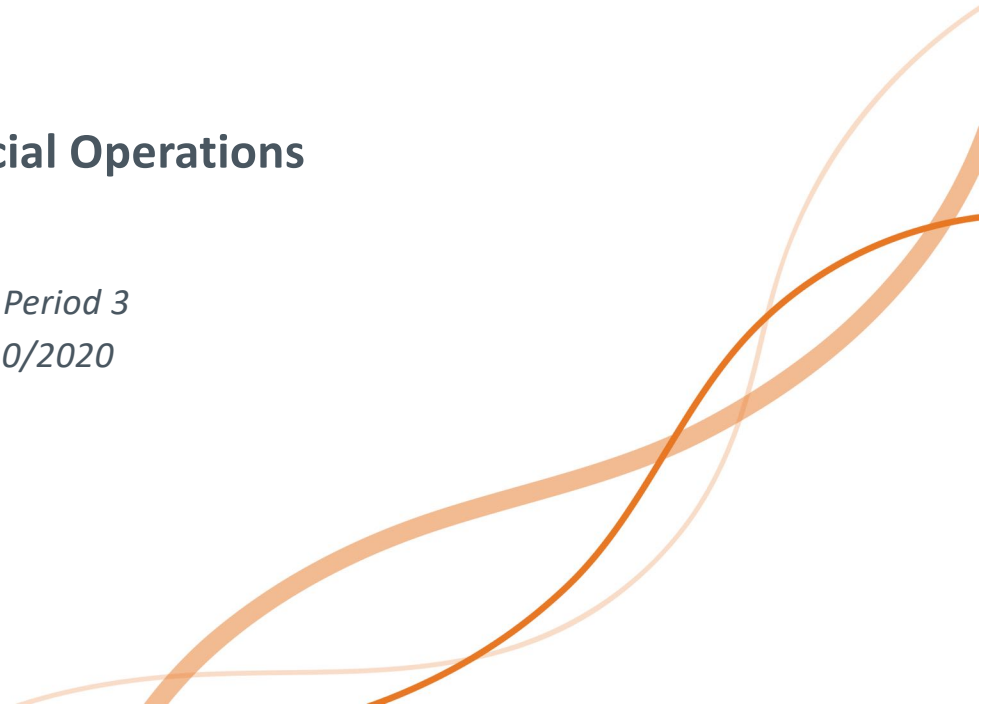




Summary of Financial Operations

*Fiscal Year 2021 – Period 3
7/1/2020 to 9/30/2020*





Overall Commentary for September

- For both ECH and SVMD the volumes continue to exceed budget
- Overall gross charges, a surrogate for volume, was exceeded budget by 34% in the month of September (Net Patient Revenue exceeded budget by 30%)
- Operating Expenses were \$8.6M or 11% greater than budget and driven by the increased volumes
- Operating income was favorable to the budget by \$11.5M and comparable to prior year
- Because of current / future revenue inflation pressures and Covid impact
 - Continued focus on managing variable expenses and monitoring changes to payor mix will be critical to ensure the organization returns to consistent strong operating performance
 - Non Operating Income includes:
 - Investment Income was a negative \$9.6M due to realized loss of \$1.4M with the remaining amount being unrealized losses in equity and fixed income positions during the month.

Consolidated Statement of Operations (\$000s)

