

PUBLIC NOTICE

Finance and Management Committee

Wednesday, June 26, 2013

7:30 a.m. – 9:00 a.m.

Location: Alameda Hospital (Dal Cielo Conference Room)
2070 Clinton Avenue, Alameda, CA 94501
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.

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.

- | | | |
|------|--|---------------------|
| I. | Call To Order | Robert Deutsch, MD |
| II. | Action Items | |
| | A. Acceptance of May 29, 2013 Minutes
[enclosure] | Robert Deutsch, MD |
| | B. Recommendation to Accept May 2013 Unaudited Financial Statements
[enclosure] | Kerry Easthope |
| III. | Chief Financial Officer Report | Kerry Easthope |
| | A. FYE June 30, 2014 Operating and Capital Budget Update | |
| IV. | Chief Executive Officer Report | Deborah E. Stebbins |
| | A. Proposed Affiliation & Letter of Intent with Alameda Health System | |
| | B. Reimbursement and State Budget Updates | |
| V. | Board / Committee / Staff Comments | |
| VI. | Adjournment | |

NEXT MEETING: Wednesday, July 31, 2013



Finance and Management Committee Minutes

May 29, 2013

Members Present: (Voting)	Elliott Gorelick Robert Deutsch, MD	Emmons Collins, MD William Sellman, MD	Lynn Bratchett, RN Ann Evans Ed Kofman
Management Present:	Deborah E. Stebbins Kerry J. Easthope Brian Jung	Mary Bond, RN Karen Taylor, RN Katy Silverman	Richard Espinoza
Ex Officio/Guests:			
Absent:			
Submitted by:	Kristen Thorson, District Clerk		

TOPIC	DISCUSSION	ACTION FOLLOW-UP
I. Call to Order	Director Gorelick called the meeting to order at 7:33 a.m.	
II. Action Items	A. Acceptance of the April 24, 2013 Minutes	Director Deutsch made a motion to accept the minutes. Dr. Sellman seconded the motion. The motion carried.
	B. Recommendation to Accept the April 2013 Unaudited Financial Statements Mr. Easthope reviewed a PowerPoint Presentation on the April Financial Statements that corresponded with the Financial Statements included in the meeting packet. He noted the following key areas: <ul style="list-style-type: none"> • April Performance Overview • Key Volume Indicators • Case Mix Comparison • Statement of Operations • Net Revenues • Total Operating Expenses • Balance Sheet 	Ms. Evans made a motion to recommend to the Board of Directors acceptance of the April 2013 Unaudited Financial Statements. Mr. Kofman seconded the motion. The motion carried.

	<ul style="list-style-type: none"> Financial Ratios <p>March had a consolidated net operating loss of \$358,000 vs. a budgeted gain of \$196,000. Year to date loss is \$1.7 M compared to a budgeted gain of \$62,000. CMI was significantly lower despite a higher census in Telemetry and CCU. There was discussion regarding the increased census in Telemetry and CCU that did not result in higher net revenues as well as staffing level and the increase in salary / registry expense for the month. Mr. Easthope noted that revenues were close to budget and that expenses continue to be over budget for the month and year to date. Mr. Easthope provided a breakdown of the Construction in Progress (CIP) and the associated depreciation as applicable as requested by Director Gorelick. CIP included seismic work, electronic health record implementation, ortho clinic, subacute sprinkler installation, Bulk oxygen project, and the emergency lighting projects. Dr. Collins requested more discussion and analysis of staffing and labor expense variances at the committee level. Ms. Stebbins noted that a focus group has been meeting to aggressively look at the variances and find solutions.</p>	
	<p>C. Recommendation to Approve FYE June 30, 2014 Operating Budget</p>	<p>The action of recommendation was deferred to the June 26, 2013 meeting by the Committee.</p>
	<p>D. Recommendation to Approve FYE June 30, 2014 Capital Budget</p> <p>Director Gorelick and Director Deutsch suggested that the budget recommendation be deferred to the June committee meeting and suggested that an extension of spending authority, at current budget, be brought forth to the Board of Directors in June 2013.</p> <p>Despite the deferring of the recommendation, Mr. Easthope and Ms. Stebbins presented the budget as outlined in the materials and the following key areas.</p> <ul style="list-style-type: none"> FY 2014 Budget Process Overview FY 2013 Actual to Budget Highlights Key Financial Data Trend Strategic Initiatives – FY 2014 Operating Budget Key Baseline Budget Volume Assumptions (Acute, Long Term Care, Outpatient) Gross and Net Revenue Staffing (FTE's) Labor & Benefit Expenses FY 2014 Operating Budget Spread FY2014 Net Income Waterfall 	

	The proposed capital budget was also reviewed noting a total dollar amount of \$1,223,250.	
III. Public Comments	Trish Spencer provide public comment relating to her experience with the Infusion Center and staffing concerns that she felt impacted the quality of care.	
IV. Board / Committee / Staff Comments	No comments.	
V. Adjournment	Being no further business, the meeting was adjourned at 9:06 a.m.	

THE CITY OF ALAMEDA HEALTH CARE DISTRICT

ALAMEDA HOSPITAL

UNAUDITED FINANCIAL STATEMENTS

FOR THE PERIOD ENDING May 31, 2013

**CITY OF ALAMEDA HEALTH CARE DISTRICT
ALAMEDA HOSPITAL
MAY 31, 2013**

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ALAMEDA HOSPITAL MANAGEMENT DISCUSSION AND ANALYSIS MAY, 2013

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 May 31, 2013 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.

Highlights

Overall for the month of May, the hospital experienced a combined negative net operating loss of \$622,000 against a budgeted gain of \$251,000. Year to date the hospital shows a loss of \$2.3 million compared to a budgeted gain of \$313,000. Waters Edge remains steady with a positive net contribution of \$364,000 and a year to date contribution of almost \$3.1 million. Wound Care had another busy month in May as the number of visits has increased again. The program's net contribution however fell below budget by \$49,000 in May.

May discharges were 252, which is 10 or 3.6% below budget, and total patient days were 6,105 or 151 (2.5)% greater than budget. The acute ALOS decreased slightly from prior month to 3.86 in the month, and year to date remains at 4.04. Total patient days for inpatient acute services were down 6.2%; subacute days were down 0.8%, skilled nursing days were up at South Shore by 1.6% and Waters Edge were up by 6.2%.

Overall outpatient activity was mixed this month. Outpatient registrations were down 9.0% ,but Emergency Room visits were 24 or 1.7% above budget. Outpatient surgeries were below budget for the month by 25 or 16.0%, which is a little stronger than the trend year-to-date.

The Wound Care program had 466 visits in May compared to a budget of 350, or 33.1% above budget. In May there were 117 HBO treatments compared to 120 in April.

Total gross and net revenue in May was generally in line with activity. The overall inpatient component was below budget by 1.8% and outpatient was below budget 7.8%.

The overall Case Mix Index (CMI) in May was 1.4037; this is more consistent with most months this year and above the FY 2013 year-to-date of 1.3366. Last months low appears to be an aberration as the CMI climbed immediately in May and ended strong.

Total expenses were almost \$7.6 million in May, \$638,000 or 9.2% above budget with is over the year to date trend and the highest expenses so far this year.

Temporary agency fees, benefits, professional fees, supplies and purchased services were over budget while other categories were close to or just under budget. As previously discussed, the FY2013 temporary agency budget was understated by about \$40,000 per month. Please see the Expense section for the details behind the expense variances.

Cash and cash equivalents were almost \$5.2 million at the end of May, just lower than prior month due to timing of payrolls and vendor payment distributions. Cash collections in May were again high at almost \$6.6 million. Net accounts receivable decreased by approximately \$200,000 to \$11.2 million.

Accounts payable and other accrued expenses decreased over \$200,000 from \$11.2 million to almost \$11.0 million.

Lastly, the current ratio dropped slightly to .86 below the required 1.0 of our bank covenants. Net Assets have dropped again to approximately \$4.8 million.

