

**Finance and Management Committee  
Meeting Notice & Agenda**

Wednesday, January 4, 2012  
7:30 a.m. – 9:00 a.m.  
Dal Cielo Conference Room

Office of the Clerk: (510) 814-4001

Members of the public who wish to comment on agenda items will be given an opportunity before or during the consideration of each agenda item. Those wishing to comment must complete a speaker card indicating the agenda item that they wish to address.

- I. Call To Order Michael McCormick
  
- II. Action Items
  - A. Acceptance of November 30, 2011 Minutes [enclosure] Michael McCormick
  - B. Recommendation to Accept November 2011 Unaudited Financial Statements [enclosure] Robert Anderson
  - C. Recommendation to Approve Administrative Policy No. 83 - Community Care Guidelines and No. 83a - Self Pay or Uninsured Patient Cash Payment Discounts [to be distributed]
  
- III. Chief Executive Officer Report Deborah E. Stebbins
  - A. Revenue Cycle Update
    - 1. Follow-up to Sub Committee / Task Force Meeting of 12/7
    - 2. Revenue Cycle Performance Tracking [enclosure]
  - B. Waters Edge Update
  - C. Wound Care Program Update
  - D. Legislative Update
  
- IV. Chief Financial Officer Report Robert Anderson
  - A. Daily Reporting Tools and Monitoring [enclosure]
  - B. Case Mix Index Update
  
- V. Board / Committee / Staff Comments
  
- VI. Adjournment

**NEXT MEETING SCHEDULED: January 25, 2012**

This is being noticed as a Board Meeting as a quorum of Directors may be present. Ex-officio members and non-committee members cannot vote on any item, whether or not a quorum of the Board is present.

Finance and Management Committee Minutes

November 30, 2011

<b>Members Present:</b> (Voting)	Mike McCormick, Chair Robert Deutsch, MD	Ann Evans Ed Kofman James Oddie	William Sellman, MD Jim Yeh, DO
<b>Management Present:</b>	Deborah E. Stebbins Kerry J. Easthope	Diana Surber Mary Bond, RN	Katy Silverman
<b>Ex Officio/Guests:</b>	Jordan Battani	Elliott Gorelick (partial)	
<b>Absent:</b>	N/A		
<b>Submitted by:</b>	Kristen Thorson		
TOPIC	DISCUSSION		ACTION   FOLLOW-UP
I. Call to Order	Director McCormick called the meeting to order at 7: 35 a.m.		
II. Action Items	A.	Acceptance of October 26, 2011 Minutes	Mr. Oddie made a motion to accept the minutes as presented. Ms Evans seconded the motion. The motion carried.
	B.	<p>Recommendation to Accept October 2011 Unaudited Financial Statements</p> <p>Ms. Surber presented the Financial Statements noting the following key points.</p> <p>Average daily census (ADC) was 83.6 versus a budgeted 83.8. Total outpatient registrations were below budget by 14%. Overall gross revenue (inpatient and outpatient) was unfavorable to budget by \$1.3M. Case Mix Index was down from September and from prior year. Deductions from revenue were favorable to budget by \$1.4M due to below budget gross revenues which was offset by a favorable adjustment of \$835,000 to reverse the AB 97 SNF rate reduction reserve. This was partially offset by negative adjustment of \$502,000 to true-up IGT receivable for FY 11 and FY12.</p> <p>Operating expenses were \$78,000 over budget with unfavorable variances in salaries, benefits and professional fees partially offset by favorable variances in supplies and purchased services. The operating loss for the month was \$222,000 versus budgeted loss of \$357,000.</p>	Mr. Kofman made a motion to recommend approval of the October 2011 Unaudited Financial Statements as presented. Mr. Oddie seconded the motion. The motion carried.

III. Chief Executive Officer Report	A.	<p>Revenue Cycle Update</p> <p>Revenue Cycle Task Force Meeting – December 2011</p> <p>Ms. Stebbins updated the committee on the Revenue Cycle. Staff will contact Ms. Battani, Ms. Evans, and Mr. Oddie to schedule a task force meeting in early December to review in detail the key areas of focus for the revenue cycle as well as what progress has been made in these areas.</p>	
	B.	<p>Waters Edge Update</p> <p>Ms. Stebbins updated the committee on the transition of Waters Edge, noting that the state application was submitted and that weekly transition meetings are taking place with staff from Hospital and Waters Edge.</p>	
	C.	<p>Organizational Changes in Finance</p> <p>Ms. Stebbins informed the committee that Diana Surber has completed her assignment at Alameda Hospital and will be returning to her consulting assignments with HFS Consultants. Ms. Stebbins informed the committee that Robert Anderson has hired as Interim CFO for the Hospital.</p>	
	D.	<p>IGT Update</p> <p>Ms. Stebbins stated that the hospital continues to wait for the IGT funds for 2011.</p>	
	E.	<p>AB97 Litigation Update</p> <p>Ms. Stebbins stated that California Hospital Association continues to fight the rate reductions for the SNF rates. The subacute rates were not affected by the passing of AB97 which resulted in a pick-up of approximately \$1.8 M to the hospital.</p>	
	F.	<p>Discussion of Rescheduling December Committee Meeting to January 4, 2012</p> <p>The Committee discussed having a meeting on January 4, 2012 to review the December Financials.</p>	<p>The Committee agreed to have a meeting on January 4, 2012 as well as the regularly scheduled meeting of January 25, 2012.</p>
IV. Finance Report	A.	<p>Update on Cash Position</p> <p>Diana Surber updated the committee on the</p>	

		cash position of the hospital noting that overall vendors have been willing to work with the hospital regarding the delay in payments. She informed the committee that a short term loan had been made from the CW&C Investment Company, LLC (a related entity to the District) to the District to assist with payments to vendors.	
V. Board / Committee / Staff Comments	No board, Committee or Staff comments.		
VI. Adjournment	Being no further business, the meeting was adjourned at 9:08 a.m.		

DRAFT

# THE CITY OF ALAMEDA HEALTH CARE DISTRICT

## ALAMEDA HOSPITAL

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### UNAUDITED FINANCIAL STATEMENTS

FOR THE PERIOD ENDING NOVEMBER 30, 2011

**CITY OF ALAMEDA HEALTH CARE DISTRICT  
ALAMEDA HOSPITAL  
NOVEMBER 30, 2011**

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# ALAMEDA HOSPITAL MANAGEMENT DISCUSSION AND ANALYSIS NOVEMBER, 2011

The management of Alameda Hospital (the "Hospital") has prepared this discussion and analysis in order to provide an overview of the Hospital's performance for the period ending November 30, 2011 in accordance with the Governmental Accounting Standards Board Statement No. 34, *Basic Financials Statements; Management's Discussion and Analysis for State and Local Governments*. The intent of this document is to provide additional information on the Hospital's financial performance as a whole.

## ***Financial Overview as of November, 2011***

- For the month of November 2011, combined expense over revenue is \$681,000 versus a budgeted excess of expense over revenue of \$71,000. This loss is due in part to lower inpatient volume. Year-to-date (YTD), the hospital had a combined loss of (\$995,000) compared to a budget of excess revenues over expenses of \$245,000.
- Gross patient revenue for November was less than budget by \$1.6 million or 7.2%. Inpatient revenue was unfavorable to budget by \$818,000 (5.6%), and the outpatient programs were also unfavorable by another \$762,000 (10.5%). On a year-to-date basis, gross revenue is below budget by \$5.4 million (4.8%), \$2.9 million (3.9%) related to inpatient and \$2.5 million (6.6%) related to outpatient. The gross patient revenue Per Adjusted Patient Day (PAPD) of \$5,651 was 2.9% below the budget of \$5,819 and .1% above October results of \$5,645.
- Patient days, while below budget, are also below last year's volumes. Total patient days for the month were 2,444, 2.8% below the budget of 2,514, and YTD days of 12,675 are 185 days (1.4%) under budget. These figures represent a decrease from the prior month of 2,590 and prior year's November of 2,572 total patient days but is up from November 2010 YTD of 12,588.
- The average daily acute care census was 28.27, unfavorable to a budget of 29.60 by 1.33 ADC (4.5%), and a decrease from the acute ADC of 30.03 in the prior month; the average daily Sub-Acute census was 31.13 below budget of 33.0, and the Skilled Nursing program had an average daily census of 22.07 versus a budget of 21.2. Year-to-date ADC is 2.1% below the budget of 84.05 at 82.84, but still .57 ADC (.7%) above the 2010 YTD ADC of 82.27.
- Emergency Care Center (ECC) visits were 1,349, 31 visits (2.2%) under the budget of 1,380 visits. YTD, the ECC visits are 56 below the budget.
- Total surgery cases were more than budgeted expectations by 8.2% for the month at 197 cases versus the budgeted 182 cases; inpatient cases were 5 (11.9%) under budget while outpatient cases were 20 (14.3%) over budget. Year-to-date surgery cases were 1,006 or 5.1% above the budget of 957, and above prior YTD of 971.
- Outpatient registrations were 1,996, or 2.5% above budget and 196 or 10.9% above prior month. The average of 66.5 visits per day was 14.5% higher than the prior month's 58.1 visits per day. YTD outpatient registrations are below budget by 7.6% at 9,235 versus the budget of 9,997. The outpatient visits were below budget in IVT Therapy (43 visits) and Occupational Therapy (24 visits), yet over budget in Radiology (43 visits) and Ultrasound (24 visits).

## ***Balance Sheet***

Total assets increased by \$28,000 from the prior month, mostly all of which was in current assets. The following items make up the increase in current assets:

- Total unrestricted cash and cash equivalents for November decreased by \$466,000 and days cash on hand including restricted use funds decreased to 6.9 days on hand in November from 9.5 days on hand in October. The decrease in cash was the result of below budget cash collections, increased accounts receivable and decreased payroll liabilities partially offset by an increase in accounts payable.
- Net patient accounts receivable increased in November by \$157,000 compared to an increase of \$288,000 in October. Days in outstanding receivables were 59.2 at November month end, an increase from 57.9 days in

October. Collections in November were \$3.9 million compared to \$4.5 million in October.

- Other Receivables increased by \$406,000 from October to November due to the routine accrual of district tax monies.

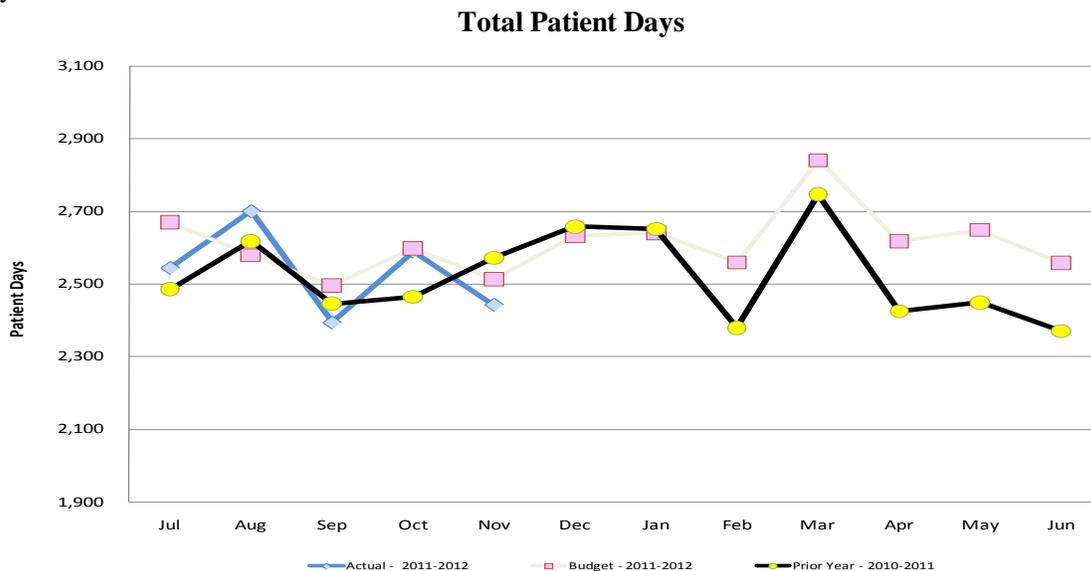
Total liabilities increased by \$701,000 compared to a decrease of \$512,000 in the prior month. This increase in the current month was the result of the following:

- Third party settlement accounts remained the same after the adjustment to reserves taken in the prior month.
- Payroll related accruals increased by \$415,000 as a result of the timing of pay period end in relation to the month end.
- Deferred revenues decreased again by \$477,000 due to the recognition of one-twelfth of the 2011/2012 parcel tax revenues of \$5.7 million.
- The current portion of the long term debt increased \$238,000 due to \$250,000 in draws on the line of credit. At month end \$750,000 of the board approved \$750,000 had been drawn down.
- Accounts payable and other accrued expenses increased \$552,000 as vendor payments were delayed due to low cash collections.

