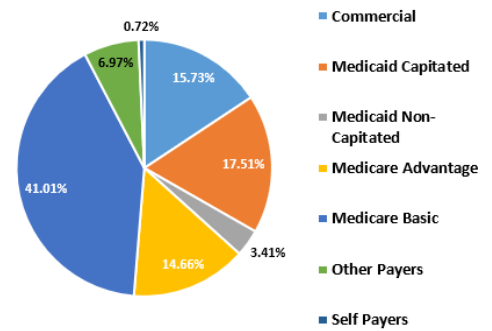
Payor Mix April 2024



Payor Mix YTD FY24



Payor Mix YTD FY23





Month End Financial Narrative
For month ending April 30, 2024

Other Revenues

- Current month actuals were \$336K vs \$127K budget vs \$203K last year. We received \$125K in payments for 340B retail scripts filled (budget was \$0), \$102K in Café/Coffee Shop Revenues (budget of \$88k) and \$42K GPO Rebate (budget \$36K) this month.
- YTD \$2.7M actual vs \$1.3M budget vs \$2.2M last year. The 340B Contract Pharmacy program is the largest driver of the increase. Year to date 340B Contract Pharmacy revenue totals \$1.3M. Cafeteria and Espresso Shop sales total \$1.0M YTD.

Net Revenue

- Net Revenue for the month was above budget by \$1.2M and ahead of last year by \$2.7M (Actual of \$20.8M vs. Budget of \$19.6M vs. Last Year of \$19.2M).
- Year-to-date Net Revenues are \$9.2M ahead of budget and \$34.5M ahead of last year (Actual of \$201.9M vs. Budget of \$192.7M vs. Last Year of \$167.4M).

EXPENSES

Salaries

- Salaries were 8.9% over budget and 13.85% over last year (Actual \$7.3M vs Budget \$6.7M vs Last Year \$6.4M). We continue to hire staff and reduce our reliance on Contract labor. Patient volumes remain strong and ahead of budget. The average hourly rate of \$57.16 is below the budgeted rate of \$58.84.
- Year to date salaries is \$5.4M over budget and \$3.5M over last year (\$71.9M vs \$66.5M vs \$68.4M).

Contract labor

- Above budget \$222K (\$2.6M vs \$2.4M) due to late, unaccrued for locum physician invoices. Compared to last year, contract labor costs are about the same. The prior 3-month average for contract labor is \$1.9M per month.
- Year to date Contract labor is below budget \$4.7M and lower than last year (\$19.7M vs. \$24.5M vs. \$23.3M).

Benefits

- Overall Benefits expense for the month of April was \$260K unfavorable to budget and \$153K unfavorable to last year (\$2.4M actual vs \$2.1M budget and \$2.2M last year) this is due to the UFCW pension increase.
- Year-to-date benefits are \$56K unfavorable to budget (\$21.2M vs. \$21.2M) and \$1.8M over last year's spend (\$19.4M) primarily due to Insurance benefit increase.

Overall, Salary/Wages/Benefits/Contract labor per Adjusted Patient Day for the month is \$2,182 vs a budget of \$2,296 and last year of \$2,423. The YTD amounts are \$2,083 actual vs \$2,217 budget and \$2,585 prior year. In addition, the FTE per Adjusted Occupied bed is 5.39 vs the budget of 5.54 and last year rate of 6.3.



Month End Financial Narrative
For month ending April 30, 2024

Physician and Pro-fees

- Over budget \$292K and \$79K unfavorable to last year for the month (\$1.7M actual vs. 1.4M budget and \$1.6M last year). Unbudgeted services of Radiology Physicians and Orthopedic Physicians are driving the overage.
- Year-to-date is over budget and over the prior year (\$15.8M actual vs. \$14.3M budget and \$15.3M last year) for the same reasons as the MTD variance.

Supplies

- Current month actual spend was \$1.4M unfavorable to budget and \$1.2M unfavorable to prior year (\$4.5M actual vs. \$3.1M budget vs. \$3.3M last year). Pharmacy (Oncology drugs), Cath Lab (Device Implants), and OR (Orthopedic Implants) continue as the areas with the largest dollar spend. The % increase in supply spent are close to the increase in % of volumes. We also had an unexpected MRI repair of \$105K this month. Orthopedic case volume increases are causing the Operating room to purchase more instruments (\$9K this month). The orthopedic implants are also significantly more expensive than implants for other case types.
- Year-to-Date spend is over budget \$6.5M and \$4.2M over last year (\$37.5M actual vs \$31.0M budget and \$32.3M last year. YTD Drug expense as % of Gross Revenues is 3.1% this year vs 3.0% last year.
- Drug Spend continues to be the main driver of variances. Year over year we have 3 drugs that are used to treat various types of cancer and one drug that treats Multiple Sclerosis that have doubled in usage. The prices have only increased 2-8% but the doubling of usage has driven supply costs higher than budget. Unfortunately, the largest increase is for a drug that treats Lung cancer and has no alternative form that is less expensive. This month was slightly higher than normal (~\$33K) as compared to the pharmacy department revenues.

