



Month End Financial Narrative
For month ending April 30, 2025

Overall, Bay Area Hospital reported a loss of (\$1.5M) in April, against budgeted loss of (\$519K). April Gross Revenue was \$63M and Net Revenue ended the month at \$20M, with a Net to Gross Revenue Margin of 32.1%.

Bay Area Hospital
Consolidated Income Statement - April 2025
in '000

	Month To Date					Year To Date				
	Actual	Budget	Variance	Prior Year	Variance	Actual	Budget	Variance	Prior Year	Variance
Gross Patient Revenue	62,898	62,863	35	63,783	(885)	620,064	634,614	(14,550)	595,161	24,903
Total Deductions	43,273	41,160	(2,113)	43,292	19	421,671	415,525	(6,146)	395,958	(25,713)
Net Healthcare Revenue	19,625	21,703	(2,078)	20,491	(866)	198,393	219,089	(20,696)	199,203	(810)
Other Oper Revenue	576	273	303	336	240	3,787	2,727	1,060	2,730	1,057
Total Net Revenue	20,201	21,976	(1,774)	20,827	(626)	202,180	221,816	(19,636)	201,934	247
Salaries/ Wages & Benefits	10,351	10,726	375	9,651	(700)	104,030	102,442	(1,588)	93,154	(10,876)
Contract Labor	1,918	1,362	(556)	2,648	730	17,322	15,501	(1,820)	19,733	2,411
Depreciation	766	961	195	918	152	86,573	95,308	8,735	9,572	915
Other Expense	8,580	9,447	867	9,483	903	11,280	7,948	(3,332)	83,693	(5,503)
Total Operating Expenses	21,614	22,495	881	22,699	1,085	219,205	221,199	1,994	206,153	(13,052)
Net Operating Income	(1,413)	(519)	(893)	(1,872)	459	(17,025)	617	(17,642)	(4,219)	(12,806)
Non Operating Income/(Loss)	(55)	(89)	34	(32)	(24)	(382)	(920)	539	499	(881)
Net Income	(1,468)	(609)	(859)	(1,903)	435	(17,407)	(303)	(17,104)	(3,720)	(13,687)
Net To Gross	32.1%	35.0%	-2.8%	32.7%	-0.5%	32.6%	35.0%	-2.3%	33.9%	-1.3%
Operating EBITDA	(647)	441	(1,088)	(954)	307	(8,368)	10,148	(18,516)	5,353	(13,721)
Operating EBITDA %	-3.2%	2.0%	-5.2%	-4.6%	1.4%	-4.1%	4.6%	-8.7%	2.7%	-6.8%
EBIDTA	(423)	543	(966)	(776)	353	(6,866)	11,161	(18,027)	7,940	(14,806)
EBIDTA %	-2.1%	2.5%	-4.6%	-3.7%	1.6%	-3.4%	5.0%	-8.4%	3.9%	-7.3%

VOLUMES

Inpatient Discharges & Days

- April inpatient discharges increased 9 to budget and 21 to prior year. (602 vs 593 vs 542). Patient days are down (369) to budget and (228) to prior year. (2,109 vs 2,478 vs 2,337). The average length of stay (ALOS) is 3.5 which is lower than budget of 4.18 and last year's 4.31.
- Year to date (YTD) discharges came in under budget by (404) and over last year by 135 (5,604 vs 6,008 vs 5,469). YTD Patient Days are down to budget (1,694) and up to prior year 355 (23,419 vs 25,113 vs 23,064). ALOS YTD is 4.18 vs 4.18 budget vs 4.22 last year.

ED Visits

- ED visits are up 282 to budget and up 233 to prior year. (2,486 vs 2,204 vs 2,253). 17.2% of all ED Visits were admitted in April, compared to 17.3% in prior year.
- Patients leaving without being seen (LWBS) was .56% in April (0.42 % in March, 0.39% in February, and 0.75% in January).
- YTD visits are 25,422 vs. 22,338 budgeted vs 22,368 prior year.

Operating Room Cases

- MTD was (18) below budget and (11) below prior year (312 vs 330 vs 323). Versus prior year, down (16) cases in Urology, (6) Podiatry, (5) ENT & (5) Plastics offset by increase in General Surgery 16 cases. Budget included physicians that are no longer in the area.
- YTD surgeries are (415) below budget and (275) below prior year (2,931 vs 3,346 vs 3,206). Primary YTD decreases Urology (161), GYN (103), and Podiatry (43).