**Volumes**

The combined actual average daily census was 81.47 versus a budget of 83.80 an unfavorable variance of 2.8%. The current month’s overall unfavorable variance was the result of average daily census that was favorable to budget in the acute care areas by 1.33 patients per day or 4.5%. The Sub-Acute program average daily census was below budget by 1.87 ADC or 5.7%, while the Skilled Nursing program had a positive variance to budget of .87 patients per day or 4.1%. November’s total census represents a 2.5% decrease from the October’s average census levels.

The graph below shows the total patient days by month for fiscal year 2012 compared to the operating budget and fiscal year 2011 actual.

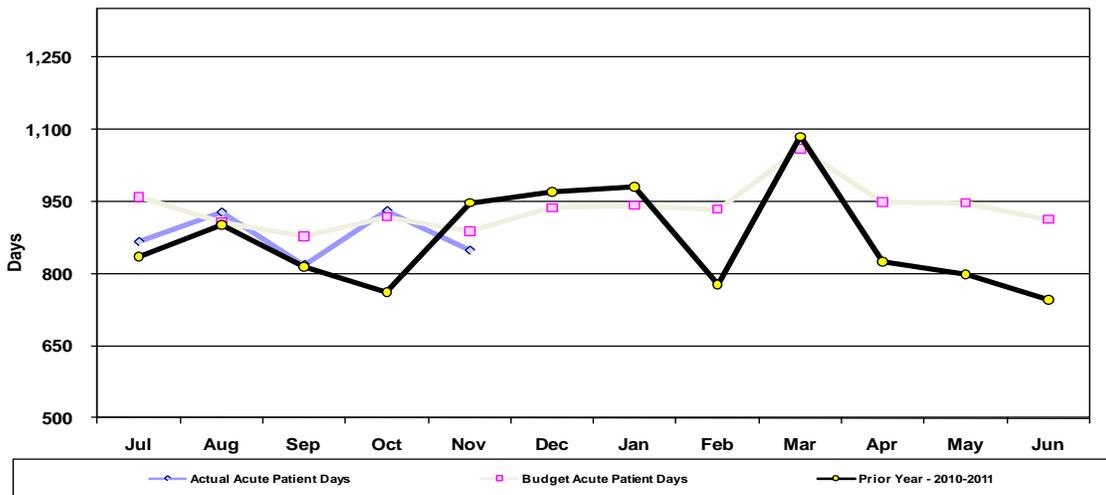


The various components of our inpatient volumes for the month of November are discussed in the following sections.

**Acute Care**

The acute care patient days were 4.5% (40 days) less than budgeted and 10.5% below the prior year’s average daily census of 31.57 for November. The acute care program is comprised of the Critical Care Unit (3.7 ADC, 19.6% unfavorable to budget), Definitive Observation Unit (10.4 ADC, 15.9% below budget) and Med/Surg Units (14.2 ADC, 12.7% favorable to budget). The graph below shows the inpatient acute care patient days by month for the current fiscal year, the operating budget and prior fiscal year actual.

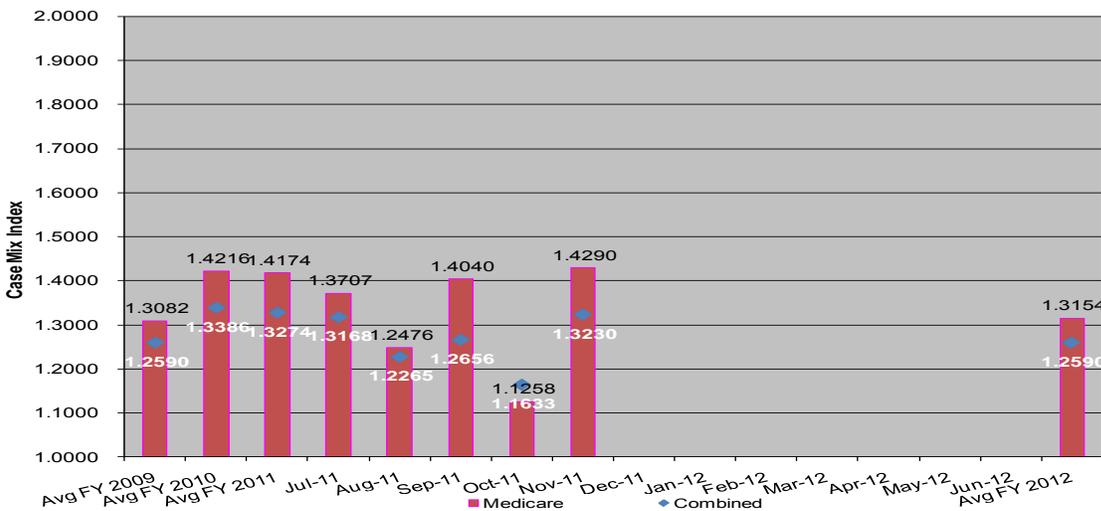
**Inpatient Acute Care Patient Days**



**Case Mix Index**

The hospital’s overall Case Mix Index (CMI) increased to 1.3230, up from the prior month of 1.1633, and just below the prior fiscal year average of 1.3274. The Medicare CMI increased from 1.1258 in October to 1.4290 in November. The graph below shows the Medicare CMI for the hospital during the current fiscal year as compared to the prior three fiscal years.

**Case Mix Index Trend**



The CMI at the time of forecasting this year’s budget was 1.3758. Year-to-date November 2011 the CMI was

1.2613. This represents an 8.1% decline compared to the same time frame last year. However, the month of November 2011 saw a notable increase closer to prior levels, and CMI is continuing to swing back up in December. Note that payers with lower volume can have substantial swings in CMI from one period to another. See the table below that compares the CMI by payer for the three periods.

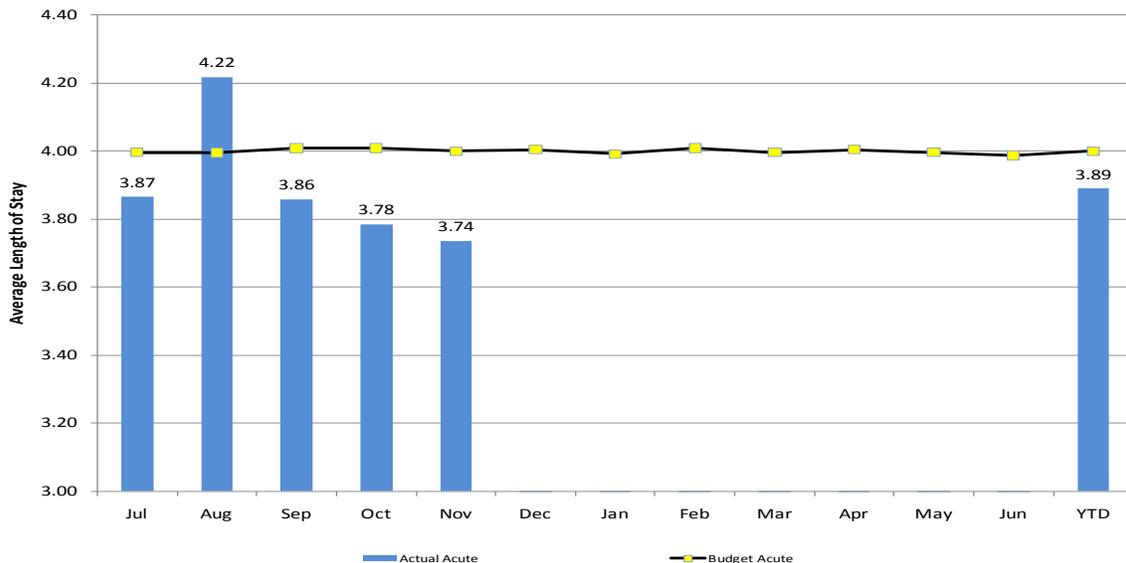
**Case Mix Index Comparison**

Financial Class	Jun 10 - Mar 11	Nov 10 YTD	Nov 11 YTD	Nov 11 YTD Volume
Commercial - Non-Contracted	1.9649	2.1154	0.7788	3
HMO	1.2522	1.1614	1.3761	55
Industrial	1.8373	0.9154	1.4326	7
Kaiser	1.8412	2.3422	1.3194	5
Medi-Cal HMO	1.0008	0.9751	0.9641	60
Medi-Cal	1.2724	1.1857	1.2513	86
Medicare	1.4724	1.4917	1.3131	577
Medicare HMO	1.3568	1.4119	1.3721	108
Personal Pay	1.0105	1.0436	1.0094	77
Medi-Cal Pending	1.8334	2.0526	2.0751	4
PPO	1.2613	1.2599	1.1444	120
VA	1.4051	1.3565	1.2893	24
<b>Combined</b>	<b>1.3758</b>	<b>1.3721</b>	<b>1.2613</b>	1,126

**Average Length of Stay - Acute**

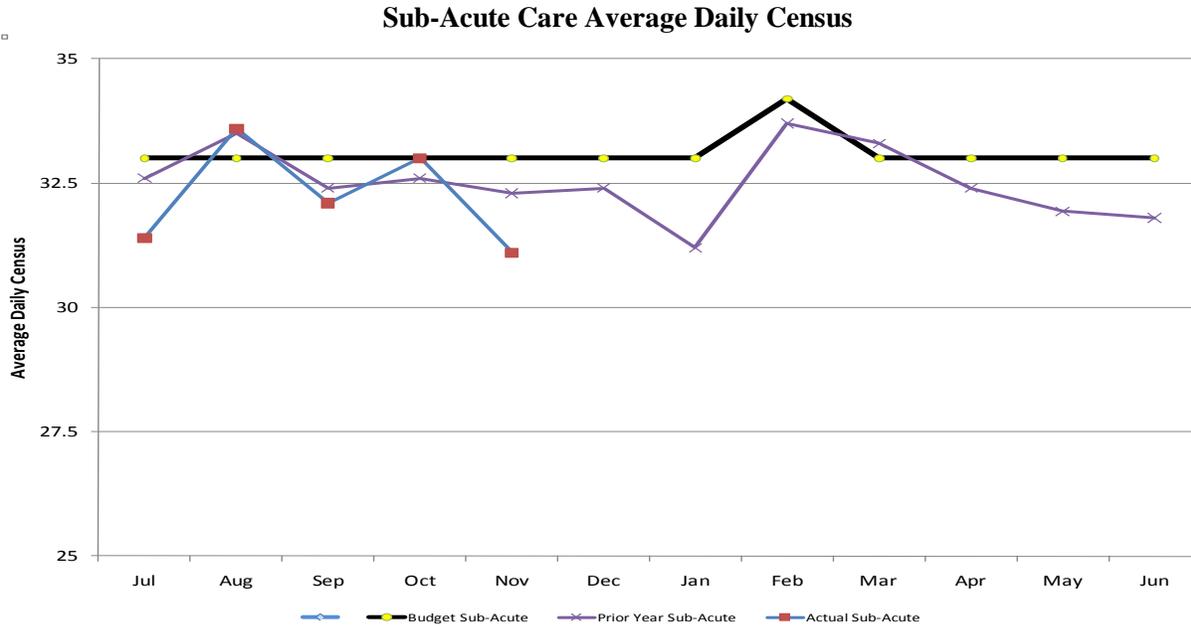
The acute average length of stay (ALOS) decreased from the October low of 3.78 to 3.74 in November, which is also below November in the prior year of 4.15. Budgeted acute ALOS is 4.0. The overall acute ALOS for FY 2011 was 4.13. The graph below shows the ALOS by month and the budgeted ALOS for fiscal year 2012.