Purchased Services

- \$285K unfavorable to budget for the month and \$33K unfavorable to last year (\$1.6M actual vs. \$1.3M budget vs. \$1.5M last year). Current month activity includes an increase for St. Charles EPIC Contract support (\$219K), management fees for Behavioral health (\$53K), and Revenue Cycle purchase services (\$119K)
- Year-to-date we were \$2.4M unfavorable to budget and \$1.6M unfavorable to the prior year (\$15.1M vs. \$12.7M budget and \$13.5M last year). Of the budget variance \$639K is due to IT Purchased Services, \$451K due to Revenue Cycle, and \$451K Imaging Services.

Lease/Rentals

- Under budget and over prior year (\$17K actual vs. \$25K budget and \$10K last year) primarily due to copier lease costs.
- YTD is \$100K favorable to budget due to overall reduction in lease rental costs (\$153K actual vs. \$253K budget and \$193K last year).

Depreciation

- Slightly below budget for the month by \$72K and \$54K under last year (\$917K vs \$990K budget and \$972K last year).



Month End Financial Narrative
For month ending April 30, 2024

Other Operating expense

- Over budget by \$307K (\$1.7M Actual vs \$1.4M Budget and \$1.4M last year). The unfavorable variance in provider tax expense. We continue to pay more in provider tax expense month to month due to higher Net Patient Revenue. (Tax is 6% of Net Patient Revenue)
- Year-to-date we are over budget as well and over last year due to Provider Tax costs (\$15.0M actual vs. \$13.2M budget and \$13.2M last year).

Balance Sheet

Cash and Cash Equivalents were \$6.9M at the end of April and Assets limited to use are \$50.6M. Overall cash decreased \$1.44M over last month due to timing of liability payments. Current liabilities increased by \$3.5M due to timing of payments and the monthly accrual of the provider tax. Provider tax for the prior quarter will be paid in May 2024.

Cash flows for the month of April show an increase of \$1.4M and YTD decrease of \$5.1M.

Capital Assets decreased \$352K and Lease & Subscriptions decreased \$238K due to depreciation/amortizations.

