



# El Camino Health

## Summary of Financial Operations

*Fiscal Year 2020 – Period 1*

*7/1/2019 to 07/31/2019*



# Financial Overview - Hospitals

## Volume

- July volume as measured by Adjusted Discharges (AD) were favorable to both budget by 11.1% (309 ADs) and prior year by 14.4% (392 ADs).
  - Mountain View: Fav to budget by 8.6% (197 Ads). Fav to prior year by 10.9% (243 ADs)
    - Drivers: Infusion Volumes (up 29%), extended hours, new Oncologist and increased productivity. Surgery and Endoscopies (up 12.5%)
  - Los Gatos: Fav to budget by 22% (112 Ads). Fav to prior year by 31.5% (149 ADs)
    - Drivers: Surgery and Endoscopies (up 18%). Orthopedics, Urology, ENT.

## Financial Performance

- July Operating Income was favorable to budget by 113% (\$6.9M) and favorable to prior year by 81% (\$5.8M)
  - Mountain View: Fav to budget by 122% (\$6.2M)
  - Los Gatos: Fav to budget by 69% (\$719K)
  - Drivers:
    - Net Revenue Fav to budget by 12% (\$9.2M) due to volume favorability
    - Operating Expense Unfav to budget by 3.2% (\$2.3M) due primarily to Medical Supplies used to support increased volumes

## Payor Mix

- Commercial is 1.0 percentage points unfavorable to budget. Commercial volume grew but there was a disproportionate increase in Medicare particularly in Urology and Ortho service lines
- Unlike FY 19, OB volume is higher than budget and not affecting the change in payer mix

## Productivity

- For July, productive FTEs were 2.3% favorable to target.

## Dashboard - as of July 31, 2019

	Month				YTD			
	PY	CY	Bud/Target	Variance CY vs Bud	PY	CY	Bud/Target	Variance CY vs Bud
<b>Hospital Volume</b>								
Licensed Beds	443	443	443	-	443	443	443	-
ADC	216	234	223	11	216	234	223	11
Utilization MV	59%	63%	60%	3.1%	59%	63%	60%	3.1%
Utilization LG	27%	32%	31%	1.5%	27%	32%	31%	1.5%
Utilization Combined	49%	53%	50%	2.6%	49%	53%	50%	2.6%
Total Discharges (Excl NNB)	1,476	1,684	1,533	151	1,476	1,684	1,533	151
<b>Consolidated Financial Perf.</b>								
Total Operating Revenue	73,976	89,618	82,002	7,616	73,976	89,618	82,002	7,616
Operating Margin \$	7,175	10,397	3,129	2,239	7,175	10,397	3,129	7,268
Operating Margin %	9.7%	11.6%	3.8%	7.8%	9.7%	11.6%	3.8%	7.8%
EBIDA %	15.6%	17.0%	9.8%	7.1%	15.6%	17.0%	9.8%	7.1%
<b>Hospital Payor Mix</b>								
Medicare	45.5%	49.4%	48.1%	1.3%	45.5%	49.4%	48.1%	1.3%
Medi-Cal	9.2%	7.8%	8.3%	(0.5%)	9.2%	7.8%	8.3%	(0.5%)
Total Commercial	42.6%	40.2%	41.2%	(1.0%)	42.6%	40.2%	41.2%	(1.0%)
Other	2.8%	2.6%	2.4%	0.2%	2.8%	2.6%	2.4%	0.2%
<b>Hospital Cost</b>								
Total FTE	2,564.8	2,746.7	2,692.6	(54)	2,564.8	2,746.7	2,692.6	(54)
Productive Hrs/APD	31.4	31.2	33.1	1.9	31.4	31.2	33.1	1.9
<b>Hospital Balance Sheet</b>								
Net Days in AR	46.2	46.6	49.0	(3)	46.2	46.6	49.0	(3.0)
Days Cash	539	482	507	62	539	482	507	62