**Average Length of Stay**



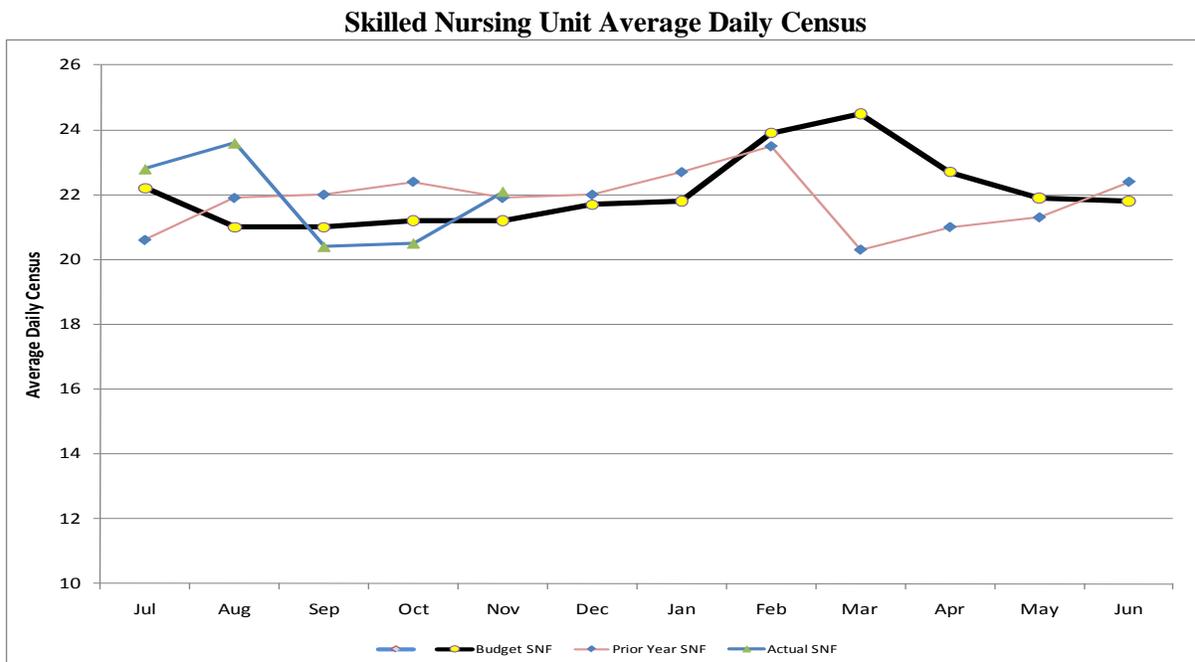
**Sub-Acute Care**

The Sub-Acute program average daily census of 31.13 in November was below budgeted projections of 33.0. The graph below shows the Sub-Acute programs average daily census for the current fiscal year as compared to budget and the prior year.



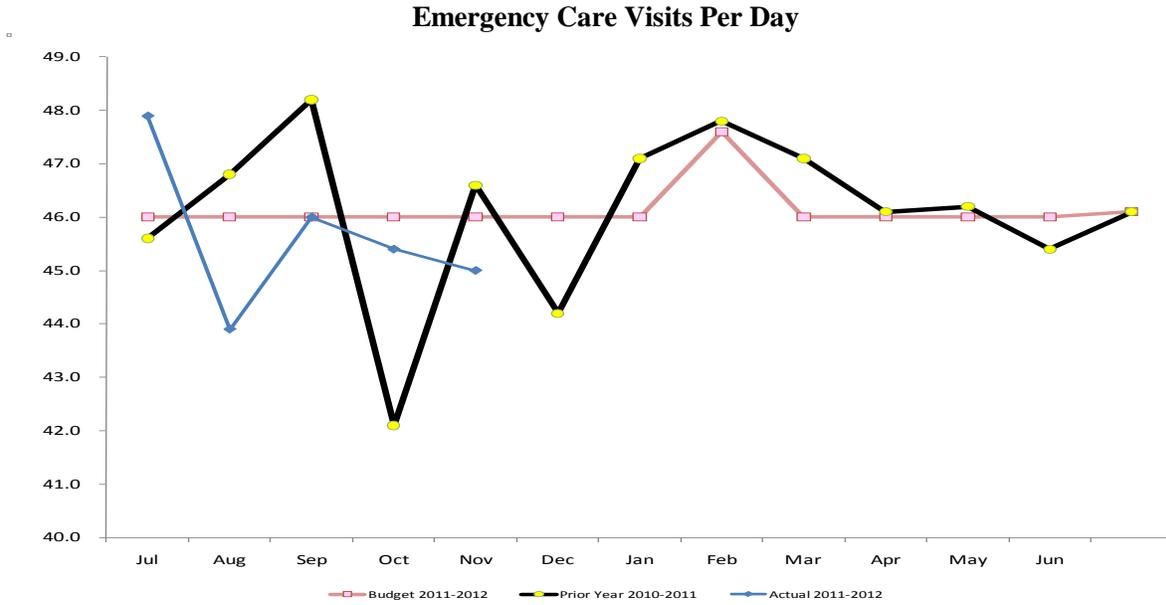
**Skilled Nursing Care**

The Skilled Nursing Unit (South Shore) patient days were 4.1% or 26 patient days higher than budgeted for the month of November, and up 25 days or 3.9% from October. This program’s volume remains greater than the prior year-to-date, with November 2012 year-to-date patient days higher than November 2011 year-to-date by 20 days or .6% and a year-to-date average daily census of 21.89 versus 21.76 in fiscal year 2011. The following graph shows the Skilled Nursing Unit monthly average daily census as compared to budget and the prior year.



**Emergency Care Center (ECC)**

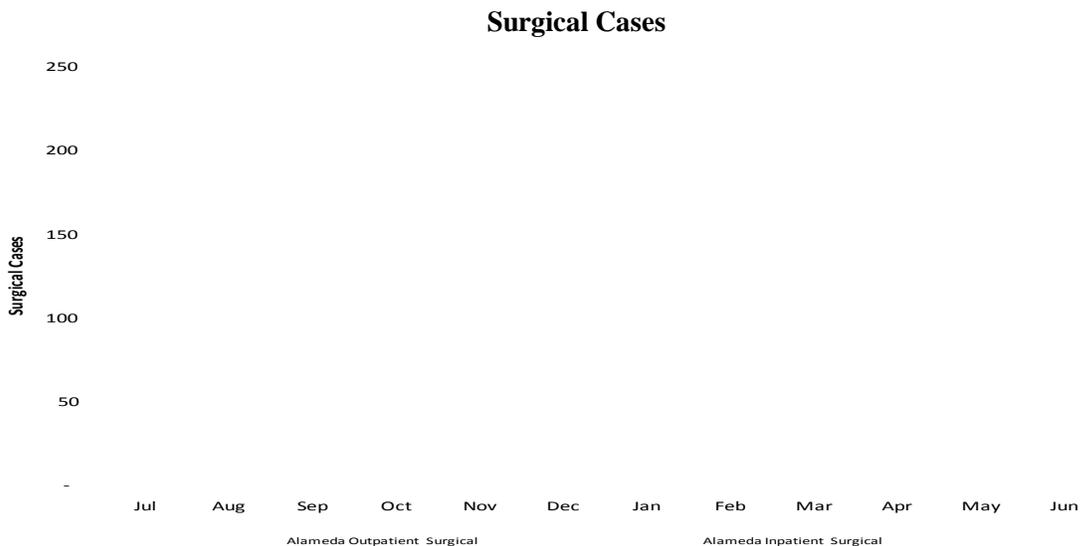
Emergency Care Center visits in November totaled 1,349, 31 visits (2.2%) under the budget of 1,380. 18.4% of these visits resulted in inpatient admissions versus 17.5% in October. On a per day basis, the total visits represent a decrease of .88% from the prior month daily average. In November, there were 276 ambulance arrivals versus 332 in the prior month. Of the 276 ambulance arrivals in the current month, 188 or 68.1% were from Alameda Fire Department (AFD) ambulances.



**Surgery**

In November, surgery cases were 197 versus 182 budgeted cases and up from the 178 cases in the prior November. Surgery volume was considerably higher than October. Inpatient and outpatient cases totaled 37 and 160 versus 33 and 133 in November and October, respectively.

The graph below shows the number of inpatient and outpatient surgical cases by month for fiscal year 2012.

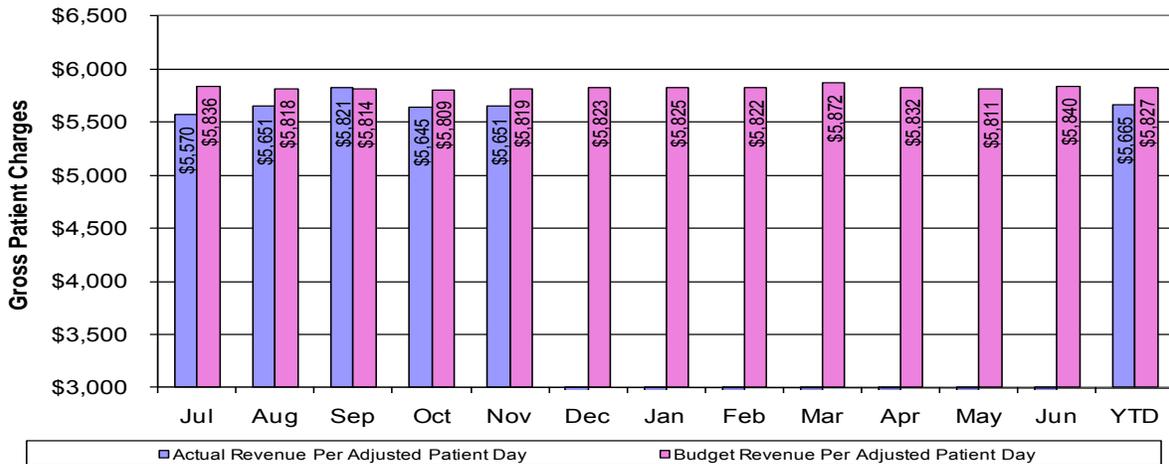


***Income Statement***

**Gross Patient Charges**

Gross patient charges in November were less than budget by \$1.6 million, or 7.2%, mostly driven by lower inpatient volumes. This unfavorable variance was comprised of an unfavorable variance to inpatient of \$818,000 and unfavorable variance to outpatient of \$762,000. The decrease in inpatient gross revenues was driven by lower volume in Acute Care and Sub-Acute, as well as inpatient surgery. Outpatient revenues were lower than budgeted as a result of lower than expected due to ECC, Infusion, Laboratory and Pharmacy. On an adjusted patient day basis, total patient revenue was \$5,651 below the budget of \$5,819 for the month of November yet above the October gross revenue per APD of \$5,645. The following table shows the hospital’s monthly gross revenue per adjusted patient day by month and year-to-date for fiscal year 2012 compared to budget.