Bay Area Hospital

Consolidated Income Statement - April 2024

	Month to Date							Year to Date						
	Actual	Budget	Variance	Var %	Prior Year	Variance	Var %	Actual	Budget	Variance	Var %	Prior Year	Variance	Var %
Gross Patient Revenue														
Inpatient Revenue	26,450,949	23,584,290	2,866,659	12.2%	20,839,409	5,611,539	26.9%	253,263,398	229,622,171	23,641,227	10.3%	204,297,783	48,965,616	24.0%
Outpatient Revenue	37,332,395	31,367,105	5,965,290	19.0%	27,750,060	9,582,336	34.5%	341,897,993	314,906,221	26,991,773	8.6%	269,914,485	71,983,509	26.7%
Total Gross Patient Revenue	63,783,344	54,951,395	8,831,949	16.1%	48,589,469	15,193,875	31.3%	595,161,392	544,528,392	50,633,000	9.3%	474,212,267	120,949,124	25.5%
Deductions	42,819,810	34,904,481	(7,915,329)	-22.7%	29,566,270	(13,253,540)	-44.8%	389,255,147	347,802,855	(41,452,293)	-11.9%	303,026,999	(86,228,148)	-28.5%
Bad Debt	82,185	262,576	180,392	68.7%	(262,640)	(344,825)	131.3%	4,370,278	2,635,565	(1,734,713)	-65.8%	2,703,698	(1,666,581)	-61.6%
Charity	389,857	262,576	(127,280)	-48.5%	332,402	(57,455)	-17.3%	2,332,510	2,635,565	303,055	11.5%	3,208,002	875,492	27.3%
Total Deductions	43,291,852	35,429,634	(7,862,218)	-22.2%	29,636,032	(13,655,820)	-46.1%	395,957,936	353,073,985	(42,883,951)	-12.1%	308,938,698	(87,019,237)	-28.2%
Net Healthcare Revenue	20,491,492	19,521,761	969,731	5.0%	18,953,437	1,538,055	8.1%	199,203,456	191,454,407	7,749,049	4.0%	165,273,569	33,929,887	20.5%
Other Oper Revenue	335,787	126,719	209,068	165.0%	203,908	131,879	64.7%	2,730,336	1,267,190	1,463,146	115.5%	2,163,094	567,242	26.2%
Total Net Revenue	20,827,279	19,648,480	1,178,799	6.0%	19,157,345	1,669,934	8.7%	201,933,792	192,721,597	9,212,195	4.8%	167,436,663	34,497,129	20.6%
Net to Gross Ratio	32.7%	35.8%			39.4%			33.9%	35.4%			35.3%		
Salaries	7,252,500	6,659,690	(592,810)	-8.9%	6,370,387	(882,114)	-13.8%	71,912,606	66,505,113	(5,407,493)	-8.1%	68,365,627	(3,546,979)	-5.2%
Contract Labor	2,647,833	2,425,685	(222,148)	-9.2%	2,357,975	(289,858)	-12.3%	19,732,844	24,461,002	4,728,159	19.3%	23,272,951	3,540,107	15.2%
Benefits	2,398,226	2,137,851	(260,375)	-12.2%	2,245,163	(153,063)	-6.8%	21,241,878	21,185,086	(56,791)	-0.3%	19,443,698	(1,798,180)	-9.2%
Physician & Prof Fee	1,725,798	1,433,691	(292,107)	-20.4%	1,646,570	(79,228)	-4.8%	15,812,274	14,328,778	(1,483,496)	-10.4%	15,322,888	(489,386)	-3.2%
Supplies	4,520,219	3,084,656	(1,435,563)	-46.5%	3,314,555	(1,205,664)	-36.4%	37,520,662	31,007,548	(6,513,114)	-21.0%	32,352,769	(5,167,893)	-16.0%