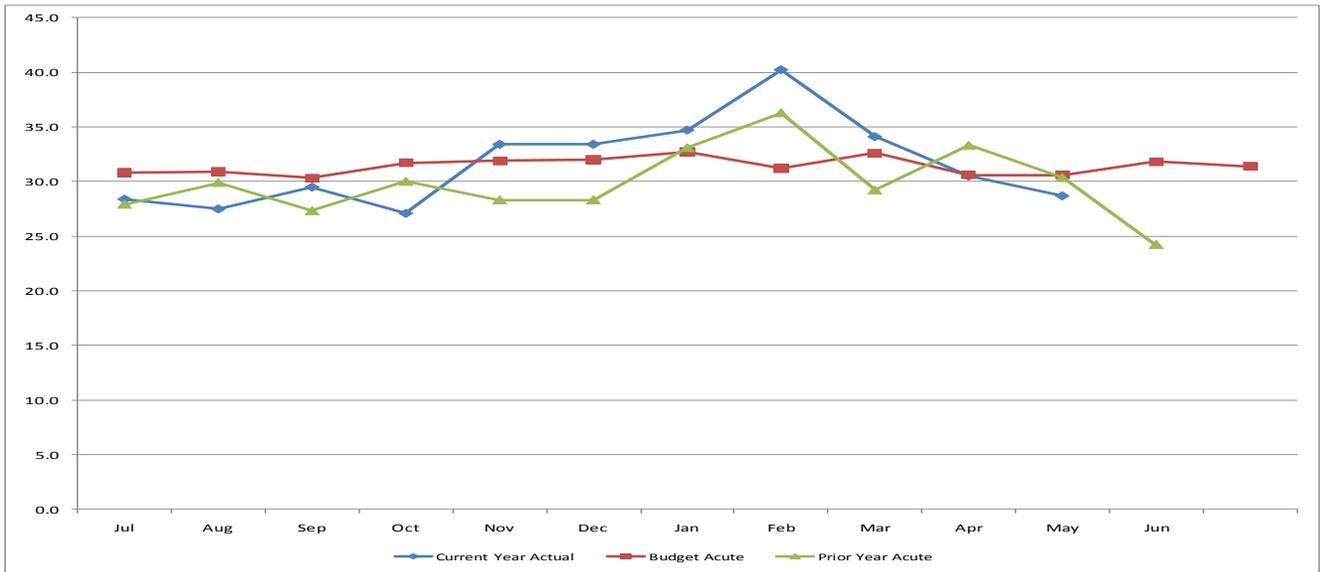
ACTIVITY

ACUTE, SUBACUTE AND SNF SERVICES

Overall, patient days were 2.5% above budget for the month but below May of last year. This month's acute days were below budget by 6.2%, Subacute was down 0.8%, South Shore was up 1.6% and Waters Edge was up 6.2%.

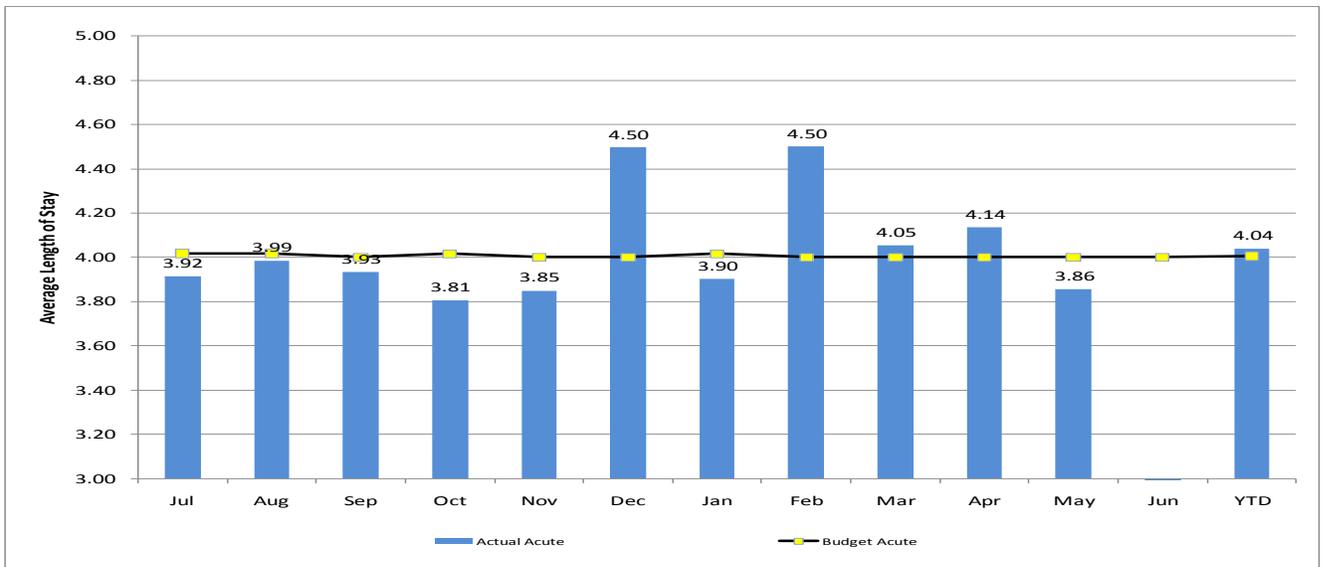
May's acute patient days were 59 days or 6.2% lower than budget for the month and 5.3% lower than May 2012. The acute care program is comprised of the Critical Care Unit (4.7 ADC, 76.8% above budget), Telemetry / Definitive Observation Unit (13.8 ADC, 19.3% above budget) and Med/Surg Unit (10.3 ADC, 37.5% below budget).

Acute Average Daily Census



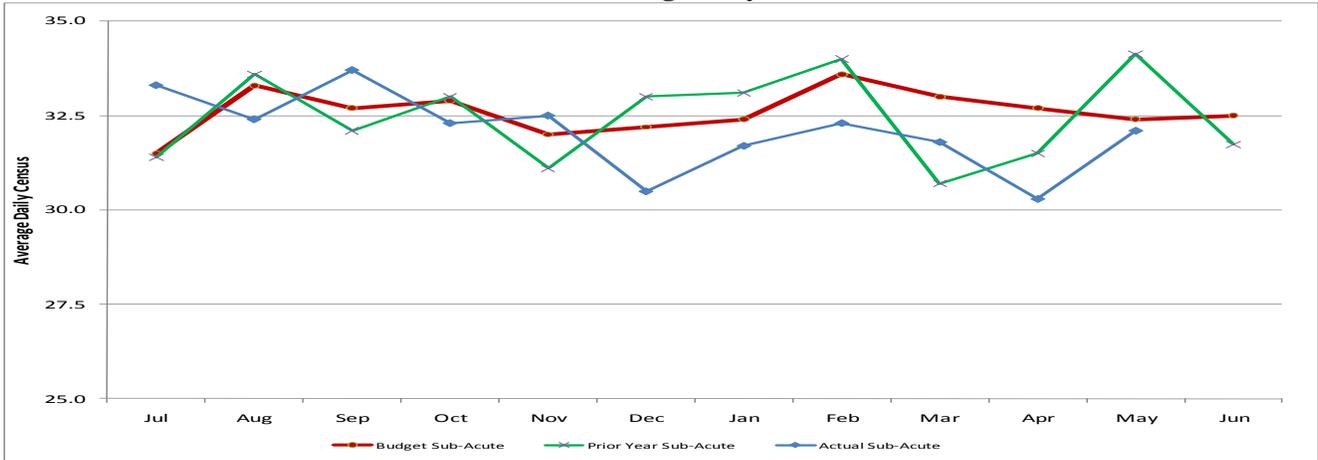
The acute Average Length of Stay (ALOS) decreased from 4.14 in April to 3.85 in May and is just above the budget of 4.00. The YTD acute ALOS for FY 2013 is 4.04. The graph below shows the ALOS by month compared to the budget.