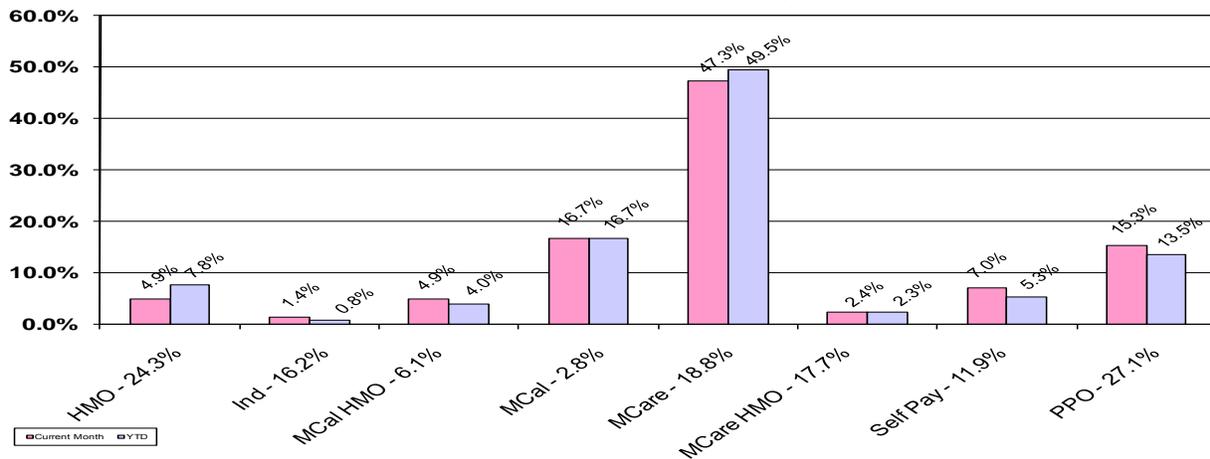
**Gross Charges per Adjusted Patient Day**



**Payer Mix**

Combined acute care services, inpatient and outpatient, Medicare and Medicare Advantage total gross revenue in November made up 49.7% of the month’s total gross patient revenue. Combined Medicare revenue was followed by HMO/PPO utilization at 20.2%, Medi-Cal Traditional and Medi-Cal HMO utilization at 21.6% and self pay at 7%. The graph below shows the percentage of gross revenues generated by each of the major payers for the current month and fiscal year to date as well as the current month’s estimated reimbursement for each payer for the combined inpatient and outpatient acute care services.

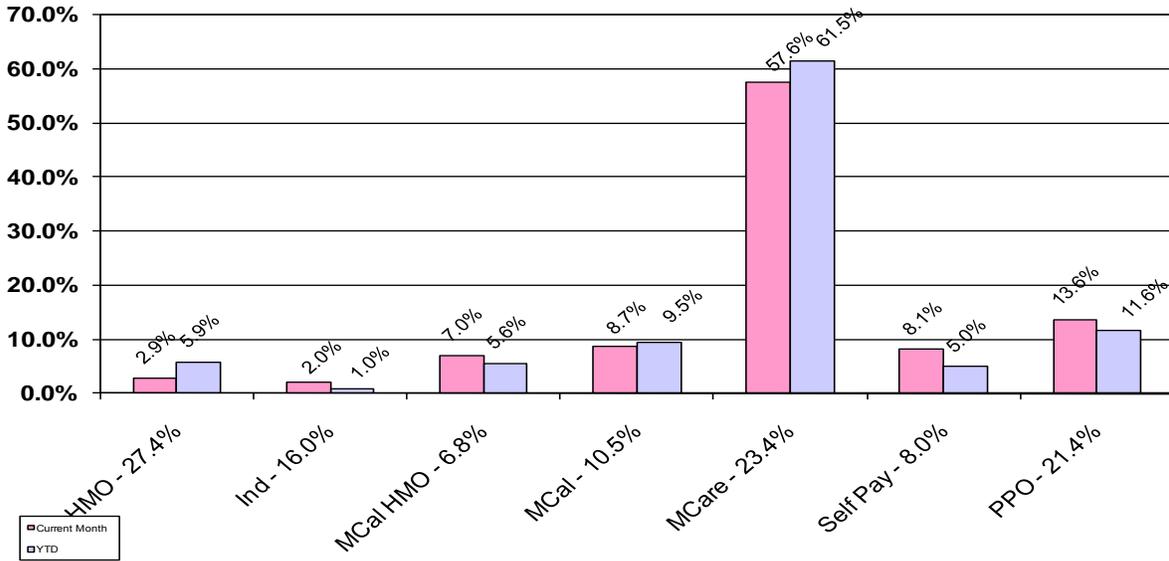
**Combined Acute Care Services Payer Mix**



The inpatient acute care current month gross Medicare and Medicare Advantage charges made up 65.7% of our total

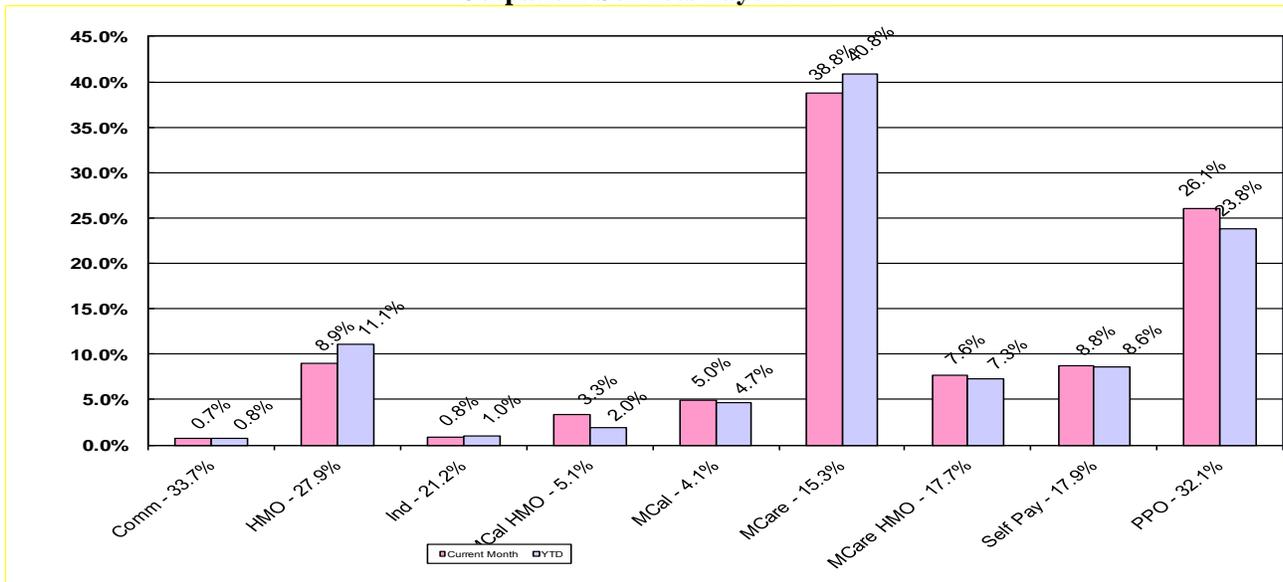
inpatient acute care gross revenues followed by HMO/PPO at 16.5%, Medi-Cal and Medi-Cal HMO at 15.6% and Self Pay at 8.1% of the inpatient acute care revenue. The graph below shows inpatient acute care current month and year to date payer mix and current month estimated net revenue percentages for fiscal year 2012.

**Inpatient Acute Care Payer**



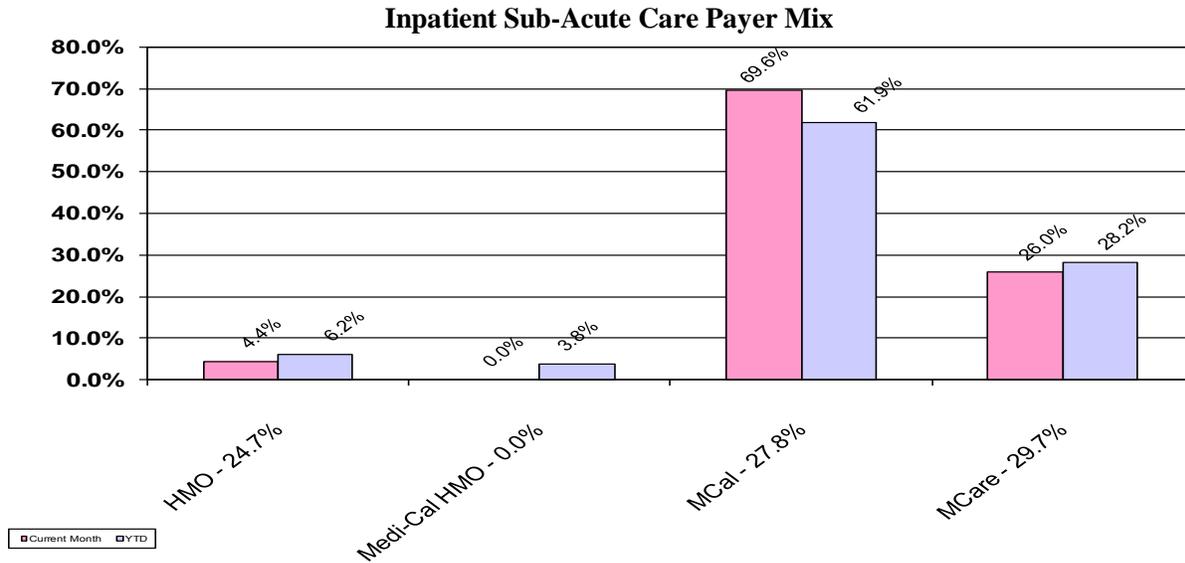
The outpatient gross revenue payer mix for November was comprised of 46.4% Medicare and Medicare Advantage, 35.7% HMO/PPO, 8.3% Medi-Cal and Medi-Cal HMO, and 8.8% self pay. The graph below shows the current month and fiscal year to date outpatient payer mix and the current months estimated level of reimbursement for each payer.