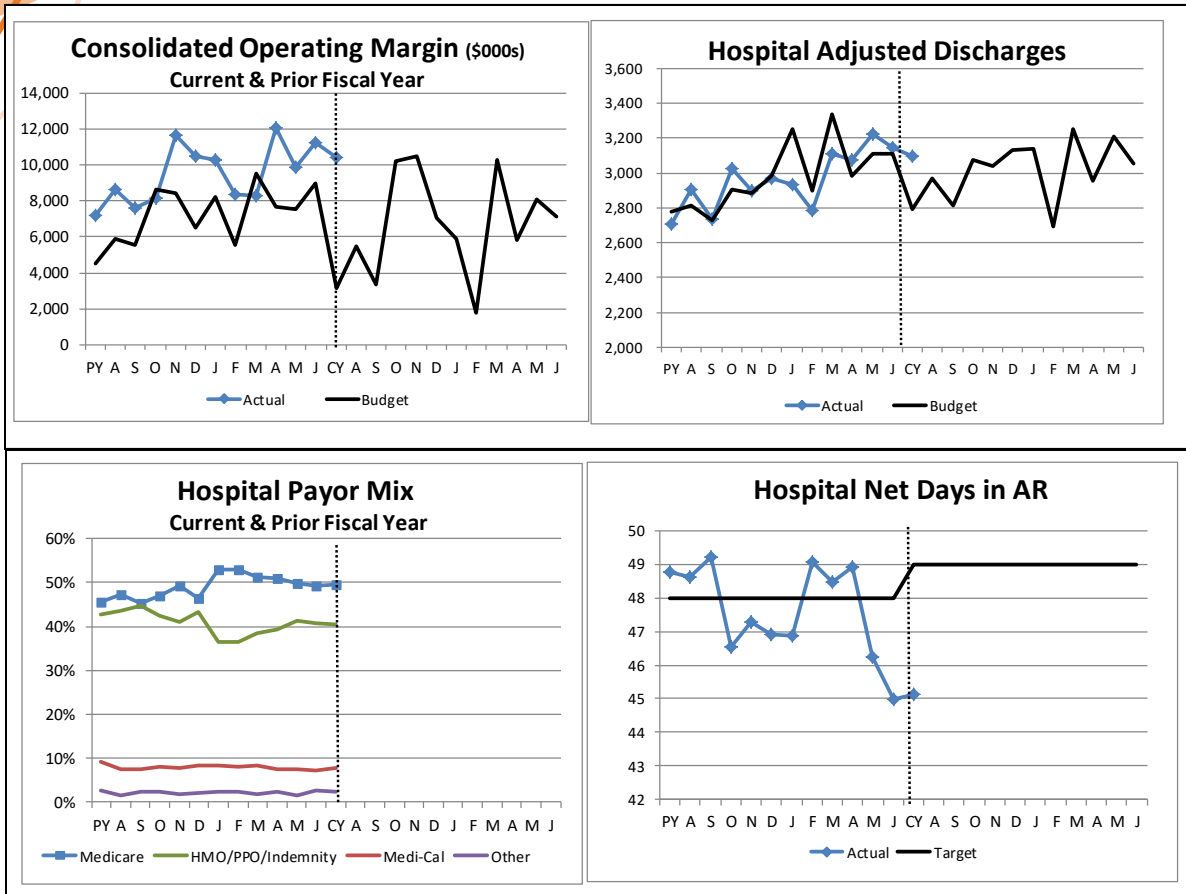
\*Beginning with the June FY 19 report, the Dashboard and the financial report has been updated to show the ECH consolidated results instead of just the Hospitals. The descriptions of the metrics indicate whether the data is hospital only.

# Consolidated Statement of Operations (\$000s)

Period ending 07/31/2019

Period 1 FY 2019	Period 1 FY 2020	Period 1 Budget 2020	Variance Fav (Unfav)	Var%	\$000s	YTD FY 2019	YTD FY 2020	YTD Budget 2020	Variance Fav (Unfav)	Var%
<b>OPERATING REVENUE</b>										
265,851	314,063	300,240	13,823	4.6%	<b>Gross Revenue</b>	265,851	314,063	300,240	13,823	4.6%
(195,150)	(228,555)	(222,257)	(6,299)	(2.8%)	<b>Deductions</b>	(195,150)	(228,555)	(222,257)	(6,299)	(2.8%)
<b>70,701</b>	<b>85,508</b>	<b>77,983</b>	<b>7,524</b>	<b>9.6%</b>	<b>Net Patient Revenue</b>	<b>70,701</b>	<b>85,508</b>	<b>77,983</b>	<b>7,524</b>	<b>9.6%</b>
3,275	4,110	4,019	91	2.3%	<b>Other Operating Revenue</b>	3,275	4,110	4,019	91	2.3%
<b>73,976</b>	<b>89,618</b>	<b>82,002</b>	<b>7,616</b>	<b>9.3%</b>	<b>Total Operating Revenue</b>	<b>73,976</b>	<b>89,618</b>	<b>82,002</b>	<b>7,616</b>	<b>9.3%</b>
<b>OPERATING EXPENSE</b>										
40,626	45,081	45,657	576	1.3%	<b>Salaries &amp; Wages</b>	40,626	45,081	45,657	576	1.3%
9,990	13,132	11,284	(1,848)	(16.4%)	<b>Supplies</b>	9,990	13,132	11,284	(1,848)	(16.4%)
9,250	12,921	13,208	287	2.2%	<b>Fees &amp; Purchased Services</b>	9,250	12,921	13,208	287	2.2%
2,551	3,290	3,787	497	13.1%	<b>Other Operating Expense</b>	2,551	3,290	3,787	497	13.1%
121	233	495	262	53.0%	<b>Interest</b>	121	233	495	262	53.0%
4,264	4,565	4,443	(122)	(2.7%)	<b>Depreciation</b>	4,264	4,565	4,443	(122)	(2.7%)
<b>66,801</b>	<b>79,221</b>	<b>78,873</b>	<b>(348)</b>	<b>(0.4%)</b>	<b>Total Operating Expense</b>	<b>66,801</b>	<b>79,221</b>	<b>78,873</b>	<b>(348)</b>	<b>(0.4%)</b>
<b>7,175</b>	<b>10,397</b>	<b>3,129</b>	<b>7,268</b>	<b>232.2%</b>	<b>Net Operating Margin</b>	<b>7,175</b>	<b>10,397</b>	<b>3,129</b>	<b>7,268</b>	<b>232.2%</b>
9,417	1,305	2,869	(1,564)	(54.5%)	<b>Non Operating Income</b>	9,417	1,305	2,869	(1,564)	(54.5%)
<b>16,592</b>	<b>11,702</b>	<b>5,998</b>	<b>5,704</b>	<b>95.1%</b>	<b>Net Margin</b>	<b>16,592</b>	<b>11,702</b>	<b>5,998</b>	<b>5,704</b>	<b>95.1%</b>
15.6%	17.0%	9.8%	7.1%		<b>EBITDA</b>	15.6%	17.0%	9.8%	7.1%	
9.7%	11.6%	3.8%	7.8%		<b>Operating Margin</b>	9.7%	11.6%	3.8%	7.8%	
22.4%	13.1%	7.3%	5.7%		<b>Net Margin</b>	22.4%	13.1%	7.3%	5.7%	