Period ending 09/30/2020

Period 3 FY 2020	Period 3 FY 2021	Period 3 Budget 2021	Variance Fav (Unfav)	Var%	\$000s	YTD FY 2020	YTD FY 2021	YTD Budget 2021	Variance Fav (Unfav)	Var%
312,105	357,838	266,678	91,160	34.2%	OPERATING REVENUE	943,255	1,030,188	782,037	248,151	31.7%
(232,266)	(267,829)	(197,259)	(70,570)	(35.8%)	Gross Revenue	(694,407)	(768,638)	(578,847)	(189,791)	(32.8%)
79,839	90,009	69,418	20,590	29.7%	Deductions	248,847	261,549	203,190	58,360	28.7%
5,632	3,996	4,424	(428)	(9.7%)	Net Patient Revenue	13,563	12,994	13,234	(240)	(1.8%)
85,471	94,005	73,842	20,163	27.3%	Other Operating Revenue	262,411	274,543	216,424	58,120	26.9%
44,976	48,136	43,161	(4,975)	(11.5%)	Total Operating Revenue					
12,325	12,798	10,833	(1,965)	(18.1%)	OPERATING EXPENSE					
13,126	14,949	14,476	(473)	(3.3%)	Salaries & Wages	136,079	142,306	130,033	(12,274)	(9.4%)
3,485	4,498	3,596	(902)	(25.1%)	Supplies	38,758	42,511	32,007	(10,504)	(32.8%)
525	1,428	926	(501)	(54.1%)	Fees & Purchased Services	40,278	42,233	43,519	1,286	3.0%
4,368	5,795	5,962	168	2.8%	Other Operating Expense	10,425	11,677	11,322	(355)	(3.1%)
78,805	87,604	78,954	(8,649)	(11.0%)	Interest	1,590	4,287	2,775	(1,512)	(54.5%)
6,666	6,401	(5,112)	11,513	(225.2%)	Depreciation	13,359	16,354	17,577	1,223	7.0%
2,677	(9,557)	3,228	(12,785)	(396.1%)	Total Operating Expense	240,490	259,367	237,232	(22,135)	(9.3%)
9,342	(3,156)	(1,884)	(1,272)	67.5%	Net Operating Margin	21,920	15,176	(20,809)	35,985	(172.9%)
13.5%	14.5%	2.4%	12.1%		Non Operating Income	6,214	46,803	7,729	39,074	505.5%
7.8%	6.8%	-6.9%	13.7%		Net Margin	28,135	61,979	(13,079)	75,058	(573.9%)
10.9%	-3.4%	-2.6%	(0.8%)		EBIDA	14.1%	13.0%	-0.2%	13.3%	
					Operating Margin	8.4%	5.5%	-9.6%	15.1%	
					Net Margin	10.7%	22.6%	-6.0%	28.6%	

Dashboard - as of September 30, 2020

	Month				YTD			
	PY	CY	Bud/Target	Variance CY vs Bud	PY	CY	Bud/Target	Variance CY vs Bud
Consolidated Financial Perf.								
Total Operating Revenue	85,471	94,005	73,842	20,163	262,411	274,543	216,424	58,120
Operating Expenses	78,805	87,604	78,954	(8,649)	240,490	259,367	237,232	(22,135)
Operating Margin \$	6,666	6,401	(5,112)	11,513	21,920	15,176	(20,809)	35,985
Operating Margin %	7.8%	6.8%	(6.9%)	13.7%	8.4%	5.5%	(9.6%)	15.1%
EBIDA \$	11,559	13,624	1,776	11,847	36,869	35,816	(457)	36,273
EBIDA %	13.5%	14.5%	2.4%	12.1%	14.1%	13.0%	(0.2%)	13.3%
Hospital Volume								
Licensed Beds	443	454	454	-	443	454	454	-
ADC	227	246	199	46	227	236	191	45
Utilization MV	63%	64%	52%	12.8%	62%	61%	49%	12.0%
Utilization LG	27%	32%	27%	4.7%	29%	32%	26%	5.7%
Utilization Combined	51%	54%	44%	10.2%	51%	52%	42%	10.0%
Adjusted Discharges	2,989	2,861	2,517	344	9,428	8,702	7,406	1,296
Total Discharges (Excl NNB)	1,575	1,543	1,354	189	4,953	4,635	3,986	649
Total Discharges	1,915	1,871	1,686	185	6,013	5,698	4,972	726
Inpatient Cases								
MS Discharges	1,096	1,041	838	203	3,440	3,054	2,459	595
Deliveries	358	357	351	6	1,112	1,140	1,042	98
BHS	82	94	121	(27)	275	296	355	(59)
Rehab	39	51	44	7	126	145	130	15
Outpatient Cases								
ED	4,005	2,951	2,498	453	12,293	9,242	7,193	2,049
Procedural Cases								
OP Surg	448	504	330	174	1,447	1,514	981	533
Endo	216	214	138	76	648	699	402	297
Interventional	182	172	98	74	527	523	275	248
All Other	8,232	11,340	7,059	4,281	23,860	33,336	20,889	12,447
Hospital Payor Mix								
Medicare	52.5%	48.4%	48.2%	0.2%	49.9%	47.9%	48.4%	(0.5%)
Medi-Cal	7.7%	7.5%	7.6%	(0.1%)	7.8%	7.2%	7.4%	(0.2%)
Commercial IP	16.3%	21.1%	20.6%	0.6%	18.6%	20.9%	20.6%	0.2%
Commercial OP	21.3%	20.8%	21.1%	(0.3%)	21.6%	21.7%	21.1%	0.6%
Total Commercial	37.6%	41.9%	41.7%	0.3%	40.1%	42.6%	41.7%	0.8%
Other	2.2%	2.2%	2.5%	(0.3%)	2.1%	2.4%	2.5%	(0.1%)
Hospital Cost								
Total FTE ¹	2,760.0	2,763.9	2,834.9	71.0	2,749.1	2,734.5	2,818.0	83.5
Productive Hrs/APD	32.1	30.8	34.7	3.9	31.6	31.0	35.7	4.7
Consolidated Balance Sheet								
Net Days in AR	48.8	52.9	49.0	(3.9)	48.8	52.9	49.0	(3.9)
Days Cash	468	520	435	84	468	520	435	84