**Outpatient Services Payer Mix**

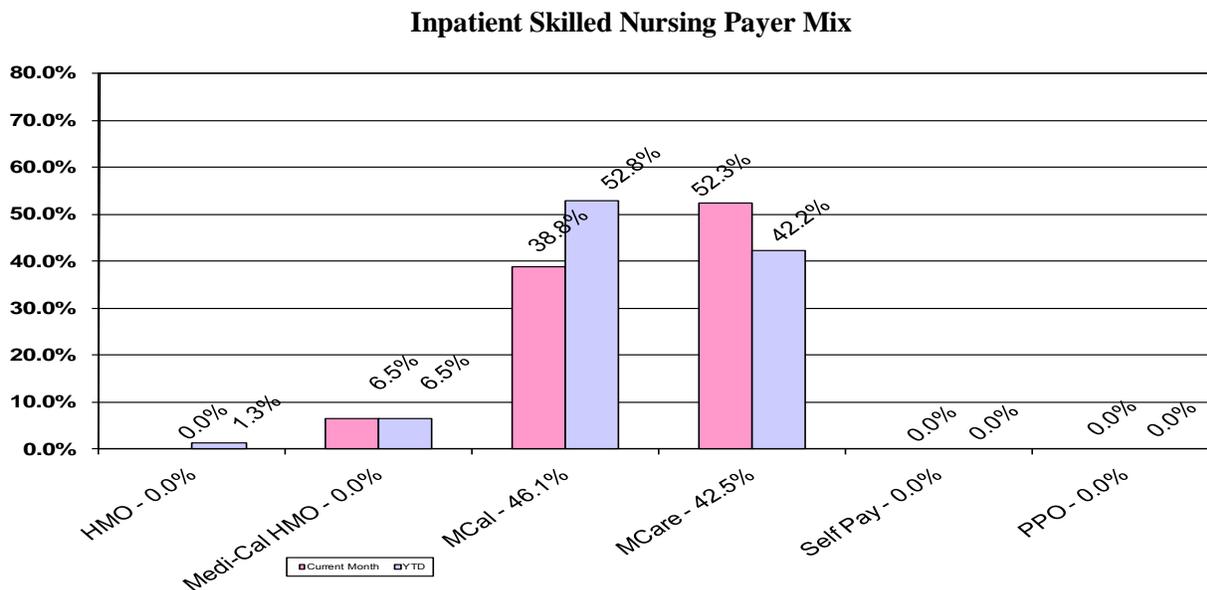


In November, the Sub-Acute care program again was dominated by Medi-Cal utilization of 69.6%, up from 66.7% in October. One anomaly in long term care patients is they are registered as Medicare, usually exhaust their benefits

and transition to Medi-Cal. However, the financial class is not changed on the patient causing a mis-match when charges are billed and payments are received. Medicare was 26% and HMO/PPO rounds out the unit at 4.4%. The graph below shows the payer mix for the current month and fiscal year to date and the current months estimated reimbursement rate for each payer.



In November, the Skilled Nursing program gross revenues were comprised primarily of Medicare at 52.3% and Medi-Cal at 45.3%. The graph below shows the current month and fiscal year to date skilled nursing payer mix and the current month's estimated level of reimbursement for each payer. It should be noted that even though the payor mix reflects 52.3% Medicare, most of these patients have exhausted their long-term care Medicare benefits and are Part B only, converting to Med-Cal benefits for skilled nursing days. These days will, therefore, be paid by Medi-Cal. We are reviewing the registration and billing procedures to better align revenues with payments by payor.



***Deductions from Revenue***

Contractual allowances are computed as deductions from gross patient revenues based on the difference between gross patient charges and the contractually agreed upon rates of reimbursement with third party government-based

programs such as Medicare, Medi-Cal and other third party payors such as Blue Cross. In the month of November contractual allowances, bad debt and charity adjustments (as a percentage of gross patient charges) were 79.4% versus the budgeted 77.6%. There will be an ongoing favorable variance of roughly \$150,000 per month for the Sub-Acute reserve that is included in the budget deductions from revenue but not in actual results.

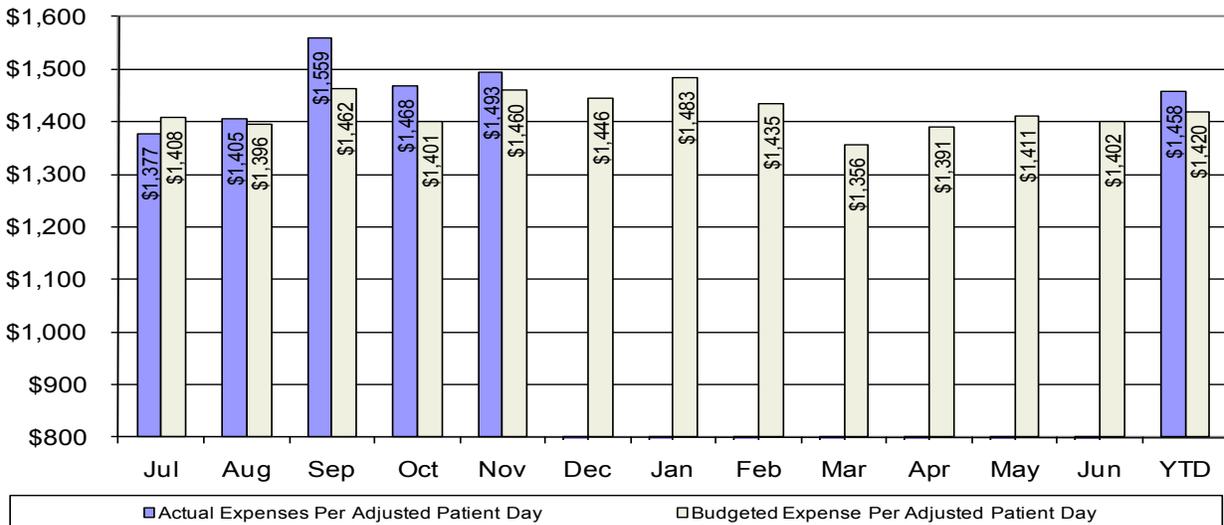
**Net Patient Service Revenue**

Net patient service revenues are the resulting difference between gross patient charges and the deductions from revenue. This difference reflects what the anticipated cash payments the Hospital is expecting to receive for the services provided

**Total Operating Expenses**

Total operating expenses were lower than the fixed budget by \$111,000 or 2.0%. On an adjusted patient day basis, our cost per adjusted patient day was \$1,493 which was \$33 per adjusted patient day unfavorable to budget and \$25 higher than the prior month. This variance in expenses per adjusted patient day was primarily the result of unfavorable variances in benefits as well as non-medical professional fees due to consulting fee accruals and fees related to Water’s Edge. The graph below shows the actual hospital operating expenses on an adjusted patient day basis for the 2012 fiscal year by month as compared to budget and is followed by explanations of the significant areas of variance that were experienced in the current month.

**Expenses per Adjusted Patient Day**



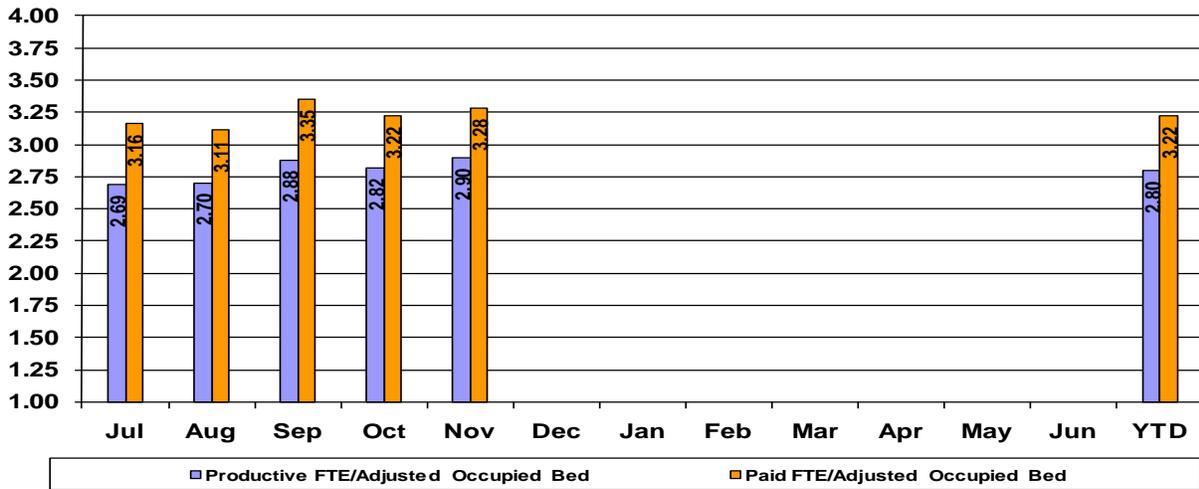
**Salary and Temporary Agency Expenses**

Salary and temporary agency costs combined were favorable to the fixed budget by \$69,000 and were unfavorable to budgeted levels on a per adjusted patient day (PAPD) basis by \$16 or 2.0%. On an adjusted occupied bed basis, productive FTE’s were 2.90, above the budget of 2.72 FTE’s by 6.4%, and paid FTE’s were 3.28 or .8% above budget.

Productive salaries in the CCU were 34.5% above the flexed budget, productive salaries in the DOU were 22.5% above the flexed budget, and productive salaries in Sub-Acute were 9.5% above the flexed budget. Salaries in the Emergency Care Center were again above budget by 13.5% while the volume in the ECC was below budget by 2.2, and Radiology productive salaries were 23.75% above budget yet their visits were over budget by 7%.

The graph below shows the productive and paid FTE’s per adjusted occupied bed for FY 2012 by month.

**FTE’s per Adjusted Occupied Bed**



**Benefits**

Benefits were unfavorable to the fixed budget by \$73,000 or 9.2%, due to employee health expenses unfavorable to budget by \$25,000 and vacation accrual for the month of \$48, 000.

**Professional Fees**

Professional fees were unfavorable to budget by \$152,000 in November due to \$35,000 from Medical Professional Fees (ER and Clinic physician expenses) and \$117,000 from Non-Medical Professional Fees related to HFS fees for Accounting \$31,000, Business Office \$65,000, Pharmacy \$17,000 and for the Water’s Edge project \$10,000. Joint Commission fee for primary stroke center was \$8,000.

**Supplies**

Supplies were favorable to budget by \$255,000 (34.2%) or \$62 per adjusted patient day in November. As in prior months, this favorable variance was the result of lower than budgeted patient related supplies such as medical supplies expense, pharmacy supplies, and prosthetics due to lower patient volume, acuity and below budget surgeries.

**Purchased Services**

Purchased services were above budget by \$4,000 compared to fixed budget and \$5 unfavorable PAPD.

**Rents and Leases**

Rents and leases were below the fixed budget by \$13,000, and \$21 PAPD in November, versus budget of \$24.

**Other Operating Expense**

Other operating expenses were \$16,000 under budget, or \$3 per adjusted patient day.

The following pages include the detailed financial statements for the five (5) months ended November 30, 2011, of fiscal year 2012.