Acute Average Length of Stay



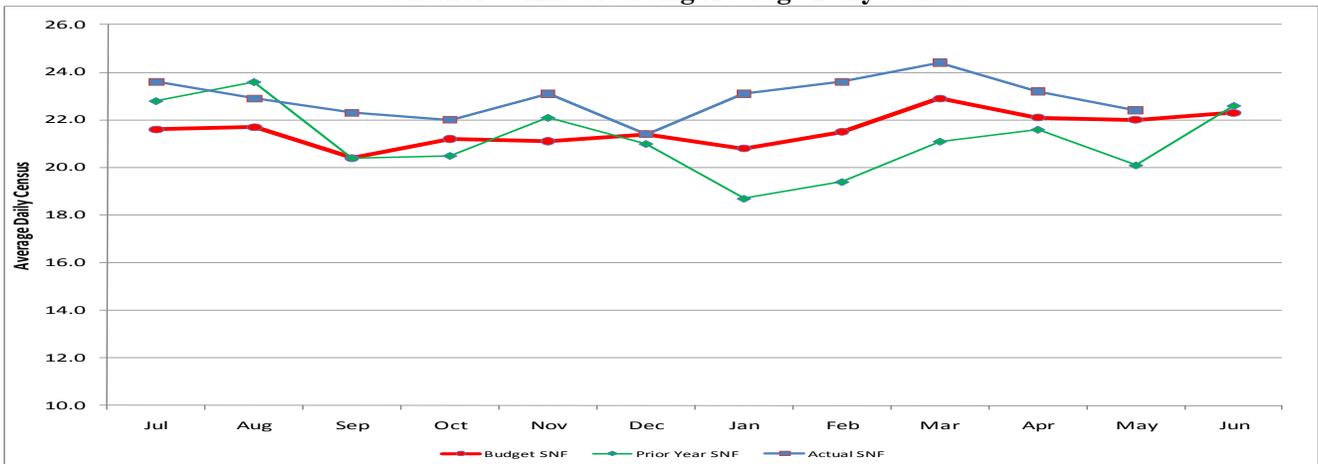
The Subacute program ADC of 32.13 was just below budget by 0.26 ADC or 0.8%. Census is back up from prior lows. The graph below shows the Subacute ADC for the current fiscal year as compared to budget and the prior year.

Subacute Average Daily Census



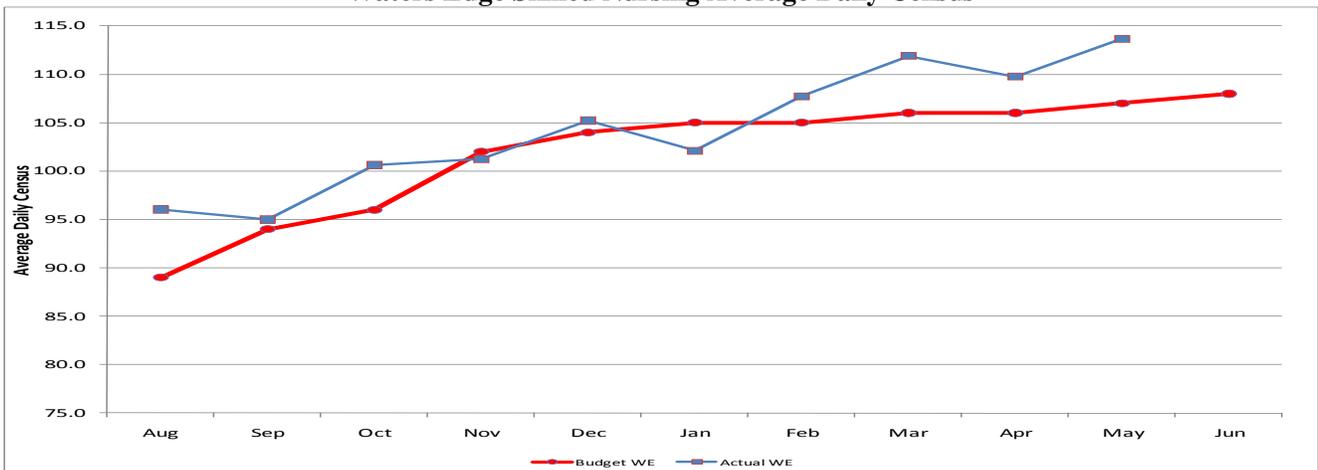
The South Shore ADC was above budget by 11 patient days (1.6%) for the month of May. The graph below shows the South Shore monthly ADC as compared to budget and the prior year. In May the number of Medicare A skilled patients was 3.3 ADC, below the 4.0 ADC in April and below the budget of 4.2.

South Shore Skilled Nursing Average Daily Census



Waters Edge census was 113.7 ADC or 6.2% above the budget of 107.0 in May. The Medicare census was 14.6 ADC up from 12.8 ADC in the prior month, and below the Medicare ADC budget of 17.0.

Waters Edge Skilled Nursing Average Daily Census

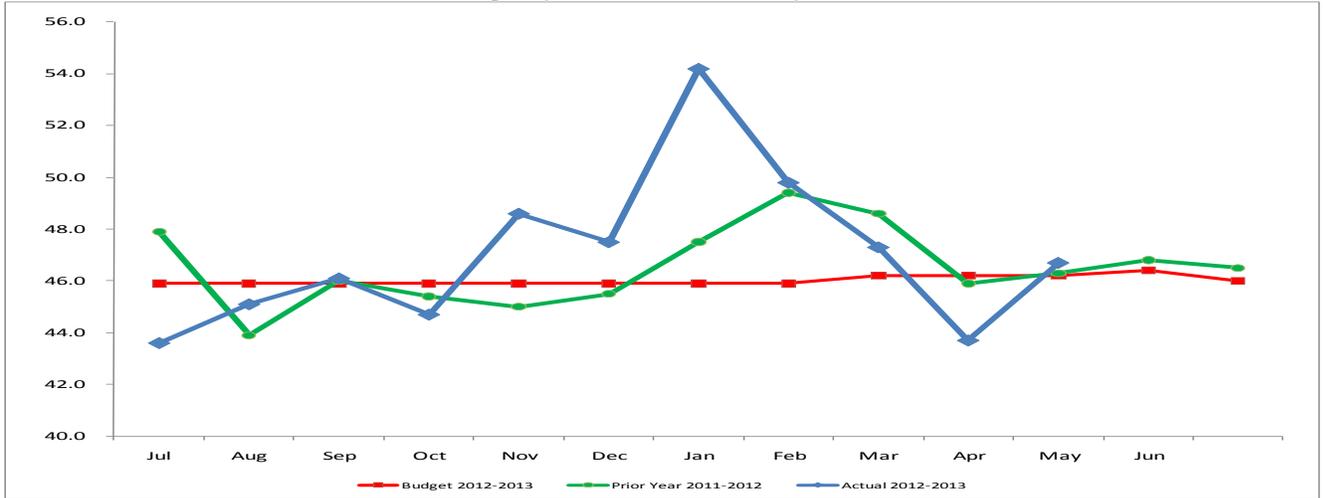


ANCILLARY SERVICES

Outpatient Services

Emergency Care Center (ECC) visits in May were 1,447, or 24 visits (1.7%) above the budget of 1,423. The inpatient admission rate from the ECC was 16.7% very consistent with the 16.3% admit rate in April. On a per day basis, the total visits represent an increase of 6.9% from the prior month daily average. In May, there were 330 ambulance arrivals versus 273 in the prior month. Of the 330 ambulance arrivals in the current month, 230 or 69.7% were from Alameda Fire Department (AFD).

