



# El Camino Health

## Summary of Financial Operations

*Fiscal Year 2023 – Period 7  
7/1/2022 to 01/31/2023*

# Executive Summary - Overall Commentary for Period 7

- **Continued mixed results for Period 7:**

- Overall Revenue Favorable to budget by \$25.5M / 5.6%
  - Driven by Inpatient activity
    - Inpatient Charges \$26.2M / 11.4% favorable to budget
    - Outpatient Charges \$0.8M / 0.4% unfavorable to budget
  - Payer mix shift from Commercial to Medicare in January
- Cost Management
  - When adjusted for volume, overall operating expense unfavorable to budget by 3.3%
  - Labor: Contract Labor remain at a high level, but significant improvement in Overtime
- Gross charges were favorable to budget by \$25.5M / 5.6% and \$67.1M / 16.0% higher than the same period last year.
- Net patient revenue was unfavorable to budget by \$2.9M / 2.4% and \$4.3M / 4.0% higher than the same period last year.
- Operating margin was unfavorable to budget by \$3.5M / 26.8% and \$2.1M / 17.7% lower than the same period last year.
- Operating EBIDA was unfavorable to budget by \$3.0M / 14.6% and \$1.6M / 8.2% lower than the same period last year.
- Net income was favorable to budget by \$48.3M and \$84.0M higher than the same period last year.

# Operational / Financial Results: Period 7 – January 2023 (as of 01/31/2023)

(\$ thousands)		Current Year	Budget	Variance to Budget	Performance to Budget	Prior Year	Variance to Prior Year	Variance to Prior Year	Moody's	S&P	Performance to Rating Agency Medians
									'A1'	'AA'	
Activity / Volume	ADC	311	279	32	11.6%	280	31	11.2%	---	---	---
	Total Acute Discharges	1,835	1,861	(26)	(1.4%)	1,708	127	7.4%	---	---	---
	Adjusted Discharges	3,400	3,637	(237)	(6.5%)	3,200	200	6.2%	---	---	---
	Emergency Room Visits	5,644	6,125	(481)	(7.9%)	6,010	(366)	(6.1%)	---	---	---
	OP Procedural Cases	10,235	13,772	(3,537)	(25.7%)	12,967	(2,732)	(21.1%)	---	---	---
	Gross Charges (\$)	485,066	459,513	25,554	5.6%	417,996	67,070	16.0%	---	---	---
Operations	Total FTEs	3,293	3,315	(22)	(0.7%)	3,120	172	5.5%	---	---	---
	Productive Hrs. / APD	28.6	29.9	(1.4)	(4.6%)	29.5	(0.9)	(3.1%)	---	---	---
	Cost Per CMI AD	18,631	18,036	595	3.3%	17,688	943	5.3%	---	---	---
	Net Days in A/R	55.3	54.0	1.3	2.4%	50.7	4.6	9.0%	47.7	49.7	---
Financial Performance	Net Patient Revenue (\$)	113,712	116,565	(2,853)	(2.4%)	109,378	4,334	4.0%	138,547	82,105	---
	Total Operating Revenue (\$)	118,062	121,195	(3,133)	(2.6%)	112,741	5,321	4.7%	152,743	109,602	---
	Operating Margin (\$)	9,673	13,215	(3,542)	(26.8%)	11,756	(2,084)	(17.7%)	1,915	3,836	---
	Operating EBIDA (\$)	17,645	20,656	(3,011)	(14.6%)	19,223	(1,578)	(8.2%)	11,188	10,741	---
	Net Income (\$)	64,254	15,929	48,326	303.4%	(19,783)	84,037	424.8%	8,124	7,343	---
	Operating Margin (%)	8.2%	10.9%	(2.7%)	(24.9%)	10.4%	(2.2%)	(21.4%)	1.9%	3.5%	---
	Operating EBIDA (%)	14.9%	17.0%	(2.1%)	(12.3%)	17.1%	(2.1%)	(12.3%)	8.3%	9.8%	---
	DCOH (days)	251	325	(74)	(22.6%)	317	(65)	(20.6%)	306	355	---

**Moody's Medians:** Not-for-profit and public healthcare annual report; September 9, 2021. Dollar amounts have been adjusted to reflect monthly averages.

**S&P Medians:** U.S. Not-For-Profit Health Care Stand-Alone Hospital Median Financial Ratios; August 30, 2021. Dollar amounts have been adjusted to reflect monthly averages.

DCOH total includes cash, short-term and long-term investments.