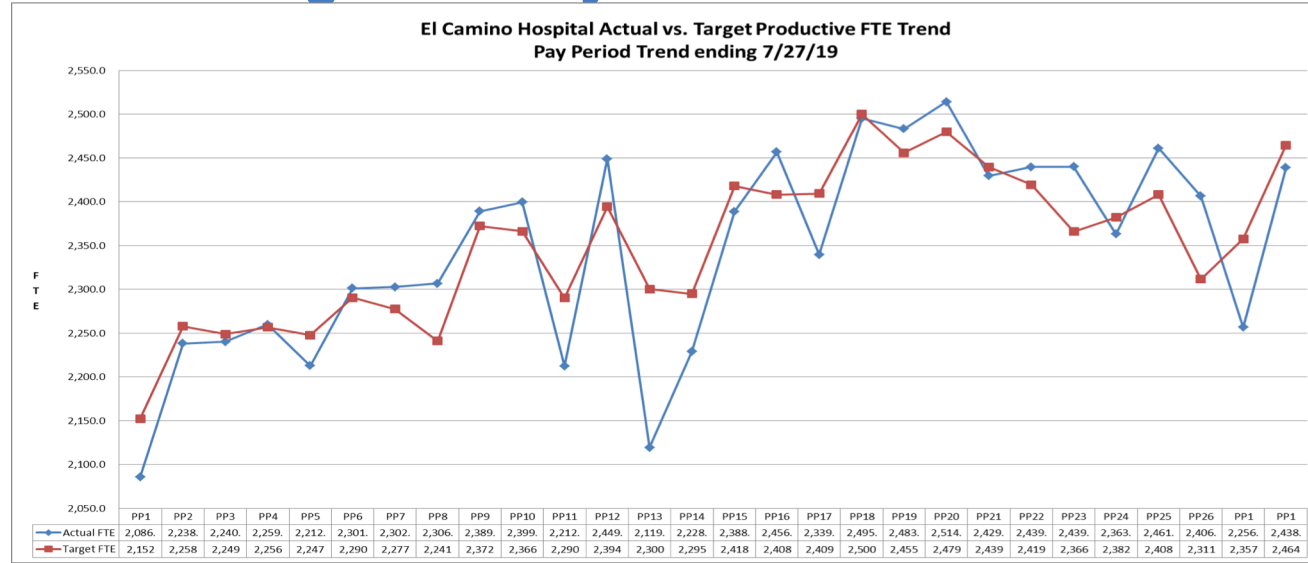
# Monthly Financial Trends



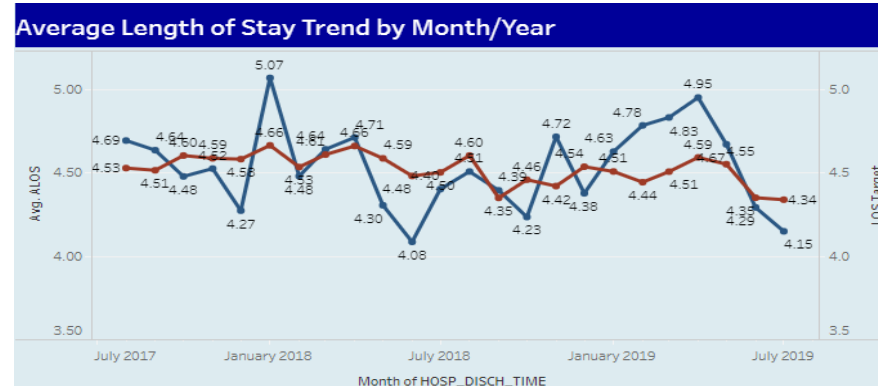
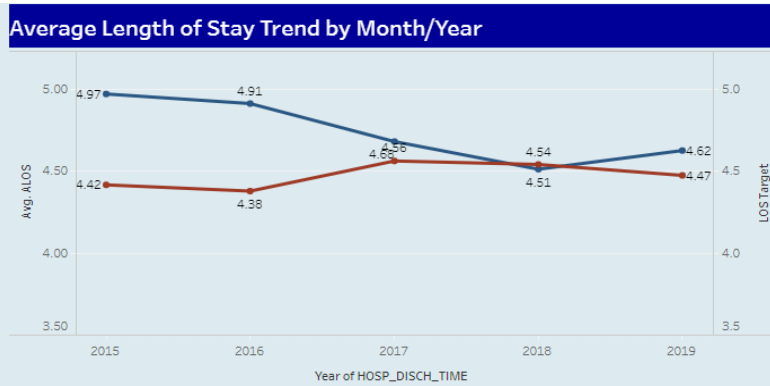
- Volume trend using adjusted discharges is favorable to budget in the last three months.
- Operating Margin in July favorable to budget driven by favorable revenue (volumes)
- Payer mix in July is unfavorable due to disproportionate growth in Medicare
- Revenue cycle operation consistently better than targets and show a favorable trend