Purchased Services	1,562,122	1,277,169	(284,953)	-22.3%	1,528,901	(33,221)	-2.2%	15,135,216	12,731,615	(2,403,601)	-18.9%	13,549,643	(1,585,573)	-11.7%
Leases/Rentals	17,186	25,097	7,911	31.5%	10,073	(7,113)	-70.6%	153,090	253,485	100,395	39.6%	192,968	39,878	20.7%
Depreciation	917,702	990,000	72,298	7.3%	972,436	54,734	5.6%	9,572,376	9,900,000	327,624	3.3%	9,913,657	341,281	3.4%
Other Oper Expense	1,657,408	1,350,297	(307,110)	-22.7%	1,451,844	(205,563)	-14.2%	15,054,719	13,237,028	(1,817,691)	-13.7%	13,479,162	(1,575,557)	-11.7%
Total Operating Expenses	22,698,995	19,384,137	(3,314,858)	-17.1%	19,897,905	(2,801,090)	-14.1%	206,135,665	193,609,627	(12,526,009)	-6.5%	195,893,363	(10,242,302)	-5.2%
Net Operating Income	(1,871,715)	264,343	(2,136,059)	-808.1%	(740,559)	(1,131,156)	152.7%	(4,201,874)	(888,060)	(3,313,814)	373.2%	(28,456,700)	24,254,827	-85.2%
Investment Income	54,872	-	54,872	0.0%	316,012	(261,140)	-82.6%	1,389,926	-	1,389,926	0.0%	(354,840)	1,744,766	-491.7%
Other Nonop Inc(Exp)	123,233	50,000	73,233	146.5%	147,051	(23,818)	-16.2%	1,196,644	500,000	696,644	139.3%	1,012,305	184,339	18.2%
Interest Expense	(209,798)	(200,000)	(9,798)	4.9%	(200,255)	(9,543)	4.8%	(2,087,664)	(2,000,000)	(87,664)	4.4%	(2,134,072)	46,408	-2.2%
Net Income	(1,903,408)	114,343	(2,017,752)	-1764.6%	(477,752)	(1,425,657)	298.4%	(3,702,968)	(2,388,060)	(1,314,908)	55.1%	(29,933,308)	26,230,340	-87.6%
Bad Debt % of GR	0.1%	0.5%	-0.3%		0.5%			0.7%	0.5%	0.3%		0.6%		
Bad Debt % of NR	0.4%	1.3%	-0.9%		-1.4%			2.2%	1.4%	0.8%		1.6%		
Bad Debt/Charity % of GR	0.7%	1.0%	-0.2%		0.1%			1.1%	1.0%	0.2%		1.2%		
Contractual %	-67.9%	-64.5%	-3.4%		-61.0%			-66.5%	-64.8%	-1.7%		-65.1%		
Operating Margin	-9.0%	1.3%	-10.3%	-768.0%	-3.9%	-5.1%		-2.1%	-0.5%	-1.6%	35.1%	-17.0%	14.91%	-87.8%
Net Margin %	-9.1%	0.6%	-9.7%	-1670.4%	-2.5%	-6.6%	266.5%	-1.8%	-1.2%	-0.6%	48.0%	-17.9%	16.04%	-89.7%
Operating EBIDTA	(954,013)	1,254,343	(2,208,356)	-176.1%	231,877	(1,185,890)	-511.4%	5,370,503	9,011,940	(3,641,438)	-40.4%	(18,543,043)	23,913,546	-129.0%
Operating EBIDTA %	-4.6%	6.4%	-11.0%	-171.8%	1.2%	-5.8%		2.7%	-4.7%	-2.0%	-43.1%	-11.1%	13.73%	-124.0%
EBIDTA	(775,908)	1,304,343	(2,080,251)	-159.5%	694,939	(1,470,847)	-211.7%	7,957,073	9,511,940	(1,554,868)	-16.3%	(17,885,579)	25,842,652	-144.5%
EBIDTA %	-3.7%	6.6%	-10.4%	-156.1%	3.6%	-7.4%		3.9%	4.9%	-1.0%	-20.2%	-10.7%	14.62%	-136.9%
