



Month End Financial Narrative
For month ending July 31, 2025

Overall, Bay Area Hospital reported a loss of \$2.5M in July, against budgeted loss of \$372K. July Gross Revenue was \$66.7M and Net Revenue ended the month at \$20.6M, with a Net to Gross Revenue Margin of 30.9%.

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

	Month To Date					Year To Date				
	Actual	Budget	Variance	Prior Year	Variance	Actual	Budget	Variance	Prior Year	Variance
Gross Patient Revenue	66,693	68,897	(2,204)	61,123	5,570	66,693	68,897	(2,204)	61,123	5,570
Total Deductions	46,403	47,642	1,238	41,356	(5,047)	46,403	47,642	1,238	41,356	(5,047)
Net Healthcare Revenue	20,290	21,256	(966)	19,766	524	20,290	21,256	(966)	19,766	524
Other Oper Revenue	350	331	20	244	106	350	331	20	244	106
Total Net Revenue	20,640	21,587	(946)	20,011	630	20,640	21,587	(946)	20,011	630
Salaries/ Wages & Benefits	11,281	9,403	(1,878)	10,091	(1,190)	11,281	9,403	(1,878)	10,091	(1,190)
Contract Labor	1,598	2,079	482	1,890	292	1,598	2,079	482	1,890	292
Depreciation	739	752	13	943	203	7,394	7,520	127	943	203
Other Expense	9,363	9,440	77	8,179	(1,184)	2,709	2,672	(37)	8,179	(1,184)
Total Operating Expenses	22,981	21,675	(1,307)	21,103	(1,879)	22,981	21,675	(1,307)	21,103	(1,879)
Net Operating Income	(2,341)	(88)	(2,253)	(1,092)	(1,249)	(2,341)	(88)	(2,253)	(1,092)	(1,249)
Non Operating Income/(Loss)	(189)	(284)	95	680	(869)	(189)	(284)	95	680	(869)
Net Income	(2,530)	(372)	(2,158)	(412)	(2,118)	(2,530)	(372)	(2,158)	(412)	(2,118)
Net To Gross	30.9%	31.3%	-0.4%	32.7%	-1.8%	30.9%	31.3%	-0.4%	32.7%	-1.8%
Operating EBIDTA	(1,602)	664	(2,266)	(149)	(1,452)	(1,602)	664	(2,266)	(149)	(1,452)
Operating EBIDTA %	-7.8%	3.1%	-10.8%	-0.7%	-7.0%	-7.8%	3.1%	-10.8%	-0.7%	-7.0%
EBIDTA	(1,524)	705	(2,229)	709	(2,234)	(1,524)	705	(2,229)	709	(2,234)
EBIDTA %	-7.4%	3.3%	-10.6%	3.5%	-10.9%	-7.4%	3.3%	-10.6%	3.5%	-10.9%

*As the first month of the year, Year to date (YTD) data is the same as the Month to date (MTD)

VOLUMES

Inpatient Discharges & Days

- July inpatient discharges decreased 53 to budget and increased 13 to prior year. (533 vs 586 vs 520). Patient days are down 569 to budget and 484 to prior year (1,998 vs 2,567 vs 2,482). The average length of stay (ALOS) improved at 3.75 which is below budget of 4.38 and last year's 4.77.

ED Visits

- ED visits were up 12 to budget and down 18 to prior year (2,587 vs 2,575 vs 2,605). 15% of all ED Visits were admitted in July, compared to 15.1% in prior year.
- Patients leaving without being seen (LWBS) was .43% in July (0.53% in June, 0.68% in May, 0.56 % in April, 0.42% in March).

Operating Room Cases

- OR increased 25 cases over budget and 9 over prior year (327 vs 302 vs 318). The increase from the prior year was primarily driven by 17 additional General Surgery visits and 14 Gynecology visits, partially offset by decrease of 17 visits in Orthopedics and 5 visits in Plastics.
- Compared to the three-month run rate, visits increased by 29 cases - 15 in General Surgery, 8 in Gynecology, and 6 in Urology.



Month End Financial Narrative
For month ending July 31, 2025

Cardiac Cath Cases

- In July there were 137 Cath Lab cases vs. budget of 108 vs. prior year of 83.
- Compared to three-month run rate, cath cases were up 29 cases.

Outpatient Visits

- OP Visits were down 10 visits from budget and up 196 to prior year. (11,307 vs 11,317 vs 11,111. Increase to prior year primarily driven by ED 214 visits, Ortho 131 visits, Wound Care 99 visits, partially offset by decrease in Oncology 141 visits, Wellness Clinic 94 visits.