# Productivity and Medicare Length of Stay

Productive FTEs were favorable to the volume adjusted target by 2.3% for July. Holiday in July also contributing to the positive variance.



ALOS vs Milliman well-managed benchmark (red line). Medicare is our largest book of business and growing due to aging population. Lower length of stay is a key driver for improving the Medicare margin  
FY19 ALOS has increased due to long stay outlier cases beginning in January but has been improving since May.



# ECH Operating Margin

Run rate is booked operating income adjusted for material non-recurring transactions



FY 2020 Actual Run Rate Adjustments (in thousands) - FAV / <UNFAV>		
Revenue Adjustments	J	YTD
Mcare Settltm/Appeal/Tent Settltm/PIP	129	129
Various Adjustments under \$250k	9	9
<b>Total</b>	<b>138</b>	<b>138</b>

# INVESTMENT SCORECARD AS OF JUNE 30, 2019

Key Performance Indicator	Status	El Camino	Benchmark	El Camino	Benchmark	El Camino	Benchmark	FY19 Year End Budget	Expectation Per Asset Allocation
<b>Investment Performance</b>		<b>2Q 2019</b>		<b>Fiscal Year-to-date</b>		<b>6y 8m Since Inception (annualized)</b>		<b>2019</b>	
Surplus cash balance*		\$1,028.7	--	--	--	--	--	\$892.9	--
Surplus cash return		2.9%	2.8%	5.4%	5.7%	5.6%	5.5%	3.2%	5.6%
Cash balance plan balance (millions)		\$277.6	--	--	--	--	--	\$276.9	--
Cash balance plan return		3.1%	3.0%	6.0%	5.9%	7.8%	7.0%	6.0%	6.0%
403(b) plan balance (millions)		\$514.1	--	--	--	--	--	--	--
<b>Risk vs. Return</b>		<b>3-year</b>		<b>6y 8m Since Inception (annualized)</b>		<b>2019</b>			
Surplus cash Sharpe ratio		1.06	1.04	--	--	1.02	1.01	--	0.34
Net of fee return		7.2%	6.8%	--	--	5.6%	5.5%	--	5.6%
Standard deviation		5.4%	5.2%	--	--	4.9%	4.8%	--	8.7%
Cash balance Sharpe ratio		1.09	1.03	--	--	1.12	1.06	--	0.32
Net of fee return		8.8%	7.8%	--	--	7.8%	7.0%	--	6.0%
Standard deviation		6.7%	6.2%	--	--	6.3%	6.0%	--	10.3%
<b>Asset Allocation</b>		<b>2Q 2019</b>							
Surplus cash absolute variances to target		7.1%	< 10%	--	--	--	--	--	--
Cash balance absolute variances to target		6.9%	< 10%	--	--	--	--	--	--
<b>Manager Compliance</b>		<b>2Q 2019</b>							
Surplus cash manager flags		17	< 24 Green < 30 Yellow	--	--	--	--	--	--
Cash balance plan manager flags		23	< 27 Green < 34 Yellow	--	+	--	--	--	--

\*Excludes debt reserve funds (~\$83 mm), District assets (~\$41 mm), and balance sheet cash not in investable portfolio (~\$128 mm). Includes Foundation (~\$31 mm) and Concern (~\$14 mm) assets. Budget adds back in current Foundation and Concern assets and backs out current debt reserve funds.