Discharges	542	525	17	3.2%	478	64	13.4%	5,469	5,334	135	2.5%	4,376	1,093	25.0%
Patient Days	2,337	2,098	239	11.4%	1,942	395	20.3%	23,064	21,331	1,733	8.1%	18,510	4,554	24.6%
Adjusted Days	5,635	4,888	747	15.3%	4,528	1,107	24.5%	54,200	50,584	3,616	7.1%	42,965	11,235	26.1%
Adjusted Discharges	1,307	1,223	84	6.8%	1,115	192	17.3%	12,852	12,649	203	1.6%	10,157	2,694	26.5%
Per Adjusted Day	4.31	4.00	14.06	3.52	4.06			3.675	3.785	(110)	-2.9%	3,847	(171)	-4.5%
Net Rev Incl BD/APD	3,636	3,994	(357)	-8.9%	4,186	(550)	-13.1%	3,675	3,785	(110)	-2.9%	3,847	(171)	-4.5%
SWB/APD	2,182	2,296	114	4.9%	2,423	(241)	-9.9%	2,083	2,217	134	6.1%	2,585	(503)	-19.4%
Salary/APD	1,757	1,859	102	5.5%	1,928	(171)	-8.9%	1,691	1,798	107	6.0%	2,133	(442)	-20.7%
Supply Cost/APD	802	631	(171)	-27.1%	732	70	9.6%	692	613	(79)	-12.9%	753	(61)	-8.1%
Other Expense/APD	600	570	(31)	-5.4%	684	(84)	-12.3%	570	545	(25)	-4.5%	670	(101)	-15.0%
Per Adjusted Discharge														
Net Rev Incl BD/Adj DC	15,679	15,959	(280)	-1.8%	17,006	(1,327)	-7.8%	15,500	15,136	364	2.4%	16,271	(771)	-4.7%
SWB/Adj DC	9,410	9,175	(235)	-2.6%	9,846	(436)	-4.4%	8,784	8,866	(83)	0.9%	10,936	(2,152)	-19.7%
Salary/Adj DC	7,575	7,427	(148)	-2.0%	7,832	(257)	-3.3%	7,131	7,192	61	0.8%	9,022	(1,891)	-21.0%
Supply Cost/Adj DC	3,459	2,522	(937)	-37.2%	2,974	485	16.3%	2,919	2,451	(468)	-19.1%	3,185	(266)	-8.3%
Other Expense/Adj DC	2,589	2,276	(313)	-13.7%	2,800	(191)	-6.9%	2,402	2,179	(222)	-10.2%	2,836	(434)	-15.3%
Pct of Net Revenue														
SWB	60.0%	57.5%	-2.5%		57.9%	-2.1%		56.7%	58.6%	1.9%		67.2%	10.5%	
Supplies	22.1%	15.8%	-6.3%		17.5%	-4.6%		18.8%	16.2%	-2.6%		19.6%	0.7%	
Other Expense	16.5%	14.3%	-2.2%		16.3%	-0.2%		15.5%	14.4%	-1.1%		17.4%	1.9%	
FTE's														
Total Salary FTE's	896.49	841.18	(55.31)	-6.6%	849.15	(47.34)	-5.6%	862.58	837.93	(24.65)	-2.9%	841.51	(21.07)	-2.5%
Total Contract FTE's	116.62	62.06	(54.56)	-87.9%	101.89	(14.73)	-14.5%	99.80	63.49	(36.31)	-57.2%	88.61	(11.19)	-12.6%
Total Facility Paid FTEs	1,013.11	903.24	(109.86)	-12.2%	951.04	(62.07)	-6.5%	962.38	901.43	(60.96)	-6.8%	930.12	(32.26)	-3.5%
Paid FTE per AOB	5.39	5.54	0.15	2.7%	6.30	0.91	14.4%	5.42	5.44	0.02	0.4%	6.58	1.17	17.7%
Average Hourly Rate	\$ 57.16	\$ 58.84	1.67	2.8%	\$ 53.54	(3.62)	-6.8%	\$ 54.79	\$ 58.06	3.27	5.6%	\$ 56.72	1.93	3.4%
Employed Avg Hourly Rate	\$ 47.32	\$ 46.31	(1.01)	-2.2%	\$ 43.76	(3.56)	-8.1%	\$ 47.97	\$ 45.66	(2.30)	-5.0%	\$ 46.77	(1.20)	-2.6%