Emergency Care Visits Per Day



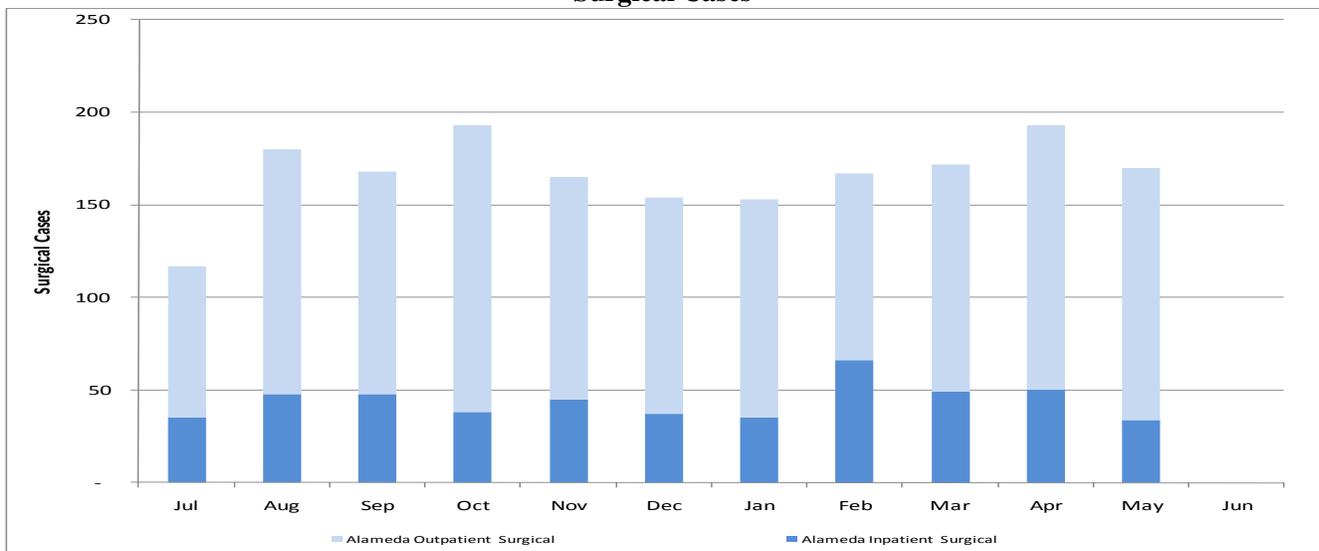
Outpatient registrations totaled 2,172 or 9.0% below budget. This month the number of patient visits were down in Radiology (293), Physical Therapy (168), MRI (62) and Laboratory (57). However, visits were up in Occupational Therapy (23), IV Therapy (14) and Wound Care (116 visits). Starting with December, the budget for Physical Therapy and Radiology Services assumes significant increases from referrals by our two new orthopedic physicians. This process is improving but still behind expectations. In May there were 220 Therapy visits and 100 Imaging procedures from the new orthopedic clinic, compared to 220 and 100 respectively in April.

In May, Wound Care again exceeded the budget of 350 with 466 visits, or 33.1% over budget. Hyperbaric Oxygen treatments accounted for 117 of those visits, compared to 120 in April.

Surgery

The total number of surgery cases in May were 170 or 21.7% below the budget of 217 and just below last year's case volume of 179. Inpatient cases at 34 were below budget by 17 (33.3%) and outpatient was below budget by 30 (18.1%) at 136 cases.

Surgical Cases



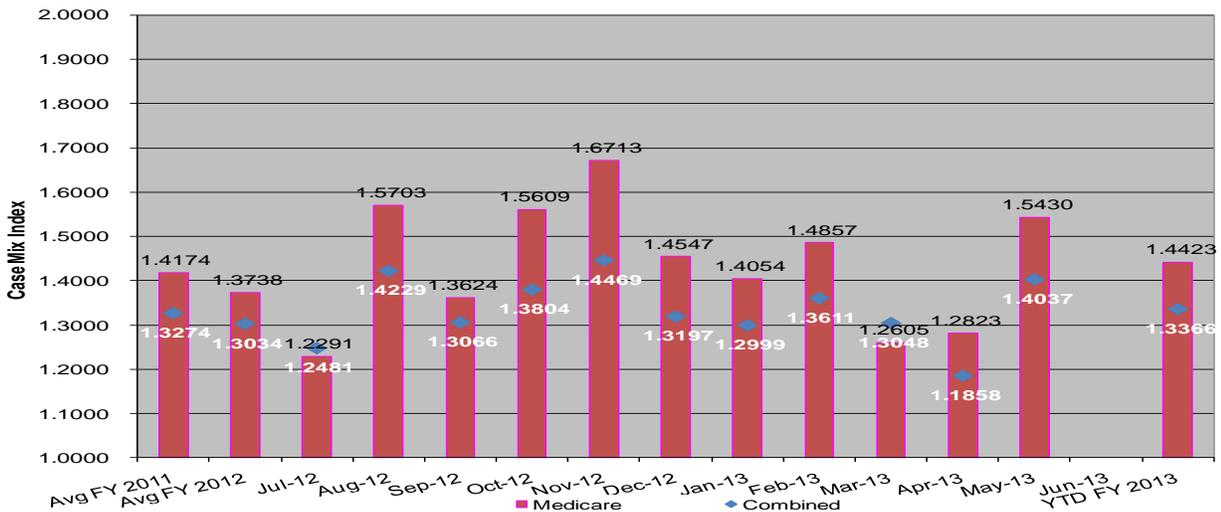
Payer Mix

The Hospital's overall payer mix compared to budget is illustrated below. This is inclusive of the Waters Edge revenue.

	<u>May Actual</u>	<u>May Budget</u>
Medicare	48.6%	46.3%
Medi-Cal	24.8%	26.8%
Managed Care	14.2%	16.5%
Other	3.3%	3.0%
Commerical	1.3%	3.0%
Self-Pay	7.9%	4.3%
Total	100.0%	100.0%

Case Mix Index

The Hospital's overall Case Mix Index (CMI) for May was 1.4037, up from the prior month low of 1.1858 (18.4%) May came back strong after the low experienced last month and continues into June. The Medicare CMI was 1.5430 in May, above prior month as well. The graph below shows the Medicare CMI for the Hospital during the current fiscal year as compared to the prior two years.



Revenue

Gross patient charges in May were below budget by \$1 million or 3.8%. Inpatient gross revenues were \$344,000 below budget and outpatient gross revenues were down \$706,000. Acute inpatient days were just 6.2% below budget and acute gross revenue was down 1.25%. Inpatient ancillary services were charges below budget in Emergency, Surgery, Laboratory, Imaging and Pharmacy, but were up in Supplies.

Waters Edge gross and net revenue were above budget in May consistent with the volume. The ancillary revenue was above budget 13.5% (mostly due to therapy services) and the routine daily room and board revenue was above budget by 11.1%. Medicare A patient was about 14.2% lower than budget, contributing to Net Revenue being only 3.6% higher in the month.

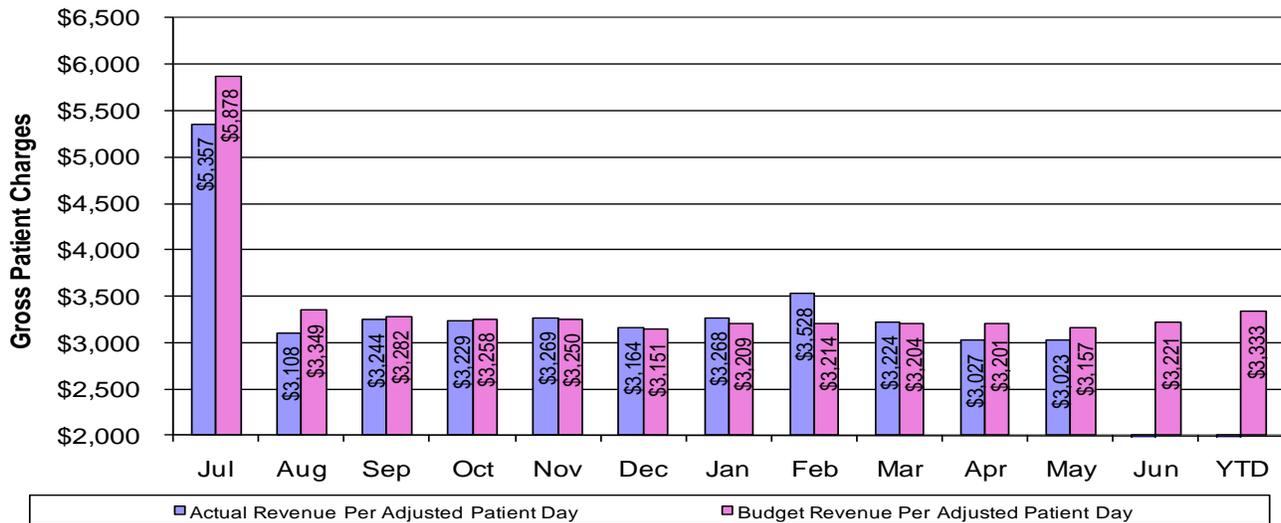
Outpatient gross revenues were lower than budget by \$706,000 (7.8%). Laboratory, Imaging and Pharmacy were the largest contributors to this being below budget while the clinics (Wound Care in particular) were above budget. The new orthopedic practice anticipated increases in Imaging, Rehab Services and Surgery, these volumes and referral patterns are increasing. However,

these areas are still growing slower than we have projected in the budget, but they are growing steadily as the year progresses. Outpatient MRI volumes were lower than expected given that we added a third MRI day in March. We do know that Emergency and Inpatient MRI utilization was higher, but overall numbers lower than expected.