# Hospital Balance Sheet

(in thousands)

## ASSETS

	Audited	
	July 31, 2020	June 30, 2019
<b>CURRENT ASSETS</b>		
Cash	121,305	117,494
Short Term Investments	180,175	161,725
Patient Accounts Receivable, net	125,126	126,437
Other Accounts and Notes Receivable	3,393	3,646
Intercompany Receivables	5,601	7,456
Inventories and Prepays	65,243	64,056
<b>Total Current Assets</b>	<b>500,843</b>	<b>480,815</b>
<b>BOARD DESIGNATED ASSETS</b>		
Plant & Equipment Fund	171,489	171,304
Women's Hospital Expansion	15,472	15,472
Operational Reserve Fund	144,294	139,057
Community Benefit Fund	18,036	18,260
Workers Compensation Reserve Fund	20,849	20,732
Postretirement Health/Life Reserve Fund	29,494	29,480
PTO Liability Fund	25,926	26,149
Malpractice Reserve Fund	1,831	1,831
Catastrophic Reserves Fund	19,973	19,678
<b>Total Board Designated Assets</b>	<b>447,364</b>	<b>441,963</b>
<b>FUNDS HELD BY TRUSTEE</b>	<b>74,056</b>	<b>83,073</b>
<b>LONG TERM INVESTMENTS</b>	<b>355,354</b>	<b>375,729</b>
<b>INVESTMENTS IN AFFILIATES</b>	<b>33,070</b>	<b>37,150</b>
<b>PROPERTY AND EQUIPMENT</b>		
Fixed Assets at Cost	1,308,845	1,307,595
Less: Accumulated Depreciation	(625,271)	(620,761)
Construction in Progress	392,581	375,094
<b>Property, Plant &amp; Equipment - Net</b>	<b>1,076,155</b>	<b>1,061,928</b>
<b>DEFERRED OUTFLOWS</b>	<b>29,858</b>	<b>29,908</b>
<b>RESTRICTED ASSETS - CASH</b>	<b>-</b>	<b>-</b>
<b>TOTAL ASSETS</b>	<b>2,516,700</b>	<b>2,510,566</b>

## LIABILITIES AND FUND BALANCE

	Audited	
	July 31, 2020	June 30, 2019
<b>CURRENT LIABILITIES</b>		
Accounts Payable	48,183	37,494
Salaries and Related Liabilities	30,909	29,609
Accrued PTO	25,926	26,149
Worker's Comp Reserve	2,300	2,300
Third Party Settlements	11,319	11,156
Intercompany Payables	2,002	1,003
Malpractice Reserves	1,800	1,800
Bonds Payable - Current	8,630	8,630
Bond Interest Payable	3,834	12,775
Other Liabilities	7,330	7,383
<b>Total Current Liabilities</b>	<b>142,234</b>	<b>138,299</b>
<b>LONG TERM LIABILITIES</b>		
Post Retirement Benefits	29,494	29,480
Worker's Comp Reserve	18,549	18,432
Other L/T Obligation (Asbestos)	3,984	3,975
Other L/T Liabilities (IT/Medl Leases)	-	-
Bond Payable	507,095	507,531
<b>Total Long Term Liabilities</b>	<b>559,122</b>	<b>559,417</b>
<b>DEFERRED REVENUE-UNRESTRICTED</b>	<b>181</b>	<b>494</b>
<b>DEFERRED INFLOW OF RESOURCES</b>	<b>9,822</b>	<b>9,822</b>
<b>FUND BALANCE/CAPITAL ACCOUNTS</b>		
Unrestricted	1,357,977	1,360,571
Board Designated	447,364	441,962
Restricted	-	-
<b>Total Fund Bal &amp; Capital Accts</b>	<b>1,805,341</b>	<b>1,802,533</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>2,516,700</b>	<b>2,510,566</b>



# APPENDIX



## EL CAMINO HOSPITAL - BOARD DESIGNATED FUND DESCRIPTIONS/HISTORY ( 1 OF 2)

- **Plant & Equipment Fund** – original established by the District Board in the early 1960’s to fund new capital expansion projects of building facilities or equipment (new or replacements). The funds came from the M&O property taxes being received and the funding depreciation expense at 100%. When at the end of 1992, the 501(c)(3) Hospital was performed by the District, the property tax receipts remained with the District. The newly formed Hospital entity continued on with funding depreciation expense, but did that funding at 130% of the depreciation expense to account for an expected replacement cost of current plant and property assets. It is to be noted that within this fund is an itemized amount of \$14 million for the Behavioral Health Service building replacement project. This amount came from the District’s Capital Appropriation Fund (excess Gann Limit property taxes) of the fiscal years of 2010 thru 2013 by various District board actions.
- **Women’s Hospital Expansion** – established June 2016 by the District authorizing the amounts accumulated in its Capital Appropriation Fund (excess Gann Limit property taxes) for the fiscal years of 2014 and 2015 to be allocated for the renovation of the Women’s Hospital upon the completion of Integrated Medical Office Building currently under construction. At the end of fiscal year 2019 another \$7.2 million was added to this fund bringing it to \$22.5 million.
- **Operational Reserve Fund** – originally established by the District in May 1992 to establish a fund equal to sixty (60) days of operational expenses (based on the current projected budget) and only be used in the event of a major business interruption event and/or cash flow.
- **Community Benefit Fund** – following in the footsteps of the District in 2008 of forming its Community Benefit Fund using Gann Limit tax receipts, the Hospital in 2010 after opening its campus outside of District boundaries in Los Gatos formed its own Community Benefit Fund to provide grants/sponsorships in Los Gatos and surrounding areas. The funds come from the Hospital reserving \$1.5M a year from its operations, the entity of CONCERN contributing 40% of its annual income each year (an amount it would have paid in corporate taxes if it wasn’t granted tax exempt status), that generates an amount of \$500,000 or more a year. \$15 million within this fund is a board designated endowment fund formed in 2015 with a \$10 million contribution, and added to at the end of the 2017 fiscal year end with another \$5 million contribution, to generate investment income to be used for grants and sponsorships, in fiscal year 2019 it generated over \$872 thousand of investment income for the program.