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Cardiac Cath Cases

- In April there were 119 Cath Lab cases vs. budget of 110 vs. prior year of 123.
- 1,060 YTD cases bringing us (6) below our YTD budget of 1,066 vs (46) below our prior year YTD 1,106 cases.

Outpatient Visits

- OP Visits are down (338) from budget and (489) to prior year. (11,195 vs 11,533 vs 11,684). A 3-month run rate reflects a decrease in ED, Mammo and Rad Onc, slightly offset by a visit increase in Ultrasound, MRI & Infusion.
- YTD is below budget by (3,700) and Prior YTD (3,161) (113,168 vs 116,868 vs 116,329).

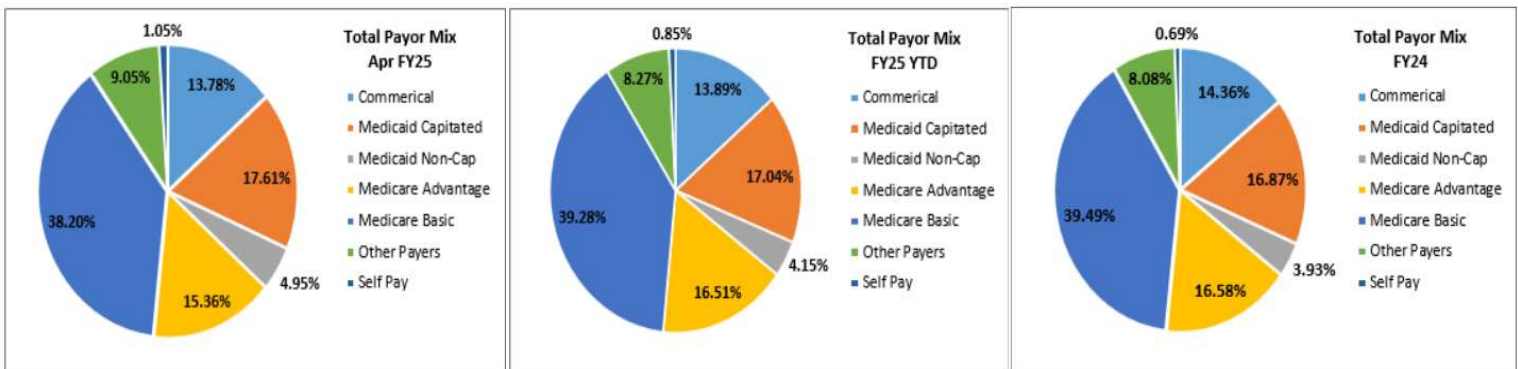
REVENUES

Gross Revenues

- April Gross Revenue totaled \$62.9M, \$35K increase to budget and (\$885K) decrease to prior year.
- Gross Revenue Variance of \$35K vs budget is driven by unfavorable volume decrease of (\$6.4M) and favorable rate increase of \$6.5M.

Deductions from Revenue

- As a %, Deductions from Revenue, increase to budget 67.9% vs. 65.0% (32.1% vs 35.0% revenue realization rates).
- Medicare Basic decreased (2.49%) compared to 3 month run rate and (1.43%) to prior year. Gross charge impact of (\$1.6M) to 3MRR and (\$1.2M) to PY. Partially offset by Medicare Advantage increase \$564K and Commercial increase of .5% to 3 month run rate, favorable gross charge impact of \$207K.
- In FY22 Commercial payor mix was 16.40%, FY23 was 15.91%, FY24 as 14.36% and thus far in FY25 it is 13.89%.



Other Revenues

- Current month actuals are \$576K vs \$273K budget vs \$336K last year.
- YTD \$3.8M actual vs \$2.7M budget vs \$2.7M last year. Primary increase is due to 340B Pharmacy rebates.



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Net Revenues

- Total Net Revenue April is below budget (\$1.8M) and down to prior year by (\$626K) (\$20M vs. \$22M vs. \$21M).
- YTD is below budget by (\$20M) and up to prior year by \$247K (\$202M vs. \$222M vs. \$202M).

EXPENSES

Salaries

- Salaries are \$77K over budget and \$692K over prior year (\$8M vs. \$7.8M vs. \$7.2M). The average hourly rate of \$57.96 for employed staff is over the budgeted rate of \$57.22 and is an increase of \$0.80 above last years \$57.16. PTO usage and pay rate increases are the drivers of the increase.
- Year to date salaries is \$3.3M over budget and \$822K over last year (\$81M vs \$78M vs \$72M).