Wound Care volume was above budget with the gross revenue exceeding budget by \$56,000 due to another busy month, resulting in Net Revenue coming in again better than budget by just over \$13,000 for the month, and \$245,000 year to date.

On an adjusted patient day basis, total patient revenue was \$3,023 below the budget of \$3,157 for the month of May. The table below shows the Hospital's monthly gross revenue per adjusted patient day by month and year-to-date for Fiscal Year 2013 compared to budget. Note the overall revenue per day dropped in August with the addition of Waters Edge days and revenue in the mix. Waters Edge provides a significant amount of days (almost double) yet these patients have primarily room and board charges and very little ancillary services compared to acute patients.

Gross Charges per Adjusted Patient



Contractual Allowances and Net 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 payers such as Blue Cross. A Net Revenue percentage of 23.8% was budgeted and 24.2% was realized. Year to date net revenue percentage is 23.3% of gross versus a budget of 23.5%. Medi-Cal reimbursement at both South Shore and Waters Edge were calculated at a per diem rate of \$316 which is consistent with budget and AB97 rate reduction.

Overall, Net Revenue was almost \$6.5 million, \$121,000 below the budget of \$6.6 million. The lower inpatient ancillary revenue, and the lower than budgeted outpatient visits and revenues are all key drivers to the lower Net Revenue. In addition, beginning April 1, 2013, the Federal budget sequestration goes into effect. This is a 2% reduction in all Medicare reimbursements which equate to about \$40,000 per month for Alameda.

Waters Edge had Net Revenues of almost \$1.3 million, above the budget by \$46,000 or 3.6%. Higher than budgeted overall census are driving this positive variance. Year to date, Waters Edge Net Revenue is \$271,000 (2.4%) above budget, and consistent with patient census (2.9%) above budget.

The Wound Care program also resulted in a positive net revenue contribution of just over \$13,000 for the month. However there are additional expenses associated with providing this additional revenue.

Expenses

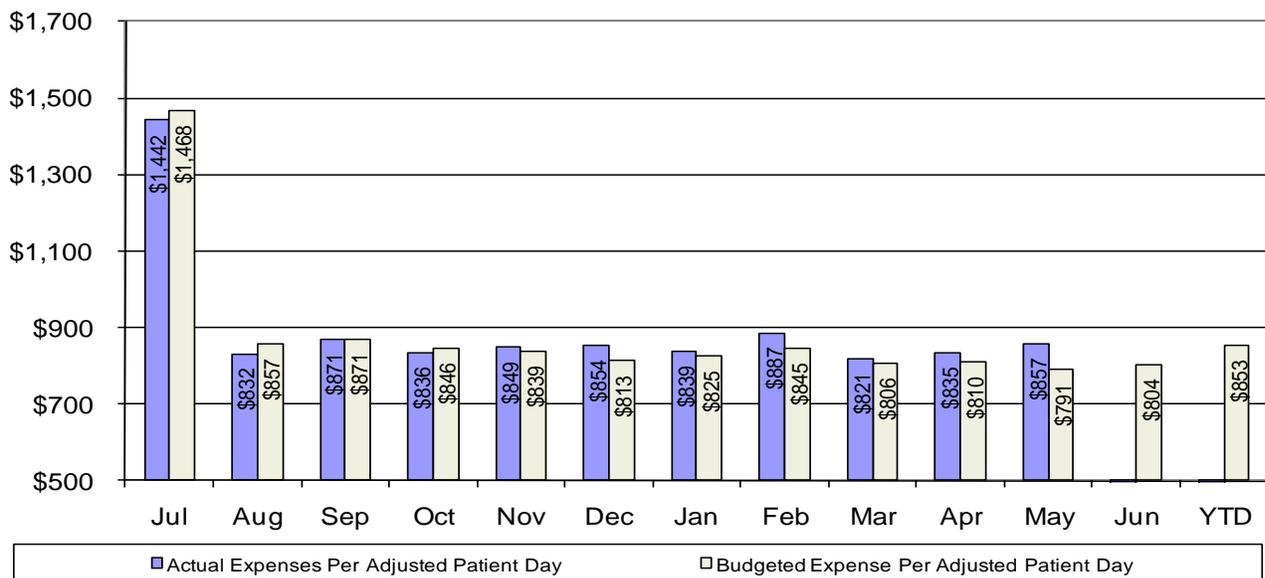
Total Operating Expenses

Total operating expenses were almost \$7.6 million which was higher than the fixed budget by \$639,000 or 9.2%. Temporary agency fees, benefits, professional fees, supplies, purchased services, rents and leases and depreciation were all above budget while insurance was under budget. All other expense categories were reasonably close to budget.

It needs to be noted that we have discovered an error with the budget spread for Professional Fees in the last three months of the fiscal year. Professional Fees Medical (ED on call fees specifically) which are budgeted at \$70,000 per month, were all spread over the first nine months of the fiscal year with no budget in April, May and June. This has created an actual to budget variance in the month. We have reviewed all other expense line items in FY 2013 as well as the FY 2014 budget and have not identified any other such errors.

The graph on the below shows the actual Hospital operating expenses on an adjusted patient day basis for the fiscal year by month as compared to budget. Note that expenses per patient day were very close to budget this month and last.

Expenses per Adjusted Patient Day



The following are explanations of the significant areas of variance that were experienced in the current month.

Salary and Temporary Agency Expenses

Salary and temporary agency costs combined were unfavorable to the fixed budget by \$111,000 (3%). Most of this variance was in Registry (temporary agency services).

While the temporary agency expenses were budgeted lower than they should have been, there are still several areas using temporary staff to replace vacant positions. The departments still utilizing temporary staff to replace budgeted vacant positions are Respiratory Therapy (\$9,000), Laboratory (\$18,000), Rehab Services (\$8,000), Imaging (\$11,500) and Waters Edge (\$30,000). In addition again the acute inpatient volume was high in CCU (76.8% above budget) and DOU (19.3% above budget) requiring more staffing including registry staffing.

Staffing also needs to be better managed. Total paid and FTE's were about 23 over budget for the month. FTE's per adjusted occupied bed about 3.5% over budget. Given the high amount of registry usage, employed staff salary and wages should be lower given the census and outpatient registration variance. The executive and management team has been discussing staffing and is taking steps to get this back in line. The use of overtime and double time premium pay increased in May, both areas up over \$32,000 from the prior month.

We again had additional salary expense in pharmacy, as we have hired and are training new pharmacists. We have also expanded the pharmacy service hours so there could be some additional salary expense in pharmacy going forward. However, this change will reduce the amount paid for our contracted after hour pharmacy service. In addition there were extra salaries in EVS as well as in the TAW program. The Transition to Work program has been eliminated for the time being which will reduce FTE's by 2.9 and salary expense \$14,000.

Benefits

Benefits were above the fixed budget by \$44,000. Year to date is also above budget by \$202,000. These numbers fluctuate from month to month and this month is over budget due to higher than budgeted salary and wages as well as slightly higher employee health care claims in the month.

Professional Fees

Professional fees were over budget by \$122,000 or 32.4% are due to the budget error discussed above (\$70,000), fees associated with the Interim Director in Information Systems, patient accounting, higher management fees associated with the busier than expected Wound Care program, Legal fees were also again higher in May as we engage legal council in various business matters.

Supplies

Supplies expense was \$157,000 over budget and year to date supply expense is \$660,000 higher than budget. Departments using more supplies than anticipated were Surgery (prosthetics), Wound Care (skin graft prosthetics), Laboratory, Blood Bank, EVS, Information Systems, subacute, CCU, Pharmacy, and South Shore. Prosthetic expenses do correlate with a higher Orthopedic surgery volume of 30 cases, one of the highest orthopedic procedure months of the year.