# Operational / Financial Results: YTD FY2023 (as of 01/31/2023)

(\$ thousands)		Current Year	Budget	Variance to Budget	Performance to Budget	Prior Year	Variance to Prior Year	Variance to Prior Year	Moody's	S&P	Performance to Rating Agency Medians
									'A1'	'AA'	
Activity / Volume	ADC	300	259	40	15.6%	267	32	12.1%	---	---	---
	Total Acute Discharges	12,791	12,210	581	4.8%	12,200	591	4.8%	---	---	---
	Adjusted Discharges	24,715	24,504	211	0.9%	23,915	800	3.3%	---	---	---
	Emergency Room Visits	44,610	38,235	6,375	16.7%	39,377	5,233	13.3%	---	---	---
	OP Procedural Cases	81,266	93,951	(12,685)	(13.5%)	90,369	(9,103)	(10.1%)	---	---	---
	Gross Charges (\$)	3,308,996	3,084,204	224,791	7.3%	2,929,324	379,672	13.0%	---	---	---
Operations	Total FTEs	3,278	3,286	(9)	(0.3%)	3,032	246	8.1%	---	---	---
	Productive Hrs. / APD	28.1	30.6	(2.5)	(8.2%)	28.8	(0.7)	(2.3%)	---	---	---
	Cost Per CMI AD	17,683	18,036	(353)	(2.0%)	16,491	1,192	7.2%	---	---	---
	Net Days in A/R	55.3	54.0	1.3	2.4%	50.7	4.6	9.0%	47.7	49.7	---
Financial Performance	Net Patient Revenue (\$)	797,535	785,182	12,352	1.6%	747,333	50,202	6.7%	969,831	574,732	---
	Total Operating Revenue (\$)	825,320	814,655	10,665	1.3%	772,790	52,530	6.8%	1,063,365	767,215	---
	Operating Margin (\$)	79,229	82,375	(3,147)	(3.8%)	100,143	(20,915)	(20.9%)	13,404	26,853	---
	Operating EBIDA (\$)	134,039	135,195	(1,156)	(0.9%)	152,318	(18,279)	(12.0%)	78,318	75,187	---
	Net Income (\$)	151,883	102,512	49,371	48.2%	81,158	70,725	87.1%	56,871	51,403	---
	Operating Margin (%)	9.6%	10.1%	(0.5%)	(5.1%)	13.0%	(3.4%)	(25.9%)	1.9%	3.5%	---
	Operating EBIDA (%)	16.2%	16.6%	(0.4%)	(2.1%)	19.7%	(3.5%)	(17.6%)	8.3%	9.8%	---
	DCOH (days)	251	325	(74)	(22.6%)	317	(65)	(20.6%)	306	355	---

**Moody's Medians:** Not-for-profit and public healthcare annual report; September 9, 2021.

**S&P Medians:** U.S. Not-For-Profit Health Care Stand-Alone Hospital Median Financial Ratios; August 30, 2021

DCOH total includes cash, short-term and long-term investments.

# Consolidated Balance Sheet (as of 01/31/2023)

(\$000s)

## ASSETS

	Audited	
	January 31, 2023	June 30, 2022
<b>CURRENT ASSETS</b>		
Cash	195,065	196,067
Short Term Investments	148,367	125,816
Patient Accounts Receivable, net	210,466	209,668
Other Accounts and Notes Receivable	17,969	21,044
Intercompany Receivables	12,503	13,998
Inventories and Prepaids	39,911	36,476
<b>Total Current Assets</b>	<b>624,280</b>	<b>603,068</b>
<b>BOARD DESIGNATED ASSETS</b>		
Foundation Board Designated	23,973	18,721
Plant & Equipment Fund	368,059	310,045
Women's Hospital Expansion	30,473	30,261
Operational Reserve Fund	207,898	182,907
Community Benefit Fund	17,732	18,299
Workers Compensation Reserve Fund	14,029	14,029
Postretirement Health/Life Reserve Fund	30,417	29,783
PTO Liability Fund	33,663	33,709
Malpractice Reserve Fund	1,893	1,906
Catastrophic Reserves Fund	28,589	24,668
<b>Total Board Designated Assets</b>	<b>756,724</b>	<b>664,329</b>
<b>FUNDS HELD BY TRUSTEE</b>	-	0
<b>LONG TERM INVESTMENTS</b>	<b>452,511</b>	<b>495,751</b>
<b>CHARITABLE GIFT ANNUITY INVESTMENTS</b>	<b>949</b>	<b>940</b>
<b>INVESTMENTS IN AFFILIATES</b>	<b>30,643</b>	<b>30,376</b>
<b>PROPERTY AND EQUIPMENT</b>		
Fixed Assets at Cost	1,907,940	1,872,501
Less: Accumulated Depreciation	(822,931)	(778,427)
Construction in Progress	139,134	96,603
<b>Property, Plant &amp; Equipment - Net</b>	<b>1,224,143</b>	<b>1,190,676</b>
<b>DEFERRED OUTFLOWS</b>	<b>18,971</b>	<b>19,474</b>
<b>RESTRICTED ASSETS</b>	<b>34,669</b>	<b>31,200</b>
<b>OTHER ASSETS</b>	<b>211,430</b>	<b>216,842</b>
<b>TOTAL ASSETS</b>	<b>3,354,322</b>	<b>3,252,657</b>

## LIABILITIES AND FUND BALANCE

	Audited	
	January 31, 2023	June 30, 2022
<b>CURRENT LIABILITIES</b>		
Accounts Payable	53,421	51,286
Salaries and Related Liabilities	23,047	46,502
Accrued PTO	34,413	34,449
Worker's Comp Reserve	2,300	2,300
Third Party Settlements	11,518	14,942
Intercompany Payables	8,775	13,489
Malpractice Reserves	2,096	2,096
Bonds Payable - Current	10,400	9,905
Bond Interest Payable	-	8,096
Other Liabilities	12,372	20,955
<b>Total Current Liabilities</b>	<b>158,342</b>	<b>204,021</b>
<b>LONG TERM LIABILITIES</b>		
Post Retirement Benefits	30,417	29,783
Worker's Comp Reserve	14,029	14,029
Other L/T Obligation (Asbestos)	38,173	37,944
Bond Payable	455,487	466,838
<b>Total Long Term Liabilities</b>	<b>538,105</b>	<b>548,593</b>
<b>DEFERRED REVENUE-UNRESTRICTED</b>	<b>12,551</b>	<b>12,312</b>
<b>DEFERRED INFLOW OF RESOURCES</b>	<b>104,214</b>	<b>104,367</b>
<b>FUND BALANCE/CAPITAL ACCOUNTS</b>		
Unrestricted	2,290,040	2,136,565
Board Designated	208,652	210,197
Restricted	42,417	36,601
<b>Total Fund Bal &amp; Capital Accts</b>	<b>2,541,109</b>	<b>2,383,363</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>3,354,322</b>	<b>3,252,657</b>