Contract labor

- April is over budget \$556K and down to prior year (\$730K). (\$1.9M vs \$1.4M vs \$2.6M).
- Year to date contract labor is over budget by \$1.8M and under prior year by (\$2.4M), (\$17.3M vs \$15.5M vs \$19.7M).

Benefits

- Overall Benefits expense for the month of April are under budget by (\$453K), and over prior year by \$8K (\$2.4M actual vs \$2.9M budget vs \$2.4M last year). As a % of wages benefits were 30.29% this month vs 36.34% budget and 33.07% last year.
- Year to date benefits is under budget by (\$1.7M) and over the prior year by \$1.3M (\$23M vs \$24M vs \$21M). As a % of wages benefits were 27.66% this year vs 31.07% budget and 29.54% last year.

Physician and Pro-fees

- April Provider Fee favorable to budget (\$181K) and prior year (\$307K), Consulting Fees favorable to budget (\$50K) and prior year (\$24K). Compared to 3 month run rate down (\$63K) Radiology Physicians, (\$63K) Prefontaine Cardiology Physicians, (\$42K) Oncology Admin and (\$35K) Wound Care Physicians.
- YTD is below budget by (\$1M) and below the prior year by (\$318K).

Supplies

- April supply costs are favorable to budget by (\$350K), and (\$886K) to prior year. \$3.6M vs \$4M vs \$4.5M).
 - Pharmaceutical expense decreased (\$229K) to budget and (\$402K) to prior year.
 - Overall Implants decreased (\$70K) to budget and (\$115K) to prior year.
 - Lab expense decreased (\$85K) to budget and (\$117K) to prior year.
- Supply Expense as a % of Net Revenues are 5.8% actual, 6.3% budget and 7.1% prior year.
- Year to date, supply costs are (\$3.1M) below budget and (\$822K) below prior year. (\$37M vs \$40M vs \$38M). YTD Supply Expense as a % of Net Revenues are 5.9% actual, 6.3% budget and 6.3% prior year.



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Purchased Services

- April purchased Service costs are down (\$20K) to budget and up \$661K to prior year (\$2.2M vs \$2.2M vs \$1.6M). Workday expense is now recognized in this category vs depreciation since the contract was only signed for one year. Compared to last year the variance is due to outsourced revenue cycle.
- Year to date, Purchased Services costs are \$578K over budget and \$6.6M higher than the prior year (\$21.8M vs \$21M vs \$15M). The largest variance driver is due to the outsourcing of Revenue Cycle.

Lease/Rentals

- April Leases/Rentals costs are \$11K unfavorable to budget and favorable (\$10K) to prior year. (\$26K vs \$14K vs \$17K)
- Year to date, Leases/Rentals costs are over budget \$37K and prior year \$37K. (\$189K vs \$152K vs \$153K).

Depreciation

- Depreciation costs are down (\$195K) favorable to budget and (\$151K) favorable to prior year. (\$766K vs \$961K vs \$918K) due to lower subscription amortization since the Workday contract was only renewed for one year.
- Year to date, Depreciation costs are (\$873K) below budget and (\$915K) below prior year. (\$8.7M vs \$9.5M vs \$9.6M).

Other Operating expense

- April Other Operating Expenses are favorable (\$314K) to budget and (\$402K) to prior year. (\$1.3M vs \$1.6M vs \$1.7M) due to prior period provider tax true-up.
- Year to date, Other Operating Expenses are (\$990K) below budget and (\$55K) decrease to prior year. (\$14.9M vs \$15.9M vs \$15M).

Non-Operating Income and Expense

- April Other Non-Operating Income and Expenses are unfavorable \$32K to budget and \$54K to prior year. (\$69K vs \$101K vs \$123K).
- Year to date, Other Non-Operating Income and Expenses are (\$1.5M) below budget and (\$2.1M) decrease to prior year primarily driven by the accelerated disposal/write off the Workday subscription lease asset of \$1.9M in current year. (\$511K vs \$1M vs \$1.2M).

Balance Sheet

- Cash and Cash Equivalents are \$9.2M at the end of April and Assets limited to use are \$36.7M for an overall cash balance of \$45.9M. Overall cash and investments decreased about (\$320K) to prior month.
- Days Cash on Hand is 66 days.
- Account Receivable (net) decreased (\$722K) from prior month to close at \$27M for April.
- Current liabilities increased \$1.5M compared to prior month.
- The Current Ratio is 2.70 and Debt to Capitalization is 40.6%.