## EL CAMINO HOSPITAL - BOARD DESIGNATED FUND DESCRIPTIONS/HISTORY ( 2 OF 2)

- **Workers Compensation Reserve Fund** – as the Hospital is self-insured for its workers compensation program (since 1978) this fund was originally formed in early 2000's by management to reserve cash equal to the yearly actuarially determined Workers Compensation amount. The thought being if the business was to terminate for some reason this is the amount in cash that would be needed to pay out claims over the next few years.
- **Postretirement Health/Life Reserve Fund** – following the same formula as the Workers Compensation Reserve Fund this fund was formed in the early 2000's by management to reserve cash equal to the yearly actuarially determined amount to fund the Hospital's postretirement health and life insurance program. Note this program was frozen in 1995 for all new hires after that date. At the end of fiscal year 2018, GASB #75 was implemented that now represents the full actuarially determined liability.
- **PTO (Paid Time Off) Liability Fund** – originally formed in 1993 as the new 501(c)(3) Hospital began operations, management thought as a business requirement of this vested benefit program that monies should be set aside to extinguish this employee liability should such a circumstance arise. This balance is equal to the PTO Liability on the Balance Sheet.
- **Malpractice Reserve Fund** – originally established in 1989 by the then District's Finance Committee and continued by the Hospital. The amount is actuarially determined each year as part of the annual audit to fund potential claims less than \$50,000. Above \$50,000 our policy with the BETA Healthcare Group kicks in to a \$30 million limit per claim/\$40 million in the aggregate.
- **Catastrophic Loss Fund** – was established in 1999 by the Hospital Board to be a "self-insurance" reserve fund for potential non-major earthquake repairs. Initially funded by the District transferring \$5 million and has been added to by the last major payment from FEMA for the damage caused the Hospital by the October 1989 earthquake. It is to be noted that it took 10 years to receive final settlement from FEMA grants that totaled \$6.8 million that did mostly cover all the necessary repairs.