**ALAMEDA HOSPITAL  
KEY STATISTICS  
NOVEMBER 2011**

	<u>ACTUAL NOVEMBER 2011</u>	<u>CURRENT FIXED BUDGET</u>	<u>VARIANCE (UNDER) OVER</u>	<u>%</u>	<u>NOVEMBER 2010</u>	<u>YTD NOVEMBER 2011</u>	<u>YTD FIXED BUDGET</u>	<u>VARIANCE</u>	<u>%</u>	<u>YTD NOVEMBER 2010</u>
<b>Discharges:</b>										
Total Acute	227	222	5	2.3%	228	1,129	1,137	(8)	-0.7%	1,028
Total Sub-Acute	3	1	2	200.0%	2	12	7	5	71.4%	8
Total Skilled Nursing	<u>11</u>	<u>8</u>	<u>3</u>	37.5%	<u>5</u>	<u>37</u>	<u>43</u>	<u>(6)</u>	-14.0%	<u>40</u>
	241	231	10	4.3%	235	1,178	1,187	(9)	-0.8%	1,076
<b>Patient Days:</b>										
Total Acute	848	888	(40)	-4.5%	947	4,391	4,550	(159)	-3.5%	4,260
Total Sub-Acute	934	990	(56)	-5.7%	968	4,935	5,049	(114)	-2.3%	4,999
Total Skilled Nursing	<u>662</u>	<u>636</u>	<u>26</u>	4.1%	<u>657</u>	<u>3,349</u>	<u>3,261</u>	<u>88</u>	2.7%	<u>3,329</u>
	2,444	2,514	(70)	-2.8%	2,572	12,675	12,860	(185)	-1.4%	12,588
<b>Average Length of Stay</b>										
Total Acute	3.74	4.00	(0.26)	-6.6%	4.15	3.89	4.00	(0.11)	-2.8%	4.14
<b>Average Daily Census</b>										
Total Acute	28.27	29.60	(1.33)	-4.5%	31.57	28.70	29.74	(1.04)	-3.5%	27.84
Total Sub-Acute	31.13	33.00	(1.87)	-5.7%	32.27	32.25	33.00	(0.75)	-2.3%	32.67
Total Skilled Nursing	<u>22.07</u>	<u>21.20</u>	<u>0.87</u>	4.1%	<u>21.90</u>	<u>21.89</u>	<u>21.31</u>	<u>0.58</u>	2.7%	<u>21.76</u>
	81.47	83.80	(2.33)	-2.8%	85.73	82.84	84.05	(1.78)	-2.1%	82.27
<b>Emergency Room Visits</b>	1,349	1,380	(31)	-2.2%	1,397	6,982	7,038	(56)	-0.8%	7,013
<b>Outpatient Registrations</b>	1,996	1,948	48	2.5%	1,929	9,235	9,997	(762)	-7.6%	9,899
<b>Surgery Cases:</b>										
Inpatient	37	42	(5)	-11.9%	38	182	215	(33)	-15.3%	229
Outpatient	<u>160</u>	<u>140</u>	<u>20</u>	14.3%	<u>140</u>	<u>824</u>	<u>742</u>	<u>82</u>	11.1%	<u>742</u>
	197	182	15	8.2%	178	1,006	957	49	5.1%	971
<b>Adjusted Occupied Bed (AOB)</b>	119.65	125.25	(5.60)	-4.5%	123.72	152.87	125.48	27.39	21.8%	123.65
<b>Productive FTE</b>	345.38	340.93	4.45	1.3%	385.41	343.80	341.62	2.18	0.6%	363.39
<b>Total FTE</b>	391.06	407.50	(16.44)	-4.0%	430.72	396.52	402.86	(6.34)	-1.6%	418.03
<b>Productive FTE/Adj. Occ. Bed</b>	2.89	2.72	0.16	6.0%	3.12	2.25	2.72	(0.47)	-17.4%	2.94
<b>Total FTE/ Adj. Occ. Bed</b>	3.27	3.25	0.01	0.5%	3.48	2.59	3.21	(0.62)	-19.2%	3.38

**City of Alameda Health Care District**  
**Statements of Financial Position**  
November 30, 2011

	Current Month	Prior Month	Prior Year End
<b>Assets</b>			
Current Assets:			
Cash and Cash Equivalents	\$ 407,543	\$ 874,083	\$ 1,784,141
Patient Accounts Receivable, net	9,100,768	8,943,459	7,249,185
Other Receivables	7,138,269	6,731,858	8,090,457
Third-Party Payer Settlement Receivables	481,578	481,578	150,000
Inventories	1,170,330	1,188,641	1,183,358
Prepays and Other	309,899	336,680	262,359
Total Current Assets	18,608,387	18,556,299	18,719,500
Assets Limited as to Use, net	534,502	525,869	483,716
<b>Fixed Assets</b>			
Land	877,945	877,945	877,945
Depreciable capital assets	43,427,774	43,427,774	43,383,571
Construction in progress	3,304,736	3,265,416	2,921,048
Depreciation	(39,221,507)	(39,149,362)	(38,862,494)
Property, Plant and Equipment, net	8,388,948	8,421,773	8,320,070
<b>Total Assets</b>	<b>\$ 27,531,837</b>	<b>\$ 27,503,941</b>	<b>\$ 27,523,286</b>
<b>Liabilities and Net Assets</b>			
Current Liabilities:			
Current Portion of Long Term Debt	\$ 1,659,619	\$ 1,421,295	\$ 746,074
Accounts Payable and Accrued Expenses	8,989,766	8,438,441	6,987,765
Payroll Related Accruals	3,983,973	3,568,689	3,991,254
Deferred Revenue	3,340,777	3,817,825	5,725,900
Employee Health Related Accruals	633,906	642,835	343,382
Third-Party Payer Settlement Payable	255,809	236,318	(3,930)
Total Current Liabilities	18,863,850	18,125,403	17,790,445
Long Term Debt, net	921,904	959,082	1,142,109
Total Liabilities	19,785,754	19,084,485	18,932,554
Net Assets:			
Unrestricted	7,041,581	7,722,688	8,037,015
Temporarily Restricted	704,502	695,869	553,716
Total Net Assets	7,746,083	8,418,557	8,590,731
<b>Total Liabilities and Net Assets</b>	<b>\$ 27,531,837</b>	<b>\$ 27,503,043</b>	<b>\$ 27,523,286</b>

**City of Alameda Health Care District**

**Statements of Operations**

November 30, 2011

\$'s in thousands

	Current Month					Year-to-Date				
	Actual	Budget	\$ Variance	% Variance	Prior Year	Actual	Budget	\$ Variance	% Variance	Prior Year
Patient Days	2,444	2,514	(70)	-2.8%	2,572	12,675	12,860	(185)	-1.4%	12,588
Discharges	241	231	10	4.3%	235	1,178	1,187	(9)	-0.8%	1,076
ALOS (Average Length of Stay)	10.14	10.88	(0.74)	-6.8%	10.94	10.76	10.83	(0.07)	-0.7%	11.70
ADC (Average Daily Census)	81.5	83.8	(2.33)	-2.8%	85.7	83	84.1	(1.21)	-1.4%	82.3
CMI (Case Mix Index)	1.3216				1.2949	1.2588				1.3600
<b>Revenues</b>										
Gross Inpatient Revenues	\$ 13,812	\$ 14,630	\$ (818)	-5.6%	\$ 14,787	\$ 71,811	\$ 74,762	\$ (2,950)	-3.9%	\$ 68,415
Gross Outpatient Revenues	6,474	7,179	(704)	-9.8%	6,628	34,363	36,679	(2,316)	-6.3%	34,586
Total Gross Revenues	20,287	21,809	(1,522)	-7.0%	21,414	106,175	111,441	(5,266)	-4.7%	103,002
Contractual Deductions	16,148	16,067	(81)	-0.5%	15,376	79,591	82,051	2,460	3.0%	73,787
Bad Debts	(15)	697	713	102.2%	582	2,302	3,535	1,233	34.9%	3,105
Charity and Other Adjustments	-	167	167	100.0%	198	760	850	90	10.5%	808
Net Patient Revenues	4,154	4,877	(723)	-14.8%	5,259	23,521	25,005	(1,484)	-5.9%	25,303
Net Patient Revenue %	20.5%	22.4%			24.6%	22.2%	22.4%			24.6%
Net Clinic Revenue	32	23	9	40.2%	29	163	67	95	141.9%	149
Other Operating Revenue	9	10	(1)	-6.7%	9	202	50	151	299.8%	47
<b>Total Revenues</b>	<b>4,196</b>	<b>4,910</b>	<b>(715)</b>	<b>-14.6%</b>	<b>5,297</b>	<b>23,886</b>	<b>25,123</b>	<b>(1,237)</b>	<b>-4.9%</b>	<b>25,498</b>
<b>Expenses</b>										
Salaries	2,816	2,806	(10)	-0.4%	2,805	14,241	13,983	(258)	-1.8%	14,614
Temporary Agency	66	144	79	54.7%	253	504	742	238	32.0%	881
Benefits	869	796	(73)	-9.2%	918	4,341	3,970	(372)	-9.4%	3,903
Professional Fees	439	286	(152)	-53.1%	287	1,857	1,435	(422)	-29.4%	1,519
Supplies	491	746	255	34.2%	672	2,980	3,791	811	21.4%	3,785
Purchased Services	368	364	(4)	-1.1%	404	1,722	1,844	123	6.6%	1,860
Rents and Leases	76	89	13	14.5%	78	403	410	7	1.8%	336
Utilities and Telephone	62	65	3	4.7%	65	325	324	(1)	-0.4%	297
Insurance	30	17	(13)	-80.0%	29	142	84	(58)	-69.2%	157
Depreciation and amortization	72	69	(3)	-4.3%	80	371	342	(29)	-8.6%	408
Other Operating Expenses	72	88	16	18.4%	62	433	376	(57)	-15.1%	383
<b>Total Expenses</b>	<b>5,360</b>	<b>5,471</b>	<b>111</b>	<b>2.0%</b>	<b>5,654</b>	<b>27,320</b>	<b>27,302</b>	<b>(18)</b>	<b>-0.1%</b>	<b>28,142</b>
<b>Operating gain (loss)</b>	<b>(1,164)</b>	<b>(560)</b>	<b>(604)</b>	<b>-107.7%</b>	<b>(357)</b>	<b>(3,434)</b>	<b>(2,179)</b>	<b>(1,255)</b>	<b>57.6%</b>	<b>(2,644)</b>
<b>Non-Operating Income / (Expense)</b>										
Parcel Taxes	479	478	2	0.3%	478	2,403	2,390	13	0.6%	2,390
Investment Income	0	0	0	5.1%	0	2	(61)	64	-104.1%	7
Interest Expense	(20)	(12)	(8)	-72.2%	(10)	(85)	(13)	(72)	562.7%	(42)
Other Income / (Expense)	23	23	0	1.6%	22	118	108	10	9.1%	106
<b>Net Non-Operating Income / (Expense)</b>	<b>483</b>	<b>489</b>	<b>(6)</b>	<b>-1.3%</b>	<b>490</b>	<b>2,439</b>	<b>2,424</b>	<b>15</b>	<b>0.6%</b>	<b>2,460</b>
<b>Excess of Revenues Over Expenses</b>	<b>\$ (681)</b>	<b>\$ (71)</b>	<b>\$ (610)</b>	<b>858.9%</b>	<b>\$ 133</b>	<b>\$ (995)</b>	<b>\$ 245</b>	<b>\$ (1,240)</b>	<b>-506.3%</b>	<b>\$ (184)</b>