¹ Paid FTE; Budget in this case is using the Flex Budget instead of Fixed Budget

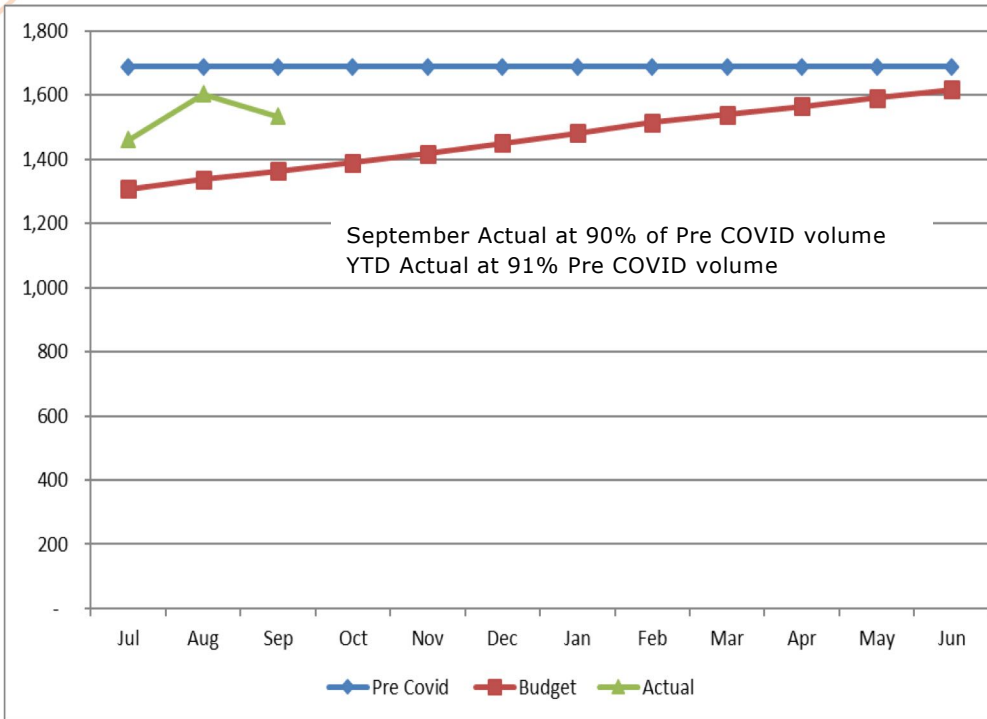


APPENDIX

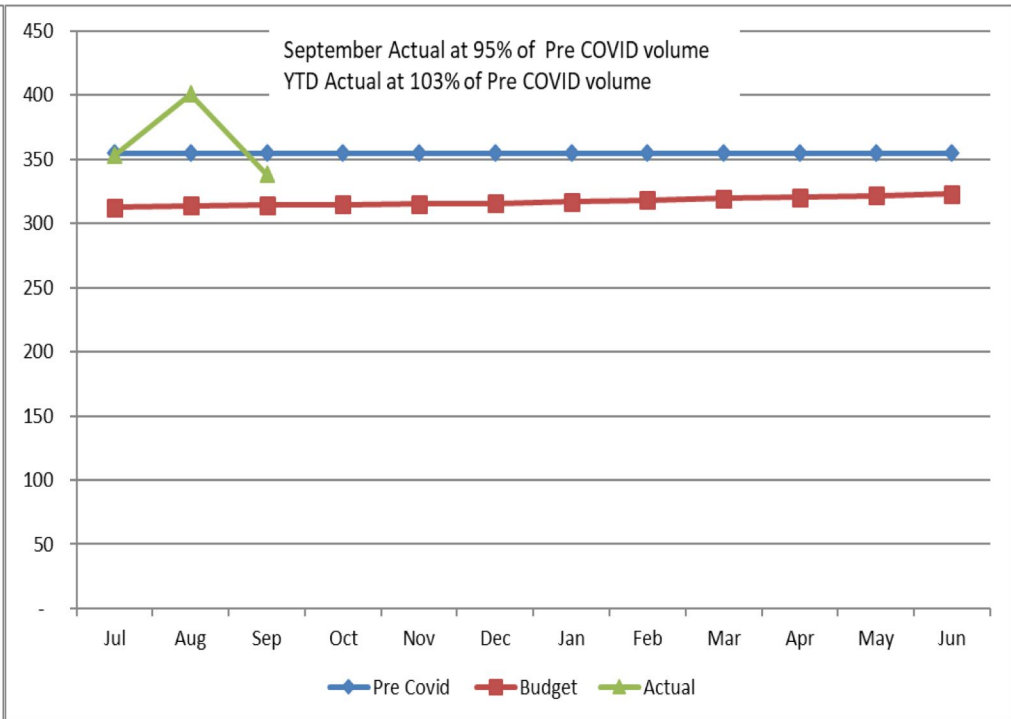
September Volume – Inpatient

FY2021 Budget vs Actual – Including Pre COVID Level

MV



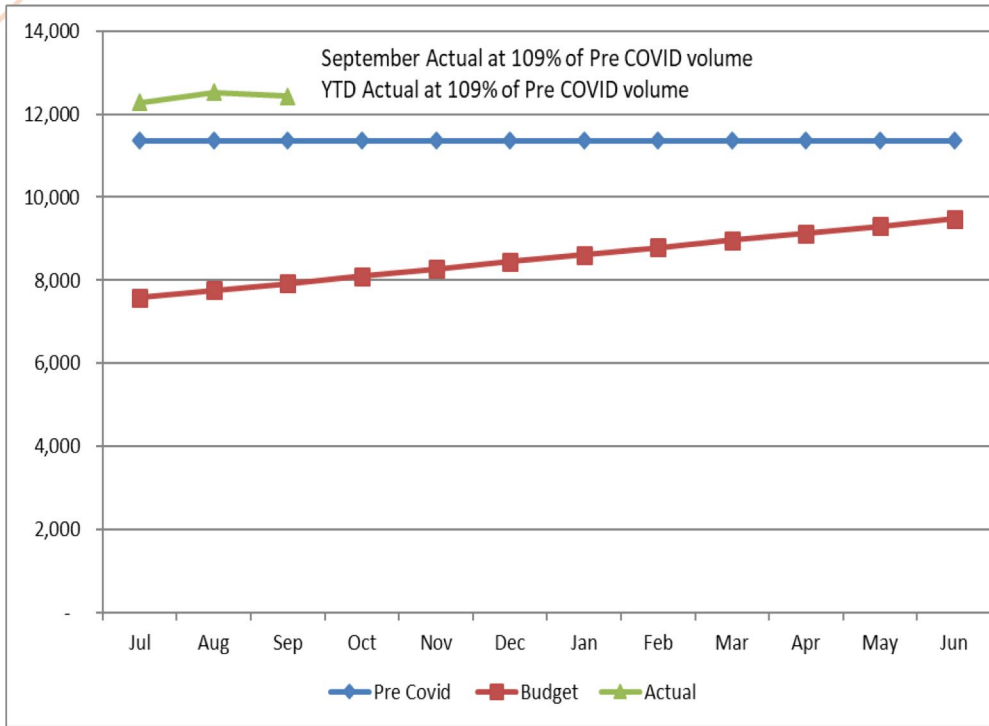
LG



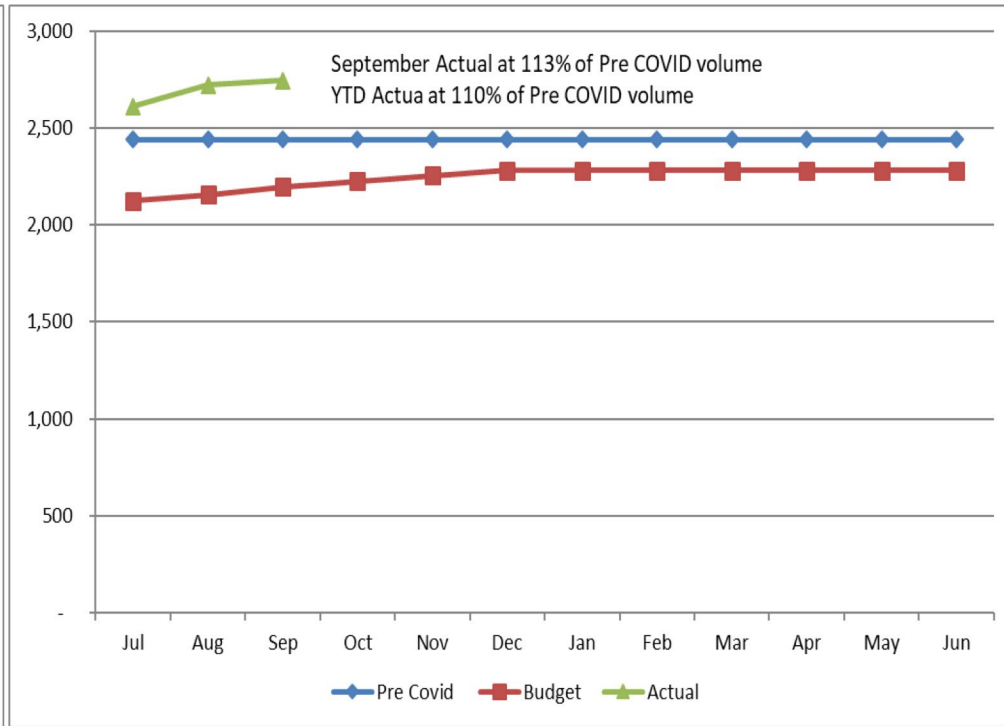
September Volume – Outpatient

FY2021 Budget vs Actual – Including Pre COVID Level

MV



LG



Investment Portfolio Scorecard (as of 9/30/2020)

Key Performance Indicator	Status	El Camino	Benchmark	El Camino	Benchmark	El Camino	Benchmark	FY20 Budget	Expectation Per Asset Allocation