# El Camino Hospital Volume Annual Trends

VOLUME BY SERVICE LINE <small>Last Data Refresh: 9/10/2019 8:46:53 AM</small>							MONTH					FACILITY		PROCEDURAL?				
							01-Jul					(All)		(All)				
ANNUAL TREND							FY20 Bud vs FY19		MONTH					YEAR				
							Cases	Percent	PY	CY	Bud	Bud Var	PY Var	PY	CY	Bud	Bud Var	PY Var
	2015	2016	2017	2018	2019	Bud 2020												
IP																		
Behavioral Health	1,052	928	924	1,098	1,181	1,382	201	17.0%	83	95	92	3	12	83	95	92	3	12
General Medicine	4,583	4,452	4,951	5,278	5,193	4,971	-222	-4.3%	396	453	403	50	57	396	453	403	50	57
General Surgery	1,149	1,311	1,318	1,305	1,409	1,427	18	1.3%	109	109	116	-7	0	109	109	116	-7	0
GYN	313	293	270	243	226	194	-32	-14.2%	11	16	10	6	5	11	16	10	6	5
Heart and Vascular	1,998	2,001	2,205	2,372	2,300	2,274	-26	-1.1%	159	188	158	30	29	159	188	158	30	29
MCH	5,976	5,541	5,480	5,253	4,955	5,373	418	8.4%	384	407	427	-20	23	384	407	427	-20	23
Neurosciences	672	677	685	868	884	845	-39	-4.4%	70	91	69	22	21	70	91	69	22	21
Oncology	564	652	594	633	740	685	-55	-7.4%	61	58	61	-3	-3	61	58	61	-3	-3
Orthopedics	1,773	1,746	1,690	1,705	1,672	1,733	61	3.6%	132	148	143	5	16	132	148	143	5	16
Rehab Services	555	500	461	441	522	586	64	12.3%	42	47	50	-3	5	42	47	50	-3	5
Spine Surgery	429	417	474	375	358	362	4	1.1%	24	33	27	6	9	24	33	27	6	9
Urology	169	234	257	255	292	287	-5	-1.7%	12	43	12	31	31	12	43	12	31	31
Total	19,233	18,752	19,309	19,826	19,732	20,119	387	2.0%	1,483	1,688	1,568	120	205	1,483	1,688	1,568	120	205
OP																		
Behavioral Health	886	2,394	3,260	3,151	2,752	3,171	419	15.2%	228	206	257	-51	-22	228	206	257	-51	-22
Dialysis	155	6					0		0	0	0	0	0	0	0	0	0	0
Emergency	49,091	48,590	48,624	49,411	48,458	47,737	-721	-1.5%	4,041	4,158	4,075	83	117	4,041	4,158	4,075	83	117
General Medicine	6,620	7,195	7,129	7,266	8,068	8,297	229	2.8%	607	653	644	9	46	607	653	644	9	46
General Surgery	1,853	1,797	1,837	2,003	1,961	2,055	94	4.8%	156	197	163	34	41	156	197	163	34	41
GYN	1,308	1,018	1,079	1,099	1,401	1,491	90	6.4%	111	120	118	2	9	111	120	118	2	9
Heart and Vascular	2,712	3,795	4,361	4,364	4,615	4,707	92	2.0%	383	341	389	-48	-42	383	341	389	-48	-42
Imaging Services	20,072	17,807	17,249	18,501	18,964	19,793	829	4.4%	1,569	1,528	1,574	-46	-41	1,569	1,528	1,574	-46	-41
Laboratory Services	29,726	29,007	29,153	28,564	27,423	28,395	972	3.5%	2,331	2,257	2,406	-149	-74	2,331	2,257	2,406	-149	-74
MCH	4,826	5,092	5,576	5,642	5,451	5,625	174	3.2%	460	458	476	-18	-2	460	458	476	-18	-2
Neurosciences	61	127	125	114	81	66	-15	-18.5%	4	10	4	6	6	4	10	4	6	6
Oncology	4,179	14,329	18,541	19,276	20,873	21,741	868	4.2%	1,481	1,521	1,590	-69	40	1,481	1,521	1,590	-69	40
Orthopedics	776	584	615	641	765	712	-53	-6.9%	42	92	41	51	50	42	92	41	51	50
Outpatient Clinics	1,705	1,680	1,288	1,883	1,563	2,508	945	60.5%	137	112	137	-25	-25	137	112	137	-25	-25
Rehab Services	1,747	3,954	4,518	4,925	5,525	5,520	-5	-0.1%	443	506	447	59	63	443	506	447	59	63
Sleep Center	223	498	368	242	340	383	43	12.6%	18	26	22	4	8	18	26	22	4	8
Spine Surgery	399	309	324	311	287	281	-6	-2.1%	18	13	17	-4	-5	18	13	17	-4	-5
Urology	1,771	1,739	1,898	2,053	2,093	2,067	-26	-1.2%	163	206	166	40	43	163	206	166	40	43
Total	128,110	139,921	145,945	149,446	150,620	154,549	3,929	2.6%	12,192	12,404	12,526	-122	212	12,192	12,404	12,526	-122	212
Grand Total	147,343	158,673	165,254	169,272	170,352	174,668	4,316	2.5%	13,675	14,092	14,094	-2	417	13,675	14,092	14,094	-2	417

# El Camino Hospital – Mountain View (\$000s)

Period ending 07/31/2019

Period 1 FY 2019	Period 1 FY 2020	Period 1 Budget 2020	Variance Fav (Unfav)	Var%	\$000s	YTD FY 2019	YTD FY 2020	YTD Budget 2020	Variance Fav (Unfav)	Var%
218,059	250,744	236,858	13,886	5.9%	<b>OPERATING REVENUE</b>	218,059	250,744	236,858	13,886	5.9%
(159,876)	(181,678)	(176,349)	(5,329)	(3.0%)	Gross Revenue	(159,876)	(181,678)	(176,349)	(5,329)	(3.0%)
<b>58,184</b>	<b>69,066</b>	<b>60,509</b>	<b>8,557</b>	<b>14.1%</b>	Deductions	<b>58,184</b>	<b>69,066</b>	<b>60,509</b>	<b>8,557</b>	<b>14.1%</b>
1,552	1,414	1,723	(309)	(17.9%)	Net Patient Revenue	1,552	1,414	1,723	(309)	(17.9%)
<b>59,736</b>	<b>70,480</b>	<b>62,233</b>	<b>8,248</b>	<b>13.3%</b>	Other Operating Revenue	<b>59,736</b>	<b>70,480</b>	<b>62,233</b>	<b>8,248</b>	<b>13.3%</b>
					Total Operating Revenue					
					<b>OPERATING EXPENSE</b>					
33,162	35,638	35,915	277	0.8%	Salaries & Wages	33,162	35,638	35,915	277	0.8%
7,967	10,428	8,760	(1,669)	(19.1%)	Supplies	7,967	10,428	8,760	(1,669)	(19.1%)
7,071	8,016	7,243	(773)	(10.7%)	Fees & Purchased Services	7,071	8,016	7,243	(773)	(10.7%)
886	1,186	1,264	78	6.2%	Other Operating Expense	886	1,186	1,264	78	6.2%
121	233	495	262	53.0%	Interest	121	233	495	262	53.0%
3,488	3,698	3,475	(224)	(6.4%)	Depreciation	3,488	3,698	3,475	(224)	(6.4%)
<b>52,695</b>	<b>59,200</b>	<b>57,152</b>	<b>(2,048)</b>	<b>(3.6%)</b>	Total Operating Expense	<b>52,695</b>	<b>59,200</b>	<b>57,152</b>	<b>(2,048)</b>	<b>(3.6%)</b>
<b>7,041</b>	<b>11,281</b>	<b>5,081</b>	<b>6,200</b>	<b>122.0%</b>	Net Operating Margin	<b>7,041</b>	<b>11,281</b>	<b>5,081</b>	<b>6,200</b>	<b>122.0%</b>
7,751	895	2,488	(1,593)	(64.0%)	Non Operating Income	7,751	895	2,488	(1,593)	(64.0%)
<b>14,793</b>	<b>12,176</b>	<b>7,569</b>	<b>4,607</b>	<b>60.9%</b>	Net Margin	<b>14,793</b>	<b>12,176</b>	<b>7,569</b>	<b>4,607</b>	<b>60.9%</b>
17.8%	21.6%	14.5%	7.0%		EBITDA	17.8%	21.6%	14.5%	7.0%	
11.8%	16.0%	8.2%	7.8%		Operating Margin	11.8%	16.0%	8.2%	7.8%	
24.8%	17.3%	12.2%	5.1%		Net Margin	24.8%	17.3%	12.2%	5.1%	