Purchased Services

Purchased services were \$108,000 over budget for the month of May and year to date is \$214,000 over budget. The departments higher than budget this month include Telemetry Unit (\$30,000 Dialysis for two months), Waters Edge (pharmacy and rehab service fees \$41,000), Imaging (\$13,500), Collection Agency Fees (3 months invoices totaling \$30,000) and QRM (Fees to consulting firm for Medicare RAC appeals which increased sharply the end of April and May).

Rents and Leases

Rents and lease expense was \$21,000 over budget in the month. We have additional unbudgeted rent for the new Orthopedic clinic space and an office building on Willow totaling about \$8,000, as well as additional rent expense in Respiratory Therapy for ventilators, bed leases and higher Xerox copier usage fees.

Other Operating Expense

Other Operating Expenses were under budget this month by \$24,000. And, year to date Other Expenses are under budget by \$105,000; about half from Waters Edge and half from hospital based travel and training budget.

Interest Expense

Interest Expense was \$13,000 in May, \$5,000 higher than budget. We did accrue additional expense for interest charges assessed by Cardinal Health on past due payments.

Depreciation Expense

Depreciation Expenses was \$25,000 higher than budget. In May we did begin depreciating the Meditech Emergency Department module that went live back in April and the completion of the Emergency Lighting OSHPD projects. This higher depreciation will continue the remainder of the year.

Balance Sheet

Total assets decreased by just over \$400,000 from the prior month. The following items make up the decrease in assets:

- Total unrestricted cash and cash equivalents for May decreased by \$236,000 and days cash on hand including restricted use funds also decreased to 22 days cash on hand in May from the 23.6 days cash on hand in April. Patient collections in May averaged \$213,500 per day, below the high from the prior month. Note there is cash that is being held for repayment of LTC over payments since August 2012 and the addition of Waters Edge. Year to date, this overpayment amount is estimated at \$2.3 million.

- Net patient accounts receivable was \$11.2 million, down almost \$200,000 from \$11.4 million at the end of April. This has finally come back down due to high cash collections in April and May. We know that there is an additional \$600,000 from prior periods to be collected on 6 subacute patients that were pending TAR approvals and were billed in May.
- Days in outstanding receivables were 56.3 at April month end, another decrease from the April number of 57.4 days. Cash collections in May were \$6.6 million compared to \$7 million in April.

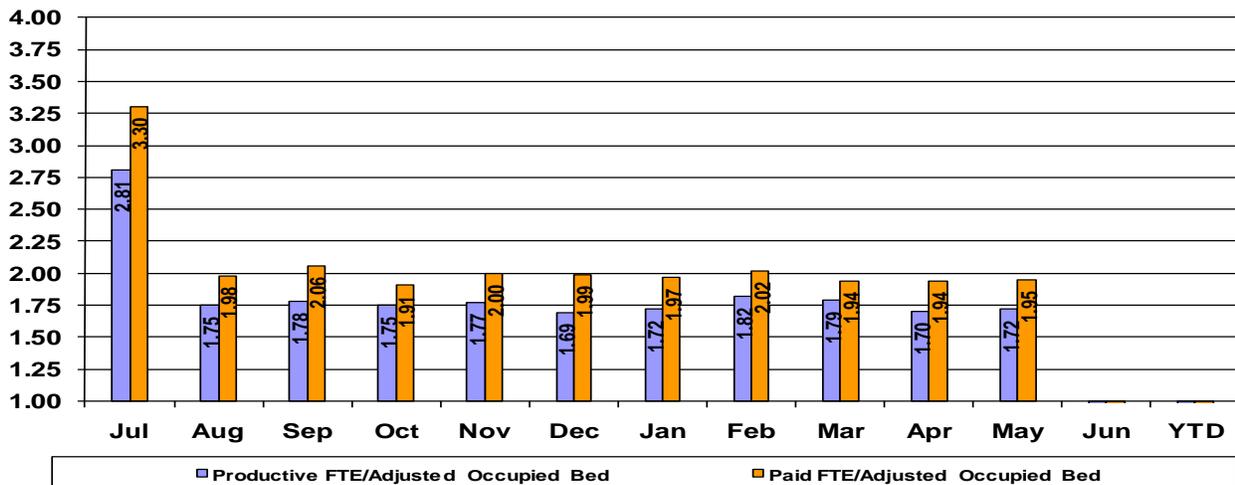
Overall, total liabilities increased by \$200,000 from prior month:

- Accounts payable decreased by \$200,000 in May to approximately \$11.0 million which equates to 134 AP Days, down again from the 147 days in April.
- Payroll related accruals increased by \$475,000 due to the timing the the pay periods in the month.
- Deferred revenues decreased by \$477,000 due to the recognition of one-twelfth of the 2012/2013 parcel tax revenues.
- Current Portion of Long Term Debt in the month of May again decreased by about \$27,000 as we continue to reduce short term liability to the State that ends this year.
- Third Party Settlement increased by \$500,000 associated with recording of the Medi-Cal overpayment reserve, as well as a decrease in Third Party Receivables that are included in this balance sheet category. We did receive about \$200,000 of the subacute retro rate adjustment money in May. There is just over \$200,000 more that will be forth coming. We also received AB 915 funds totaling about \$193,000.

Key Statistics

FTE's Per Adjusted Occupied Bed

For the month of May Productive FTE's per Adjusted Occupied Bed were 1.72, above the budget of 1.65 FTE's by 3.9%. Paid FTE's per Adjusted Occupied Bed were 1.95 or 3.5% above the budget. The graph below shows the productive and paid FTE's per Adjusted Occupied Bed for FY 2013 by month.



Current Ratio

The current ratio for May is 0.86, down again from .89 in April. We have met with representatives from the Bank of Alameda regarding these loan covenant ratios and other matters. The bank understands our current financial situation and will continue to work with us as we work to develop the Affiliation opportunity that will provide ongoing financial stability.

A/R days

Net days in accounts receivable (A/R) are currently at 56.3. This is down again from the prior month of 57.4. Net A/R days are down as the result of higher cash collections last month and again this month. We are taking actions to help ensure that A/R balances and cash flows to remain more constant and are almost at our goal of keeping A/R days in the mid 50's.

Days Cash on Hand

Days cash on hand for May were 22, a slight decrease from prior month of 23.6. While cash collections have improved, cash is also needed to pay down vendor balances as the property tax proceeds will be used to subsidize operations over the course of the fiscal year as well as other capital project commitments.

The following pages include the detailed financial statements for the eleven (11) months ended May 31, 2013, of Fiscal Year 2013.