Investment Performance		3Q 2020		Fiscal Year-to-date		7y 11m Since Inception (annualized)		FY 2020	2019
Surplus cash balance*		\$1,120.8	--	--	--	--	--	--	--
Surplus cash return		4.1%	3.9%	4.1%	3.9%	5.7%	5.6%	4.0%	5.6%
Cash balance plan balance (millions)		\$301.8	--	--	--	--	--	--	--
Cash balance plan return		5.3%	4.6%	5.3%	4.6%	7.7%	7.0%	6.0%	6.0%
403(b) plan balance (millions)		\$581.5	--	--	--	--	--	--	--
Risk vs. Return		3-year			7y 11m Since Inception (annualized)				2019
Surplus cash Sharpe ratio		0.51	0.51	--	--	0.83	0.83	--	0.34
Net of fee return		5.8%	5.5%	--	--	5.7%	5.6%	--	5.6%
Standard deviation		8.2%	7.9%	--	--	6.0%	5.8%	--	8.7%
Cash balance Sharpe ratio		0.54	0.49	--	--	0.91	0.88	--	0.32
Net of fee return		7.0%	6.0%	--	--	7.7%	7.0%	--	6.0%
Standard deviation		10.3%	9.4%	--	--	7.7%	7.1%	--	10.3%
Asset Allocation		3Q 2020							
Surplus cash absolute variances to target		12.4%	< 10% Green < 20% Yellow	--	--	--	--	--	--
Cash balance absolute variances to target		12.1%	< 10% Green < 20% Yellow	--	--	--	--	--	--
Manager Compliance		3Q 2020							
Surplus cash manager flags		23	< 24 Green < 30 Yellow	--	--	--	--	--	--
Cash balance plan manager flags		25	< 27 Green < 34 Yellow	--	--	--	--	--	--

*Excludes debt reserve funds (~\$18 mm), District assets (~\$42 mm), and balance sheet cash not in investable portfolio (\$236 mm). Includes Foundation (~\$37 mm) and Concern (~\$15 mm) assets.