Bay Area Hospital

Consolidated Income Statement Trend - April 2024

	4/29/2023	5/29/2023	6/29/2023	7/29/2023	8/31/2023	9/18/2023	10/16/2023	11/13/2023	12/11/2023	1/9/2024	2/8/2024	3/4/2024	4/1/2024
	147	148	145	150	151	152	153	154	155	156	157	158	159
	2023	2023	2023	2023	2023	2023	2023	2023	2023	2024	2024	2024	2024
	AprMTD	MayMTD	JunMTD	JulMTD	AugMTD	SepMTD	OctMTD	NovMTD	DecMTD	JanMTD	FebMTD	MarMTD	AprMTD
Gross Patient Revenue													
Inpatient Revenue	20,839,409	19,986,049	20,626,783	22,282,749	23,058,662	23,920,818	25,765,588	25,501,603	26,680,023	27,261,325	27,299,630	25,042,052	26,450,949
Outpatient Revenue	27,750,060	31,943,769	30,899,007	30,674,327	35,035,819	31,012,110	32,586,040	35,656,501	33,530,554	33,807,538	36,378,045	35,884,664	37,332,395
Total Gross Patient Revenue	48,589,469	51,929,818	51,525,790	52,957,076	58,094,481	54,932,928	58,351,628	61,158,104	60,210,577	61,068,863	63,677,674	60,926,717	63,783,344
Deductions	29,566,270	33,282,812	29,963,512	34,400,071	37,710,946	33,490,589	39,809,926	41,397,280	40,352,704	38,532,815	40,803,503	39,937,504	42,819,810
Bad Debt	(262,640)	135,463	(241,594)	625,458	(130,292)	1,337,656	(1,272,295)	149,534	14,632	255,645	2,311,473	996,281	82,185
Charity	332,402	266,039	226,317	77,946	241,923	139,427	181,976	54,946	360,593	310,069	243,227	332,546	389,857
Total Deductions	29,636,032	33,684,313	29,948,235	35,103,475	37,822,577	34,967,673	38,719,607	41,601,760	40,727,929	39,098,529	43,358,203	41,266,331	43,291,852
Net Healthcare Revenue	18,953,437	18,245,505	21,577,555	17,853,601	20,271,904	19,965,255	19,632,021	19,556,344	19,482,648	21,970,334	20,319,471	19,660,386	20,491,492
Other Oper Revenue	203,908	178,159	175,345	174,781	215,641	236,561	236,850	257,021	342,147	321,481	345,339	264,729	335,787
Total Net Revenue	19,157,345	18,423,663	21,752,901	18,028,382	20,487,545	20,201,816	19,868,871	19,813,365	19,824,795	22,291,815	20,664,810	19,925,114	20,827,279
Expenses	39.4%	35.5%	42.2%	34.0%	35.3%	36.8%	34.1%	32.4%	32.9%	36.5%	32.5%	32.7%	32.7%
Salaries	6,370,387	7,224,173	6,978,563	7,005,968	7,722,158	7,061,385	7,162,219	7,116,440	7,174,841	7,254,813	6,761,158	7,401,124	7,252,500
Contract Labor	2,357,975	1,515,548	2,318,163	1,409,714	1,979,237	2,013,695	1,721,116	2,294,094	1,928,366	2,251,031	1,475,399	2,012,359	2,647,833
Benefits	2,245,163	2,427,019	3,805,555	1,846,065	1,838,697	1,962,258	2,219,463	2,093,108	1,638,894	2,677,522	2,357,269	2,210,377	2,398,226
Physician & Prof Fee	1,646,570	1,702,490	1,688,136	1,424,560	1,290,550	1,769,147	1,815,527	1,691,829	1,514,980	1,599,320	1,478,503	1,502,061	1,725,798
Supplies	3,314,555	3,838,565	4,545,658	3,356,422	3,425,040	3,608,148	3,189,337	4,364,495	3,254,080	4,010,119	3,341,695	4,451,107	4,520,219
Purchased Services	1,528,901	1,783,110	1,670,425	1,459,345	1,174,580	1,663,255	1,538,667	1,511,125	1,502,030	1,664,442	1,406,141	1,653,508	1,562,122
Leases/Rentals	10,073	21,397	15,000	19,486	5,132	19,294	15,832	10,575	10,367	13,683	4,496	37,038	17,186
Depreciation	972,436	1,150,360	998,274	982,555	985,298	980,279	979,692	978,032	947,867	941,053	933,351	926,545	917,702
Other Oper Expense	1,451,844	1,407,522	1,441,300	1,362,847	1,455,396	1,562,641	1,360,314	1,471,353	1,778,960	1,580,690	1,366,933	1,458,176	1,657,408
Total Operating Expenses	19,897,905	21,070,183	23,461,075	18,866,962	19,876,088	20,640,103	20,002,167	21,531,052	19,750,385	21,992,673	19,124,946	21,652,295	22,698,995
Net Operating Income	(740,559)	(2,646,520)	(1,708,174)	(838,581)	611,457	(438,287)	(133,296)	(1,717,687)	74,410	299,142	1,539,865	(1,727,181)	(1,871,715)