**ALAMEDA HOSPITAL
KEY STATISTICS
MAY 2013**

	<u>ACTUAL MAY 2013</u>	<u>CURRENT FIXED BUDGET</u>	<u>VARIANCE (UNDER) OVER</u>	<u>%</u>	<u>MAY 2012</u>	<u>YTD MAY 2013</u>	<u>YTD FIXED BUDGET</u>	<u>VARIANCE</u>	<u>%</u>	<u>YTD MAY 2012</u>
Discharges:										
Total Acute	231	238	(7)	-2.7%	239	2,614	2,628	(14)	-0.5%	2,616
Total Sub-Acute	3	2	1	50.0%	4	29	26	3	11.5%	26
Total South Shore	6	9	(3)	-33.3%	18	61	94	(33)	-35.1%	114
Total Waters Edge	<u>12</u>	<u>13</u>	<u>(1)</u>	<u>-7.7%</u>	<u>-</u>	<u>150</u>	<u>126</u>	<u>24</u>	<u>19.0%</u>	<u>-</u>
	252	262	(10)	-3.6%	261	2,854	2,874	(20)	-0.7%	2,756
Patient Days:										
Total Acute	891	950	(59)	-6.2%	941	10,560	10,523	37	0.4%	10,154
Total Sub-Acute	996	1,004	(8)	-0.8%	1,058	10,739	10,923	(184)	-1.7%	10,890
Total South Shore	694	683	11	1.6%	622	7,669	7,212	457	6.3%	7,049
Total Waters Edge	<u>3,524</u>	<u>3,317</u>	<u>207</u>	<u>6.2%</u>	<u>-</u>	<u>31,712</u>	<u>30,817</u>	<u>895</u>	<u>2.9%</u>	<u>-</u>
	6,105	5,954	151	2.5%	2,621	60,680	59,475	1,205	2.0%	28,093
Average Length of Stay										
Total Acute	3.86	4.00	(0.14)	-3.6%	3.94	4.04	4.00	0.03	0.9%	3.88
Average Daily Census										
Total Acute	28.74	30.65	(1.90)	-6.2%	30.35	31.52	31.41	0.11	0.4%	30.31
Total Sub-Acute	32.13	32.39	(0.26)	-0.8%	34.13	32.06	32.61	(0.55)	-1.7%	32.51
Total South Shore	22.39	22.03	0.35	1.6%	20.06	22.89	21.53	1.36	6.3%	21.04
Total Waters Edge	<u>113.68</u>	<u>107.00</u>	<u>6.68</u>	<u>6.2%</u>	<u>-</u>	<u>104.32</u>	<u>101.37</u>	<u>2.94</u>	<u>2.9%</u>	<u>-</u>
	196.94	192.06	4.87	2.5%	84.55	190.79	186.92	(0.44)	-0.2%	83.86
Emergency Room Visits	1,447	1,423	24	1.7%	1,432	15,746	15,377	369	2.4%	15,559
Wound Care Clinic Visits	466	350	116	33.1%	-	3,182	2,100	1,082	51.5%	-
Outpatient Registrations	2,172	2,387	(215)	-9.0%	1,877	21,487	22,945	(1,458)	-6.4%	20,387
Surgery Cases:										
Inpatient	34	51	(17)	-33.3%	41	498	508	(10)	-2.0%	447
Outpatient	<u>136</u>	<u>166</u>	<u>(30)</u>	<u>-18.1%</u>	<u>138</u>	<u>1,350</u>	<u>1,727</u>	<u>(377)</u>	<u>-21.8%</u>	<u>1,574</u>
	170	217	(47)	-21.7%	179	1,848	2,235	(387)	-17.3%	2,021
Adjusted Occupied Bed (AOB)	285.46	283.19	2.27	0.8%	126.13	259.15	257.70	1.45	0.6%	123.07
Productive FTE	490.11	468.12	21.98	4.7%	358.91	466.14	455.47	10.67	2.3%	347.59
Total FTE	555.23	532.38	22.85	4.3%	408.92	527.74	519.63	8.12	1.6%	398.96
Productive FTE/Adj. Occ. Bed	1.72	1.65	0.06	3.9%	2.85	1.80	1.77	0.03	1.8%	2.82
Total FTE/ Adj. Occ. Bed	1.95	1.88	0.07	3.5%	3.24	2.04	2.02	0.02	1.0%	3.24

City of Alameda Health Care District
Statements of Financial Position
May 31, 2013

	Current Month	Prior Month	Prior Year End
Assets			
Current Assets:			
Cash and Cash Equivalents	\$ 5,160,821	\$ 5,396,612	\$ 3,327,884
Patient Accounts Receivable, net	11,238,982	11,417,224	8,835,256
Other Receivables	770,212	788,192	6,488,283
Third-Party Payer Settlement Receivables	-	-	-
Inventories	1,100,239	1,103,949	1,045,311
Prepays and Other	641,109	619,668	416,371
Total Current Assets	18,911,363	19,325,645	20,113,105
Assets Limited as to Use, net	178,116	175,370	64,183
Fixed Assets			
Land	877,945	877,945	877,945
Depreciable capital assets	45,422,803	44,614,621	43,470,520
Construction in progress	3,341,478	4,062,290	4,102,468
Depreciation	(40,490,725)	(40,397,533)	(39,670,499)
Property, Plant and Equipment, net	9,151,502	9,157,322	8,780,434
Total Assets	\$ 28,240,981	\$ 28,658,338	\$ 28,957,722
Liabilities and Net Assets			
Current Liabilities:			
Current Portion of Long Term Debt	\$ 947,505	\$ 974,364	\$ 1,724,249
Accounts Payable and Accrued Expenses	10,994,408	11,199,578	7,848,673
Payroll Related Accruals	5,147,815	4,671,969	4,307,924
Deferred Revenue	484,441	959,061	5,726,305
Employee Health Related Accruals	678,942	690,577	691,942
Third-Party Payer Settlement Payable	3,651,277	3,150,602	601,233
Total Current Liabilities	21,904,388	21,646,151	20,900,326
Long Term Debt, net	1,513,360	1,570,004	1,022,152
Total Liabilities	23,417,748	23,216,155	21,922,478
Net Assets:			
Unrestricted	4,435,117	5,056,812	6,761,061
Temporarily Restricted	388,116	385,370	274,183
Total Net Assets	4,823,233	5,442,182	7,035,244
Total Liabilities and Net Assets	\$ 28,240,981	\$ 28,658,337	\$ 28,957,722

City of Alameda Health Care District

Statements of Operations

May 31, 2013

\$'s in thousands

	Current Month					Year-to-Date				
	Actual	Budget	\$ Variance	% Variance	Prior Year	Actual	Budget	\$ Variance	% Variance	Prior Year
Patient Days	6,105	5,954	151	2.5%	2,621	60,680	59,475	1,205	2.0%	28,093
Discharges	252	262	(10)	-3.6%	261	2,854	2,874	(20)	-0.7%	2,756
ALOS (Average Length of Stay)	24.23	22.77	1.46	6.4%	10.04	21.26	20.69	0.57	2.7%	10.19
ADC (Average Daily Census)	196.9	192.1	4.87	2.5%	84.5	180.6	177.0	3.59	2.0%	83.6
CMI (Case Mix Index)	1.4037				1.1651	1.3366				1.3240
Revenues										
Gross Inpatient Revenues	\$ 18,453	\$ 18,797	\$ (344)	-1.8%	\$ 14,973	\$ 200,384	\$ 198,753	\$ 1,630	0.8%	\$ 161,480
Gross Outpatient Revenues	8,224	8,918	(694)	-7.8%	7,364	86,489	86,898	(409)	-0.5%	76,678
Total Gross Revenues	26,677	27,715	(1,038)	-3.7%	22,337	286,873	285,651	1,221	0.4%	238,158
Contractual Deductions	19,368	20,210	842	4.2%	16,237	207,308	208,911	1,603	0.8%	178,303
Bad Debts	559	731	171	23.5%	1,178	11,038	7,843	(3,194)	-40.7%	4,535
Charity and Other Adjustments	341	175	(167)	-95.4%	104	1,597	1,894	297	15.7%	1,609
Net Patient Revenues	6,409	6,599	(191)	-2.9%	4,818	66,931	67,003	(72)	-0.1%	53,712
Net Patient Revenue %	24.0%	23.8%			21.6%	23.3%	23.5%			22.6%
Net Clinic Revenue	70	42	28	68.2%	36	568	459	109	23.7%	410
Other Operating Revenue	8	50	(42)	-84.0%	15	475	553	(78)	-14.1%	223
Total Revenues	6,487	6,691	(205)	-3.1%	4,869	67,974	68,015	(41)	-0.1%	54,345
Expenses										
Salaries	3,620	3,511	(109)	-3.1%	3,020	37,579	37,721	142	0.4%	31,514
Temporary Agency	179	66	(113)	-171.6%	118	2,046	723	(1,323)	-183.0%	1,325
Benefits	1,198	1,154	(44)	-3.8%	765	11,176	10,974	(202)	-1.8%	9,436
Professional Fees	497	376	(122)	-32.4%	374	4,718	4,301	(417)	-9.7%	4,100
Supplies	915	758	(157)	-20.6%	665	8,712	8,052	(660)	-8.2%	6,914
Purchased Services	676	568	(108)	-19.0%	314	6,152	5,938	(214)	-3.6%	4,164
Rents and Leases	226	205	(21)	-10.2%	142	2,280	2,170	(110)	-5.1%	1,145
Utilities and Telephone	82	87	5	6.0%	66	886	943	56	6.0%	720
Insurance	38	42	4	8.6%	32	410	441	31	6.9%	302
Depreciation and amortization	93	68	(25)	-37.0%	66	824	748	(75)	-10.1%	778
Other Operating Expenses	90	113	24	20.8%	79	1,161	1,266	105	8.3%	1,000
Total Expenses	7,613	6,947	(666)	-9.6%	5,641	75,945	73,277	(2,668)	-3.6%	61,400
Operating gain (loss)	(1,126)	(256)	(871)	-340.6%	(772)	(7,971)	(5,262)	(2,709)	51.5%	(7,055)
Non-Operating Income / (Expense)										
Parcel Taxes	488	500	(12)	-2.5%	477	5,283	5,499	(215)	-3.9%	5,291
Investment Income	1	-	1	0.0%	1	11	-	11	0.0%	7
Interest Expense	(13)	(8)	(5)	-57.9%	(10)	(168)	(88)	(80)	90.4%	(171)
Other Income / (Expense)	28	15	14	90.7%	26	511	164	347	211.0%	287
Net Non-Operating Income / (Expense)	504	507	(2)	-0.5%	495	5,638	5,575	63	1.1%	5,413
Excess of Revenues Over Expenses	\$ (622)	\$ 251	\$ (873)	-347.7%	\$ (277)	\$ (2,334)	\$ 313	\$ (2,646)	-846.4%	\$ (1,642)