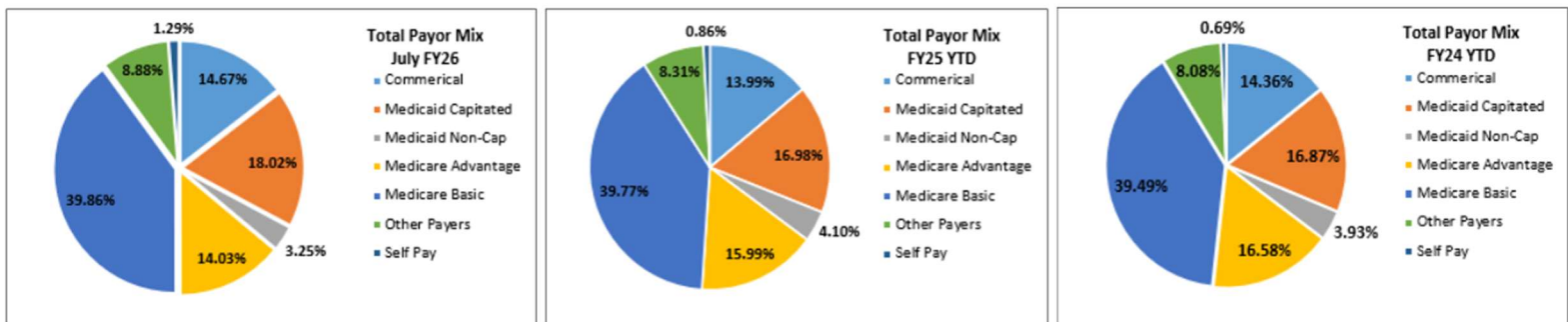
REVENUES

Gross Revenues

- July Gross Revenue totaled \$66.7M, \$2.2M decrease to budget and increase of \$5.6M over prior year.
- In Gross Revenue, when compared to budget, cumulatively, a 10.56% decrease in overall volume resulted in a loss of \$7.3M, offset by a \$5.1M gain from rate increase, a net loss of \$2.2M.

Deductions from Revenue

- As a %, Deductions from Revenue, increase to budget 69.6% vs. 69.1% (30.9% vs 31.3% revenue realization rates).
- Commercial payor mix saw a slight trend upward in July at 14.67% compared to prior year 12.15% and three-month run rate of 14.23%. YOY; FY22: 16.40%, FY23: 15.91%, FY24: 14.36%, FY25: 13.66%.



Other Revenues

- Current month actuals are \$350K vs \$331K budget vs \$244K in prior year.

Net Revenues

- Total Net Revenue July is below budget \$946K and up to prior year by \$630K (\$21M vs. \$22M vs. \$20M).



Month End Financial Narrative
For month ending July 31, 2025

EXPENSES

Salaries

- Salaries are \$1.7M above budget and \$949K over prior year (\$8.9M vs. \$7.3M vs. \$7.9M). The overall average hourly rate of \$59.47 is over the budgeted rate of \$51.47 and is an increase of \$10.50 above last years \$48.97. Increase over prior year includes union increases and severance payment.

Contract labor

- July is under budget \$482K and favorable to prior year \$292K. (\$1.6M vs \$2.1M vs \$1.9M).

Benefits

- Overall Benefits expense for the month of July are over budget by \$209K, and over prior year by \$241K (\$2.3M actual vs \$2.1M budget vs \$2M last year). As a % of wages benefits were 26.10% this month vs 29.21% budget and 26.19% last year.

Physician and Pro-fees

- July physician and professional fees were up to budget \$41K and down to prior year \$79K.

Supplies

- July supply costs are favorable to budget by \$321K, and unfavorable \$348K to prior year (\$3.7M vs \$4.1M vs \$3.4M).
- Supply Expense as a % of Net Revenues are 18.4% actual, 19.1% budget and 17.1% prior year.

Purchased Services

- July purchased service costs are \$8K below budget and unfavorable \$438K to prior year (\$2M vs \$2M vs \$1.8M). Prior year increase driven by Revenue Cycle service expense not in July 2024.

Lease/Rentals

- July Leases/Rentals costs are 1.7% favorable to budget and unfavorable 2.8% to prior year (\$16K vs \$17K vs \$16K).

Depreciation

- Depreciation costs are favorable \$13K to budget and \$203K favorable to prior year (\$739K vs \$752K vs \$943M) due to lower subscription amortization since the Workday contract was only renewed for one year.

Other Operating expense

- July Other Operating Expenses are unfavorable \$211K to budget and \$477K over prior year (\$1.8M vs \$1.6M vs \$1.3M). Increase to budget and prior year primarily driven by Provider Tax increase of 1.48% a \$265K impact.

Non-Operating Income and Expense

- July Other Non-Operating Income and Expenses are unfavorable \$22K to budget and \$68K to prior year (\$19K vs \$40K vs \$87K).



Month End Financial Narrative
For month ending July 31, 2025

Balance Sheet

- Cash and Cash Equivalents are \$10.7M at the end of July and Assets limited to use are \$32.4M for an overall cash balance of \$43M. Overall cash and investments increased \$1.3M to prior month.
- Days Cash on Hand is 61 days.
- Net Position is \$61.3M vs prior month \$63.8M
- Account Receivable (net) decreased \$420K from prior month to close at \$26M for July.
- Current liabilities increased \$3.8M compared to prior month and \$3M compared to three-month run rate.
- The Current Ratio is 2.32 and Debt to Capitalization is 43.8%.