Investment Income	316,012	(348,569)	(388,514)	21,403	(159,061)	(962,170)	(488,294)	1,654,176	1,595,056	(64,707)	(599,884)	338,536	54,872
Other Nonop Inc(Exp)	147,051	134,018	193,689	45,781	205,581	43,457	58,352	93,389	232,272	105,405	83,754	205,419	123,233
Interest Expense	(200,255)	(204,321)	(197,414)	(202,958)	(201,896)	(195,643)	(207,238)	(215,762)	(214,239)	(218,601)	(204,722)	(216,807)	(209,798)
Net Income	(477,752)	(3,065,392)	(2,100,414)	(974,354)	456,081	(1,552,643)	(770,476)	(185,884)	1,687,499	121,238	819,013	(1,400,033)	(1,903,408)
Operating Margin %	-3.9%	-14.4%	-7.9%	-4.7%	3.0%	-2.2%	-0.7%	-8.7%	0.4%	1.3%	7.5%	-8.7%	-9.0%
Net Margin %	-2.5%	-16.6%	-9.7%	-5.4%	2.2%	-7.7%	-3.9%	-0.9%	8.5%	0.5%	4.0%	-7.0%	-9.1%
Operating EBIDA	231,877	(1,496,160)	(709,900)	143,974	1,596,755	541,992	846,396	(739,655)	1,022,277	1,240,195	2,473,216	(800,636)	(954,013)
Operating EBIDA %	1.2%	-8.1%	-3.3%	0.8%	7.8%	2.7%	4.3%	-3.7%	5.2%	5.6%	12.0%	-4.0%	-4.6%
EBDITA Margin	3.6%	-9.3%	-4.2%	1.2%	8.0%	-1.9%	2.1%	5.1%	14.4%	5.7%	9.5%	-1.3%	-3.7%
Discharges	478	460	512	490	539	528	568	552	571	580	532	567	542
Patient Days	1,942	1,760	1,947	1,900	2,157	2,273	2,511	2,355	2,332	2,693	2,253	2,253	2,337
Adjusted Days	4,528	4,573	4,864	4,516	5,434	5,220	5,687	5,648	5,263	6,033	5,255	5,481	5,635
Adjusted Discharges	1,115	1,195	1,279	1,165	1,358	1,213	1,286	1,324	1,289	1,299	1,241	1,379	1,307
Per Adjusted Day						4.30	4.42	4.27	4.08	4.64	4.23	3.97	4.31
Net Revenue/APD	4,186	3,990	4,437	3,954	3,730	3,825	3,452	3,463	3,702	3,642	3,867	3,587	3,636
Net Rev Incl BD/APD	4,186	3,990	4,437	3,954	3,730	3,825	3,452	3,463	3,702	3,642	3,867	3,587	3,636
SWB/APD	2,423	2,442	2,694	2,273	2,124	2,115	1,952	2,037	2,041	2,020	2,016	2,121	2,182
Salary/APD	1,928	1,911	1,911	1,864	1,785	1,739	1,562	1,666	1,730	1,576	1,567	1,717	1,757
Supply Cost/APD	732	839	935	743	630	691	561	773	618	665	636	812	802
Other Expense/APD	684	680	643	617	505	638	558	560	626	527	541	540	600
Per Adjusted Discharge													
Net Revenue/Adj DC	17,006	15,265	16,871	15,331	14,928	16,466	15,262	14,773	15,119	16,910	16,375	14,252	15,679
Net Rev Incl BD/Adj DC	17,006	15,265	16,871	15,331	14,928	16,466	15,262	14,773	15,119	16,910	16,375	14,252	15,679
SWB/Adj DC	9,846	9,343	10,244	8,812	8,498	9,103	8,631	8,690	8,336	9,377	8,537	8,426	9,410
Salary/Adj DC	7,832	7,312	7,269	7,227	7,144	7,629	7,109	7,064	7,316	7,064	6,637	6,824	7,575
Supply Cost/Adj DC	2,974	3,212	3,554	2,882	2,522	2,976	2,479	3,297	2,525	3,086	2,693	3,227	3,459
Other Expense/Adj DC	2,780	2,602	2,447	2,394	2,022	2,748	2,469	2,389	2,556	2,448	2,293	2,146	2,589
Pct of Net Revenue													
SWB	57.9%	61.2%	60.7%	57.5%	56.9%	55.3%	56.6%	58.8%	55.1%	55.5%	52.1%	59.1%	60.0%
Supplies	17.5%	21.0%	21.1%	18.8%	16.9%	18.1%	16.2%	22.3%	16.7%	18.3%	16.4%	22.6%	22.1%
Other Expense	16.3%	17.0%	14.5%	15.6%	13.5%	16.7%	16.2%	16.2%	16.9%	14.5%	14.0%	15.1%	16.5%
FTE's													
Total Salary FTE's	849.15	862.64	872.64	850.08	901.88	843.99	849.64	858.68	863.40	888.80	765.85	887.08	896.49
Total Contract FTE's	101.89	67.50	101.81	64.40	92.97	82.30	91.73	109.03	117.74	148.13	84.32	88.54	116.62
Total Facility Paid FTE's	951.04	930.14	974.46	914.47	994.85	926.29	941.37	967.71	981.14	1,036.93	850.17	975.62	1,013.11
Paid FTE per AOB	6.30	6.31	6.01	6.28	5.68	5.32	5.13	5.14	5.78	5.33	4.69	5.52	5.39
Average Hourly Rate	\$ 53.54	\$ 53.04	\$ 55.65	\$ 51.95	\$ 55.05	\$ 57.15	\$ 53.27	\$ 56.73	\$ 52.38	\$ 51.89	\$ 58.62	\$ 54.62	\$ 57.16
Employed Avg Hourly Rate	\$ 43.76	\$ 47.28	\$ 46.65	\$ 46.52	\$ 48.34	\$ 48.81	\$ 47.59	\$ 48.34	\$ 46.91	\$ 46.21	\$ 53.42	\$ 47.23	\$ 47.32