# El Camino Hospital – Los Gatos (\$000s)

Period ending 07/31/2019

Period 1 FY 2019	Period 1 FY 2020	Period 1 Budget 2020	Variance Fav (Unfav)	Var%	\$000s	YTD FY 2019	YTD FY 2020	YTD Budget 2020	Variance Fav (Unfav)	Var%
<b>OPERATING REVENUE</b>										
47,581	57,480	54,714	2,766	5.1%	<b>Gross Revenue</b>	47,581	57,480	54,714	2,766	5.1%
(35,142)	(42,551)	(40,618)	(1,933)	(4.8%)	<b>Deductions</b>	(35,142)	(42,551)	(40,618)	(1,933)	(4.8%)
<b>12,439</b>	<b>14,930</b>	<b>14,096</b>	<b>833</b>	<b>5.9%</b>	<b>Net Patient Revenue</b>	<b>12,439</b>	<b>14,930</b>	<b>14,096</b>	<b>833</b>	<b>5.9%</b>
262	379	268	110	41.0%	<b>Other Operating Revenue</b>	262	379	268	110	41.0%
<b>12,701</b>	<b>15,308</b>	<b>14,365</b>	<b>943</b>	<b>6.6%</b>	<b>Total Operating Revenue</b>	<b>12,701</b>	<b>15,308</b>	<b>14,365</b>	<b>943</b>	<b>6.6%</b>
<b>OPERATING EXPENSE</b>										
6,900	7,402	7,283	(119)	(1.6%)	<b>Salaries &amp; Wages</b>	6,900	7,402	7,283	(119)	(1.6%)
1,972	2,259	2,129	(130)	(6.1%)	<b>Supplies</b>	1,972	2,259	2,129	(130)	(6.1%)
1,364	1,542	1,493	(49)	(3.3%)	<b>Fees &amp; Purchased Services</b>	1,364	1,542	1,493	(49)	(3.3%)
1,547	1,527	1,602	75	4.7%	<b>Other Operating Expense</b>	1,547	1,527	1,602	75	4.7%
0	0	0	0	0.0%	<b>Interest</b>	0	0	0	0	0.0%
735	812	810	(2)	(0.2%)	<b>Depreciation</b>	735	812	810	(2)	(0.2%)
<b>12,518</b>	<b>13,542</b>	<b>13,317</b>	<b>(225)</b>	<b>(1.7%)</b>	<b>Total Operating Expense</b>	<b>12,518</b>	<b>13,542</b>	<b>13,317</b>	<b>(225)</b>	<b>(1.7%)</b>
<b>182</b>	<b>1,766</b>	<b>1,048</b>	<b>719</b>	<b>68.6%</b>	<b>Net Operating Margin</b>	<b>182</b>	<b>1,766</b>	<b>1,048</b>	<b>719</b>	<b>68.6%</b>
0	0	0	0	0.0%	<b>Non Operating Income</b>	0	0	0	0	0.0%
<b>182</b>	<b>1,766</b>	<b>1,048</b>	<b>719</b>	<b>68.6%</b>	<b>Net Margin</b>	<b>182</b>	<b>1,766</b>	<b>1,048</b>	<b>719</b>	<b>68.6%</b>
7.2%	16.8%	12.9%	3.9%		<b>EBITDA</b>	7.2%	16.8%	12.9%	3.9%	
1.4%	11.5%	7.3%	4.2%		<b>Operating Margin</b>	1.4%	11.5%	7.3%	4.2%	
1.4%	11.5%	7.3%	4.2%		<b>Net Margin</b>	1.4%	11.5%	7.3%	4.2%	