**City of Alameda Health Care District**  
**Statements of Operations - Per Adjusted Patient Day**  
November 30, 2011

	Current Month					Year-to-Date				
	Actual	Budget	\$ Variance	% Variance	Prior Year	Actual	Budget	\$ Variance	% Variance	Prior Year
<b>Revenues</b>										
Gross Inpatient Revenues	\$ 3,848	\$ 3,904	\$ (56)	-1.4%	\$ 3,970	\$ 3,832	\$ 3,900	\$ (68)	-1.7%	\$ 3,610
Gross Outpatient Revenues	1,804	1,916	(112)	-5.8%	1,779	1,834	1,913	(80)	-4.2%	1,825
Total Gross Revenues	5,651	5,819	(168)	-2.9%	5,749	5,666	5,814	(148)	-2.5%	5,435
Contractual Deductions	4,499	4,287	(211)	-4.9%	4,128	4,247	4,280	33	0.8%	3,893
Bad Debts	(4)	186	190	102.3%	156	123	184	62	33.4%	164
Charity and Other Adjustments	-	45	45	100.0%	53	41	44	4	8.5%	43
Net Patient Revenues	1,157	1,301	(144)	-11.1%	1,412	1,255	1,304	(49)	-3.8%	1,335
Net Patient Revenue %	20.5%	22.4%			24.6%	22.2%	22.4%			24.6%
Net Clinic Revenue	9	6	3	46.3%	8	9	4	5	147.5%	8
Other Operating Revenue	3	3	(0)	-2.6%	2	11	3	8	308.9%	2
<b>Total Revenues</b>	<b>1,169</b>	<b>1,310</b>	<b>(141)</b>	<b>-10.8%</b>	<b>1,422</b>	<b>1,275</b>	<b>1,311</b>	<b>(36)</b>	<b>-2.7%</b>	<b>1,346</b>
<b>Expenses</b>										
Salaries	784	749	(36)	-4.8%	753	760	729	(30)	-4.2%	771
Temporary Agency	18	39	20	52.7%	68	27	39	12	30.5%	46
Benefits	242	212	(30)	-14.0%	246	232	207	(25)	-11.9%	206
Professional Fees	122	76	(46)	-59.8%	77	99	75	(24)	-32.3%	80
Supplies	137	199	62	31.3%	180	159	198	39	19.6%	200
Purchased Services	102	97	(5)	-5.5%	109	92	96	4	4.5%	98
Rents and Leases	21	24	3	10.7%	21	21	21	(0)	-0.5%	18
Utilities and Telephone	17	17	0	0.5%	18	17	17	(0)	-2.7%	16
Insurance	8	4	(4)	-88.0%	8	8	4	(3)	-73.1%	8
Depreciation and Amortization	20	18	(2)	-8.9%	22	20	18	(2)	-11.1%	22
Other Operating Expenses	20	23	3	14.8%	17	23	20	(3)	-17.7%	20
<b>Total Expenses</b>	<b>1,493</b>	<b>1,460</b>	<b>(33)</b>	<b>-2.3%</b>	<b>1,518</b>	<b>1,458</b>	<b>1,424</b>	<b>(34)</b>	<b>-2.4%</b>	<b>1,485</b>
<b>Operating Gain / (Loss)</b>	<b>(324)</b>	<b>(150)</b>	<b>(175)</b>	<b>-116.9%</b>	<b>(96)</b>	<b>(183)</b>	<b>(113)</b>	<b>(70)</b>	<b>61.3%</b>	<b>(139)</b>
<b>Non-Operating Income / (Expense)</b>										
Parcel Taxes	134	128	6	4.7%	128	128	125	4	2.9%	126
Investment Income	0	0	0	9.7%	0	0	0	0	145.3%	0
Interest Expense	(6)	(3)	(2)	-79.8%	(3)	(5)	(3)	(1)	41.3%	(2)
Other Income / (Expense)	6	6	0	6.0%	6	6	6	1	11.6%	6
<b>Net Non-Operating Income / (Expense)</b>	<b>135</b>	<b>131</b>	<b>4</b>	<b>3.0%</b>	<b>132</b>	<b>130</b>	<b>127</b>	<b>3</b>	<b>2.3%</b>	<b>130</b>
<b>Excess of Revenues Over Expenses</b>	<b>\$ (190)</b>	<b>\$ (19)</b>	<b>\$ (171)</b>	<b>901.1%</b>	<b>\$ 36</b>	<b>\$ (53)</b>	<b>\$ 14</b>	<b>\$ (67)</b>	<b>-485.4%</b>	<b>\$ (9)</b>

**City of Alameda Health Care District**  
**Statement of Cash Flows**  
**For the Five Months Ended November 30, 2011**

	<u>Current Month</u>	<u>Year-to-Date</u>
<b>Cash flows from operating activities</b>		
Net Income / (Loss)	\$ (681,104)	\$ (995,435)
Items not requiring the use of cash:		
Depreciation and amortization	72,144	\$ 371,082
Write-off of Kaiser liability	-	\$ -
Changes in certain assets and liabilities:		
Patient accounts receivable, net	(157,309)	(1,851,583)
Other Receivables	(406,411)	952,188
Third-Party Payer Settlements Receivable	19,491	(71,839)
Inventories	18,311	13,028
Prepays and Other	26,781	(47,540)
Accounts payable and accrued liabilities	551,325	2,002,001
Payroll Related Accruals	415,284	(7,281)
Employee Health Plan Accruals	(8,929)	290,524
Deferred Revenues	(477,048)	(2,385,123)
Cash provided by (used in) operating activities	<u>(627,465)</u>	<u>(1,729,978)</u>
<b>Cash flows from investing activities</b>		
(Increase) Decrease in Assets Limited As to Use	(8,633)	(50,786)
Additions to Property, Plant and Equipment	(39,319)	(439,960)
Other	(3)	1
Cash provided by (used in) investing activities	<u>(47,955)</u>	<u>(490,744)</u>
<b>Cash flows from financing activities</b>		
Net Change in Long-Term Debt	201,146	693,340
Net Change in Restricted Funds	8,633	150,786
Cash provided by (used in) financing and fundraising activities	<u>209,779</u>	<u>844,126</u>
Net increase (decrease) in cash and cash equivalents	(465,641)	(1,376,597)
<b>Cash and cash equivalents at beginning of period</b>	874,083	1,784,141
<b>Cash and cash equivalents at end of period</b>	<u>\$ 408,442</u>	<u>\$ 407,544</u>

**City of Alameda Health Care District  
Ratio's Comparison**

<b>Financial Ratios</b>	<u>Audited Results</u>			<u>Unaudited Results</u>	
	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>YTD 11/30/2011</b>
<b><u>Profitability Ratios</u></b>					
Net Patient Revenue (%)	22.48%	22.69%	24.16%	23.58%	22.15%
Earnings Before Depreciation, Interest, Taxes and Amortization (EBITA)	-0.72%	3.62%	4.82%	-1.01%	-2.26%
EBIDAP <sup>Note 5</sup>	-10.91%	-5.49%	-3.66%	-13.41%	-12.32%
Operating Margin	-3.75%	1.03%	2.74%	-2.61%	-3.77%
<b><u>Liquidity Ratios</u></b>					
Current Ratio	0.98	1.15	1.23	1.05	0.99
Days in accounts receivable ,net	51.70	57.26	51.83	46.03	59.20
Days cash on hand ( with restricted)	30.61	13.56	21.60	14.14	6.92
<b><u>Debt Ratios</u></b>					
Cash to Debt	187.3%	115.3%	249.0%	123.3%	36.49%
Average pay period	58.93	58.03	57.11	62.68	77.01
Debt service coverage	(0.14)	3.87	5.98	(0.70)	(0.31)
Long-term debt to fund balance	0.26	0.20	0.14	0.18	0.25
Return on fund balance	-29.59%	8.42%	18.87%	-19.21%	-12.85%
Debt to number of beds	20,932	13,481	10,482	11,515	16,034

**City of Alameda Health Care District  
Ratio's Comparison**

Financial Ratios	Audited Results			Unaudited Results	
	FY 2008	FY 2009	FY 2010	FY 2011	YTD 11/30/2011
<b>Patient Care Information</b>					
Bed Capacity	135	161	161	161	161
Patient days( all services)	22,687	30,463	30,607	30,270	12,675
Patient days (acute only)	11,276	11,787	10,579	10,443	4,391
Discharges( acute only)	2,885	2,812	2,802	2,527	1,129
Average length of stay ( acute only)	3.91	4.19	3.78	4.13	3.89
Average daily patients (all sources)	61.99	83.46	83.85	82.93	82.84
Occupancy rate (all sources)	45.92%	52.94%	52.08%	51.51%	51.46%
Average length of stay	3.91	4.19	3.78	4.13	3.89
Emergency Visits	17,922	17,337	17,624	16,816	6,982
Emergency visits per day	48.97	47.50	48.28	46.07	45.63
Outpatient registrations per day <sup>Note 1</sup>	84.54	82.05	79.67	65.19	60.36
Surgeries per day <sup>Note 1</sup>	14.78	16.12	13.46	6.12	..

**Notes:**

1. Includes Kaiser Outpatient Sugercial volume in Fiscal Years 2008, 2009 and through March 31, 2010.
2. In addition to these general requirements a feasibility report will be required.
3. Based upon Moody's FY 2008 preliminary single-state provider medians.
4. EBIDA - Earnings before Interest, Depreciation and Amoritzation
5. EBIDAP - Earnings before Interest, Depreciation and Amortization and Parcel Tax Proceeds

## Glossary of Financial Ratios

Term	What is it? Why is it Important?	How is it calculated?
EBIDA	A measure of the organization's cash flow	Earnings before interest, depreciation, and amortization (EBIDA)
Operating Margin	Income derived from patient care operations	Total operating revenue less total operating expense divided by total operating revenue
Current Ratio	The number of dollars held in current assets per dollar of liabilities. A widely used measure of liquidity. An increase in this ratio is a positive trend.	Current assets divided by current liabilities
Days cash on hand	Measures the number of days of average cash expenses that the hospital maintains in cash or marketable securities. It is a measure of total liquidity, both short-term and long-term. An increasing trend is positive.	Cash plus short-term investments plus unrestricted long-term investments over total expenses less depreciation divided by 365.
Cash to debt	Measures the amount of cash available to service debt.	Cash plus investments plus limited use investments divided by the current portion and long-term portion of the organization's debt instruments.
Debt service coverage	Measures total debt service coverage (interest plus principal) against annual funds available to pay debt service. Does not take into account positive or negative cash flow associated with balance sheet changes (e.g. work down of accounts receivable). Higher values indicate better debt repayment ability.	Excess of revenues over expenses plus depreciation plus interest expense over principal payments plus interest expense.
Long-term debt to fund balance	Higher values for this ratio imply a greater reliance on debt financing and may imply a reduced ability to carry additional debt. A declining trend is positive.	Long-term debt divided by long-term debt plus unrestricted net assets.

Date: December 30, 2011

To: Finance and Management Committee

From: Deborah E. Stebbins, CEO

Subject: Revenue Cycle Performance Tracking

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Attached is the status report of the Revenue Cycle Project we are working on with the assistance of HFS Consulting. This is also being distributed to the Task Force members appointed to review the project in more depth. The Task Force has had one very productive meeting and will meet again in January after reviewing the written status report. We will however provide a summary verbal update regarding the project progress during the Finance Committee meeting.