**Bay Area Hospital
Compliance Certification
as of April, 2024**

	TTM <u>Jun-23</u>	TTM <u>Sep-23</u>	TTM <u>Dec-23</u>	TTM <u>Mar-24</u>	TTM <u>Apr-24</u>
A&D. Income Available for Debt Service (Quarterly)					
Excess Revenue over Expenses	\$ (35,099,115)	\$ (21,329,204)	\$ (12,940,039)	\$ (7,443,119)	\$ (8,868,776)
Add:					
Interest Expense	\$ 2,535,806	\$ 2,715,478	\$ 2,446,531	\$ 2,479,855	\$ 2,489,398
Depreciation	\$ 12,062,287	\$ 12,021,636	\$ 11,965,125	\$ 11,775,739	\$ 11,721,006
Amortization	\$ -	\$ -	\$ -	\$ -	\$ -
(Gain) or Loss on extinguishment of debt	\$ -	\$ -	\$ -	\$ -	\$ -
(Gain) or Loss on disposition of assets	\$ -	\$ -	\$ -	\$ -	\$ -
(Gain) or Loss on discontinued operations	\$ -	\$ -	\$ -	\$ -	\$ -
Adj. to value of assets or liabilities (accounting adjustments)	\$ -	\$ -	\$ -	\$ -	\$ -
Unrealized (Gains) or Loss on marketable securities	\$ 215,664	\$ (207,689)	\$ (1,162,258)	\$ (1,597,199)	\$ (3,217,131)
(Gains) or Losses - M2M derivatives	\$ -	\$ -	\$ -	\$ -	\$ -
Non-recurring - Consultant, Severance, and Legal Fees	\$ 1,708,941	\$ 2,974,112	\$ 3,328,489	\$ 4,754,999	\$ 4,452,907
(D.1) Income Available for Debt Service	\$ (18,576,417)	\$ (3,825,668)	\$ 3,637,848	\$ 9,970,275	\$ 6,577,404
(A.2) Debt Service Requirements (MADS)	\$ 3,904,267	\$ 3,904,267	\$ 3,904,267	\$ 3,904,267	\$ 3,904,267
(A.3) Ratio of Line D.1 to Line A.2	(4.76)	(0.98)	0.93	2.55	1.68
(D.2) Line D.1 must not be less than	\$ (25,000,000)	\$ (15,000,000)	\$ (5,000,000)	\$ 2,000,000	\$ 2,000,000
(D.3) Borrower is in Compliance (Yes/No)	Yes	Yes	Yes	Yes	Yes
B.1 Days Cash on Hand (Monthly)					
Cash & Equivalents	\$ 12,030,483	\$ 13,117,050	\$ 9,470,509	\$ 5,514,827	\$ 6,912,236
Add: Marketable Securities/Board designated Funds	\$ 53,401,226	\$ 48,303,977	\$ 50,938,357	\$ 50,606,776	\$ 50,654,164
Less: Trustee Held funds	\$ -	\$ -	\$ -	\$ -	\$ -
Less: Outstanding Principal on short term debt	\$ -	\$ -	\$ -	\$ -	\$ -
Less: Proceeds from A/R factoring	\$ -	\$ -	\$ -	\$ -	\$ -
Less: Collateral Posting for Interest Rate Agreements	\$ -	\$ -	\$ -	\$ -	\$ -
Less: Outstanding Principal on Put Indebtedness	\$ -	\$ -	\$ -	\$ -	\$ -
Cash & Equivalents	\$ 65,431,709	\$ 61,421,027	\$ 60,408,866	\$ 56,121,603	\$ 57,566,400
B.2 Cash Operating Expenses					
Total Operating Expenses	\$ 240,424,619	\$ 243,196,104	\$ 244,669,983	\$ 247,865,831	\$ 250,666,921
Add: Interest Expenses	\$ 2,535,806	\$ 2,715,478	\$ 2,446,531	\$ 2,479,855	\$ 2,489,398
Less: Depreciation & Amortization	\$ 12,062,287	\$ 12,021,636	\$ 11,965,125	\$ 11,775,739	\$ 11,721,006
Less: Non-cash expenses	\$ -	\$ -	\$ -	\$ -	\$ -
Less: Losses on refinancing debt	\$ -	\$ -	\$ -	\$ -	\$ -
Less: Provision for uncollectable accounts	\$ -	\$ -	\$ -	\$ -	\$ -
Total Cash Operating Expenses	\$ 230,898,139	\$ 233,889,947	\$ 235,151,388	\$ 238,569,947	\$ 241,435,314
B.3 Line B2 divided by 365	\$ 632,598	\$ 640,794	\$ 644,250	\$ 653,616	\$ 661,467
B.4 Ratio of Line B.1 to Line B3	103	96	94	86	87
B.5 Line B.4 must not be less than	75	70	70	70	70
B.6 Borrower is in Compliance (Yes/No)	N/A	Yes	Yes	Yes	Yes
C.1 Unrestricted Liquid Funds (Monthly)					
Cash & Equivalents	\$ 12,030,483	\$ 13,117,050	\$ 9,470,509	\$ 5,514,827	\$ 6,912,236
Add: Marketable Securities/Board designated Funds	\$ 53,401,226	\$ 48,303,977	\$ 50,938,357	\$ 50,606,776	\$ 50,654,164
Unrestricted Liquid Funds	\$ 65,431,709	\$ 61,421,027	\$ 60,408,866	\$ 56,121,603	\$ 57,566,400
C.2 Line C.1 must not be less than	\$ 45,000,000	\$ 45,000,000	\$ 45,000,000	\$ 45,000,000	\$ 45,000,000
C.3 Borrower is in Compliance (Yes/No)	N/A	Yes	Yes	Yes	Yes

Signature of Bay Area Hospital:

Name: _____

Title: _____

Date: _____