CITY OF ALAMEDA HEALTH CARE DISTRICT  
ALAMEDA HOSPITAL  
REVENUE CYCLE WORK PLAN

Area	Task	Responsibility	Status/Comments	Complete/In Process/Outstanding/On-Going	Due Date	Priority
Business Office Reorganization	<b>Day-to-day management of the business office.</b> The goals are to expedite cash collections, correct system problems, and make recommendations for the long term organization and staffing of the department. A time frame and budget needs to be submitted.	Diane Gramse	Review and make changes to current processes from issues sent from the Fresno Billing Office	On-going		
Business Office Reorganization	<b>Assess current functions</b> including registration, billing, cash posting, and billing follow-up. Provide final recommendations for organization and staffing levels.	Teresa Jacques	Registration has been evaluated and a plan is being developed. Cash posting has been evaluated and will be in place by January 6. Organization and staffing levels are still outstanding. Beginning Tuesday all Registrations/Admissions will be reviewed/audited by a co-worker and reported on the attached spreadsheet, monthly not quarterly. A report will be run from Meditech with all patients registered.	In process		
Contract review and negotiations	<b>Review contracts</b> with outside vendors that provide revenue cycle related functions. Make recommendations for continuation or modification of services.	Teresa Jacques	In process. All bad debt and early out contracts have been reviewed and Rash Curtis is going to provide both services. Still evaluating Health Advocates and will look further into this service as we grow the Financial Counseling position.			
Business Office Reorganization	<b>Redesign the cash posting system.</b> Incorporate appropriate checks and balances, reassign to staff member who possesses understanding of third party contracts.	Teresa Jacques	Cash posting will remain in Business Office. Accounting will take responsibility for deposit and banking. Other positions will take responsibility for opening checks, balancing cashiering drawers, and mail.			
CDM	<b>Complete ER CDM review.</b> Reports to be provided by Katy Silverman.	Gwynn Smith	New ED level calculation in place on 12/27/11	Complete		
Business Office Issues and Tasks	<b>Review what Kaiser pays for.</b> Special focus on LTC and ancillary charges.	Gwynn Smith		Outstanding		
Business Office Issues and Tasks	<b>Review all LTC patients</b> for proper primary and secondary payors. Re-register if necessary.	Diane Gramse	All LTC patients with Medi/Cal are now registered as Medical primary.	Complete		

CITY OF ALAMEDA HEALTH CARE DISTRICT  
ALAMEDA HOSPITAL  
REVENUE CYCLE WORK PLAN

	Area	Task	Responsibility	Status/Comments	Complete/In Process/Outstanding/On-Going	Due Date	Priority
9	Business Office Issues and Tasks	<b>Review credit balance reports.</b> Recommend repayment strategy if necessary.	Teresa Jacques	This task will be assigned to the Financial Counselor and Escheatment laws will be reviewed.	In process		
10	Business Office Reorganization	<b>Review relationships between business office and operating departments.</b> Affirm functions are being covered. Evaluate certain registration functions as being more effective if handled by operating departments.	Teresa Jacques	Have met HIM, IT, Quality, ED to evaluate needs and processes	In process		
11	Business Office Reorganization	<b>Determine the duties of verification clerks.</b> How does this relate to Health Advocates? How are authorizations and TARs obtained? Does the system work well?	Diane Gramse, Gwynn Smith, Teresa Jacques	Met with all of the verification clerks and developing a work plan. Refining the TAR process and working to electronically submit TARS. In addition to AH staff, the Fresno Office is checking for TAR approval daily.	In process		
12	Business Office Reorganization	<b>Determine who will assume supervisory business office responsibilities.</b> AH Administration?		Prepared a new Job descriptions for Business Office Supervisor and will be posting the position by Dec 30th.	In process		
13	Business Office Reorganization	<b>Reports.</b> Which ones will be provided daily to monitor progress? Schedule weekly update meetings.	Gwynn Smith, Teresa Jacques, Diane Gramse	We have weekly meetings with Admin staff, new QM tool for Admitting, Daily billing log, developing cash projection logs, developed improved ATB tools. In process of developing monthly analysis reporting tools.	In process		
14	Finance/Business Office reporting	<b>Impact of change in fiscal intermediaries for MediCal.</b> Have all system adjustments been made?	Teresa Jacques, Bob Anderson	Diane is tracking total charges and payments received for this financial class to ensure that payments are correct. Found that current R & B rates were not on file at Medi/Cal submitted form.	Complete		
15	Business Office Reorganization	<b>Pursuing payment of patient share of costs.</b> LTC focus.	Diane Gramse	Developed LTC share of cost log, checking LTC patient eligibility monthly, LTC Share of costs letters are going out monthly.	In process		

CITY OF ALAMEDA HEALTH CARE DISTRICT  
ALAMEDA HOSPITAL  
REVENUE CYCLE WORK PLAN

	Area	Task	Responsibility	Status/Comments	Complete/In Process/Outstanding/On-Going	Due Date	Priority
16	Business Office Reorganization	<b>Eligibility and authorization process.</b> Recommendations for improvement. Check Assist being used? TAR process?	Teresa Jacques, Diane Gramse	Feedback received on Check Assist. Not a reliable tool. Individual websites are more up to date. Have emailed accounting to find out what the Check Assist program costs to see if we should keep the program. Evaluation of the responsibilities has been completed plan for correction is pending. TAR process will be addressed in the plan. Evaluating the necessity to have an additional check for authorization outside of the admitting staff.			
17	Business Office Reorganization	<b>Coordination of authorizations.</b> Surgery, imaging.	Diane Gramse, Teresa jacques	HFS staff need to meet with authorization clerk and Imaging and Lab Directors	In process		
18	Business Office Reorganization	<b>Workflow for PBX.</b>	Diane Gramse, Teresa jacques	Working through the process of PBX staff duties and how this will relate to the duties of the Financial Counselor and Cash posting positions.	In process		
19	Billing Issues and Tasks	<b>Auto-bill Emdeon.</b>	Gwynn Smith	This function has been turned off.	Complete		
20	CDM Issues and Tasks	<b>ITS balloon charge capture.</b>	Teresa Jacques, Jackie Epps		Outstanding		
21	CDM Issues and Tasks	<b>CDM and revenue usage report.</b>	Teresa Jacques, Gwynn Smith	Reports have been given to an outside vendor. Alameda has ran the CDM through code correct 28 invalid codes were identified. HFS will be doing a market pricing survey.	In process		
22	Collections, Bad Debt, and Charity Care	<b>Bad Debt</b> - Evaluate BD contracts, review BD contractors collections, choose contracts, evaluate BD write offs, campaign for charity care, campaign for additional one-time discounts starting in Feb 2012. Goal to get self pay to manageable level	Teresa Jacques	Contracts have been evaluated, CFO is going to evaluate all contractual and BD reserves, CFO waiting for AR reports from Teresa. Rash Curtis will be the early out and bad debt provider this process will start the week of Jan 16. Campaign will start in February. Goal for self pay not set yet.	In process		

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REVENUE CYCLE WORK PLAN

	Area	Task	Responsibility	Status/Comments	Complete/In Process/Outstanding/On-Going	Due Date	Priority
23	Collections, Bad Debt, and Charity Care	<b>Charity Care</b> - Review and revise charity care P & P, strengthen charity care policies to maximize charity contributions by AH	Teresa Jacques Diane Gramse	Charity Care policy temporarily revised. A new policy is recommended and will be included with the new policies for the department. Will also campaign for Charity care in February along with self pay discount.	In process		
24	Finance/Business Office reporting	<b>Contract payments</b> - assess P & P for identifying 3rd party shortfalls	Teresa Jacques, Gwynn Smith, Diane Gramse	This task has been assigned to Mahera.	In process		
25	Billing Issues and Tasks	<b>Disposition codes</b> -	Diane Gramse	Reviewed tables and they look okay. Awaiting more examples of old dispo codes.	In process		
26	Unbilled	<b>Unbilled</b> - research causes for unbilled amounts over goal by \$1.5m, reduce unbilled to goal of \$3.5 to \$4m for all accounts except LTC	Teresa Jacques	Met with HIM about \$2m in unidentified accounts that are not the responsibility of HIM. Needs further attention.	In process		
27	Cash Projection	<b>Develop Cash projection model</b>	Teresa Jacques		In process		
28	Finance/Business Office reporting	<b>Wrong insurances classes reporting to the general ledger under self pay</b>	Teresa Jacques	HFS has ran a report to identify where all insurances are reporting.	In process		
29	Billing Issues and Tasks	Not billing on Medi/Cal ancillaries for LTC		Researched no reimbursement opportunity	Complete		
30	Billing Issues and Tasks	Call Emdeon about the 4 ED levels splitting the gross amount	Diane Gramse	AH IT and Diane are working with Meditech	In process		
31	Billing Issues and Tasks	Review claim scrubber	Teresa Jacques, Gwynn Smith, Diane Gramse	As we gather information on the issues with Emedeon, we will be looking at whether this is the correct system for AH.	Outstanding		
32	Business Office Reorganization	Interdepartmental Procedures	Gwynn Smith	HFS staff are reviewing and updating policies for the department	In process		

Date: December 30, 2011

To: Finance and Management Committee

From: Robert Anderson, Interim CFO

Subject: Daily Reporting Tools and Monitoring

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Enclosed is a copy of a new Daily Dashboard that is distributed to Management at Alameda Hospital on a daily basis. The Dashboard is intended to help management monitor key statistics, including patient volumes, surgeries, case mix, revenue, cash collections and payer mix of the hospital. This is being provided to you for informational purposes.

**ALAMEDA HOSPITAL**  
**DAILY DASHBOARD**  
 Month: **Dec-2011**

Thursday 12/29/2011

Date Prepared: 12/30/2011

STATISTICS	STAFFED BEDS	Hosp Patient Days Variance % <b>-3.1%</b>				%	YEAR TO DATE	Nov-2011	Dec-2010
		Today	MTD ACTUAL	MTD BUDGET	VAR			PRIOR MONTH	PRIOR YEAR
Patient Day - Total Hospital	126	84	2,386	2,463	(77)	-3.1%	15,060	2,444	2,658
Patient Days - CCU	8	3	81	144	(63)	-43.8%	693	111	155
Patient Days - DOU	31	15	334	326	8	2.3%	1,990	314	324
Patient Days - 3 West	27	12	404	406	(2)	-0.5%	2,526	423	491
Patient Days - Sub-Acute	34	33	957	957	0	0.0%	5,892	934	1,005
Patient Days - SNF	26	21	610	630	(20)	-3.1%	3,959	662	683
Admissions - Total		6	244	229	15	6.5%	1,428	243	221
Discharges - Total		6	241	229	12	5.2%	1,423	229	214
Average Length Of Stay - Acute			3.59	4.00	0.41	10.2%	3.83	3.42	4.25
Average Length Of Stay - Total			9.90	10.75	(1)	-7.9%	10.58	10.67	12.42
Observation Days		2	32	41	(9)		277	47	68
Total Outpatient		109	2,925	3,139	(214)	-6.8%	19,204	3,317	3,279
Outpatient Registrations		61	1,611	1,805	(194)	-10.7%	10,912	1,971	1,368
Emergency Visits		48	1,314	1,334	(20)	-1.5%	8,292	1,346	1,911

OTHER PATIENT STATISTICS	MTD Actual	MTD Budget	MTD Variance		Prior Month	Prior Year
Total Surgeries - Scheduled	145	174	(29)	-16.7%	186	184
Month To Date I/P Surgery Cases	27	41	(14)	-34.4%	30	42
Month To Date O/P Surgery Cases	118	133	(15)	-11.2%	156	142
<b>CASE MIX INDEX (CMI) - prelim for current month</b>	<b>1.2550</b>				<b>1.3158</b>	<b>1.3628</b>
GROSS REVENUE	ACTUAL	BUDGET	VAR		PRIOR MONTH	PRIOR YEAR
Month to date Revenue - Inpatient	\$ 13,540,440	\$ 14,343,651	\$ (803,211)	-5.6%	\$ 13,843,086	\$ 14,865,677
Month to date Revenue - Outpatient	\$ 5,827,746	\$ 6,741,897	\$ (914,151)	-13.6%	\$ 6,164,623	\$ 6,483,431
Month to date Gross Patient Revenue	\$ 19,368,186	\$ 21,085,547	\$ (1,717,361)	-8.1%	\$ 20,007,709	\$ 21,349,108
Month to date total patient Revenue PPD	\$ 8,117	\$ 8,560	\$ (443)	-5.2%	\$ 8,186	\$ 8,032
Cash Collections - Month to date	\$ 4,715,427	\$ 4,970,269	\$ (254,842)	-5.1%		

PAYER MIX (based on gross charges)	MTD Actual	Budget	Variance	
Medicare	42.3%	50.4%	-8.1%	-16.1%
Medi-Cal	14.9%	20.8%	-5.8%	-28.0%
HMO/PPO	15.8%	16.9%	-1.1%	-6.6%
Other	3.4%	3.0%	0.4%	13.8%
Private	16.5%	3.7%	12.8%	350.0%
Self Pay	7.1%	5.3%	1.8%	34.9%
Total	100.0%	100.0%	0.0%	0.0%