City of Alameda Health Care District
Statements of Operations - Per Adjusted Patient Day
 May 31, 2013

	Current Month					Year-to-Date				
	Actual	Budget	\$ Variance	% Variance	Prior Year	Actual	Budget	\$ Variance	% Variance	Prior Year
Revenues										
Gross Inpatient Revenues	\$ 2,091	\$ 2,141	\$ (50)	-2.4%	\$ 3,829	\$ 2,307	\$ 2,325	\$ (18)	-0.8%	\$ 3,897
Gross Outpatient Revenues	932	1,016	(84)	-8.3%	1,883	996	1,017	(21)	-2.1%	1,851
Total Gross Revenues	3,023	3,157	(134)	-4.3%	5,713	3,302	3,342	(39)	-1.2%	5,748
Contractual Deductions	2,194	2,302	108	4.7%	4,152	2,386	2,444	58	2.4%	4,303
Bad Debts	63	83	20	23.9%	301	127	92	(35)	-38.5%	109
Charity and Other Adjustments	39	20	(19)	-94.3%	27	18	22	4	17.1%	39
Net Patient Revenues	726	752	(26)	-3.4%	1,232	770	784	(13)	-1.7%	1,296
Net Patient Revenue %	24.0%	23.8%			21.6%	23.3%	23.5%			22.6%
Net Clinic Revenue	8	5	3	67.3%	9	7	5	1	21.8%	10
Other Operating Revenue	1	6	(5)	-84.1%	4	5	6	(1)	-15.5%	5
Total Revenues	735	762	(27)	-3.6%	1,245	783	796	(13)	-1.7%	1,312
Expenses										
Salaries	410	400	(10)	-2.6%	772	433	441	9	2.0%	761
Temporary Agency	20	8	(13)	-170.2%	30	24	8	(15)	-178.4%	32
Benefits	136	131	(4)	-3.3%	196	122	128	6	4.9%	228
Professional Fees	56	43	(14)	-31.7%	96	54	50	(4)	-7.9%	99
Supplies	104	86	(17)	-20.0%	170	100	94	(6)	-6.5%	167
Purchased Services	77	65	(12)	-18.4%	80	71	69	(1)	-1.9%	101
Rents and Leases	26	23	(2)	-9.6%	36	26	25	(1)	-3.4%	28
Utilities and Telephone	9	10	1	6.5%	17	10	11	1	7.5%	17
Insurance	4	5	0	9.1%	8	5	5	0	8.4%	7
Depreciation and Amortization	11	8	(3)	-36.3%	17	9	9	(1)	-8.3%	19
Other Operating Expenses	10	13	3	21.2%	20	13	15	1	9.7%	24
Total Expenses	863	791	(71)	-9.0%	1,443	868	857	(10)	-1.2%	1,482
Operating Gain / (Loss)	(128)	(29)	(99)	-338.3%	(197)	(85)	(61)	(24)	38.5%	(170)
Non-Operating Income / (Expense)										
Parcel Taxes	55	57	(2)	-3.0%	122	61	64	(4)	-5.5%	128
Investment Income	0	-	0	0.0%	0	0	-	0	0.0%	0
Interest Expense	(1)	(1)	(1)	-57.1%	(3)	(2)	(1)	(1)	87.3%	(4)
Other Income / (Expense)	3	2	2	89.7%	7	6	2	4	206.0%	7
Net Non-Operating Income / (Expense)	57	58	(1)	-1.0%	126	65	65	(0)	-0.5%	131
Excess of Revenues Over Expenses	\$ (70)	\$ 29	\$ (99)	-346.3%	\$ (71)	\$ (20)	\$ 4	\$ (24)	-614.9%	\$ (40)

Wound Care - Statement of Operations
May 31, 2013

	Current Month				Year-to-Date			
	Actual	Budget	Variance	%	Actual	Budget	Variance	%
Clinic Visits	466	350	116	33.1%	3,182	2,100	1,082	51.5%
Revenue								
Gross Revenue	792,939	736,372	56,567	7.7%	5,849,657	4,418,232	1,431,425	32.4%
Deductions from Revenue	<u>610,563</u>	<u>567,301</u>	<u>43,262</u>		<u>4,589,823</u>	<u>3,403,806</u>	<u>1,186,017</u>	
Net Revenue	<u>182,376</u>	<u>169,071</u>	<u>13,305</u>		<u>1,259,833</u>	<u>1,014,426</u>	<u>245,407</u>	
Expenses								
Salaries	19,862	15,232	(4,630)	-30.4%	158,823	165,628	6,805	4.1%
Benefits	5,681	4,311	(1,370)	-31.8%	43,613	46,873	3,260	7.0%
Professional Fees	95,696	84,730	(10,966)	-12.9%	690,632	523,381	(167,251)	-32.0%
Supplies	47,050	7,532	(39,518)	-524.7%	242,712	82,852	(159,860)	-192.9%
Purchased Services	5,279	2,083	(3,196)	-153.4%	49,888	22,914	(26,974)	-117.7%
Rents and Leases	5,686	5,080	(606)	-11.9%	60,922	55,880	(5,042)	-9.0%
Depreciation	8,834	4,900	(3,934)	-80.3%	78,794	53,900	(24,894)	-46.2%
Other	<u>3,716</u>	<u>5,917</u>	<u>2,201</u>	<u>37.2%</u>	<u>25,425</u>	<u>65,086</u>	<u>39,661</u>	<u>60.9%</u>
Total Expenses	<u>191,804</u>	<u>129,785</u>	<u>(62,019)</u>	<u>-47.8%</u>	<u>1,350,809</u>	<u>1,016,514</u>	<u>(334,295)</u>	<u>-32.9%</u>
Excess of Revenue over Expenses	<u>(9,428)</u>	<u>39,286</u>	<u>(48,714)</u>	<u>-124.0%</u>	<u>(90,975)</u>	<u>(2,088)</u>	<u>(88,887)</u>	<u>4257.4%</u>

Note: Of the 379 visits, 95 were hyperbaric oxygen treatment visits.

City of Alameda Health Care District
Waters Edge Skilled Nursing - Statement of Operations
May 31, 2013

	Current Month				Year-to-Date			
	Actual	Budget	Variance	%	Actual	Budget	Variance	%
Patient Days								
Medicare	452	527	(75)	-14.2%	3,674	3,978	(304)	-7.6%
Medi-Cal	2,882	2,418	464	19.2%	25,436	23,345	2,091	9.0%
Managed Care	20	93	(73)	-78.5%	433	1,156	(723)	-62.5%
Self Pay/Other	170	279	(109)	-39.1%	2,169	2,338	(169)	-7.2%
Total	<u>3,524</u>	<u>3,317</u>	<u>207</u>	<u>6.2%</u>	<u>31,712</u>	<u>30,817</u>	<u>895</u>	<u>2.9%</u>
Revenue								
Routine Revenue	2,783,216	2,504,962	278,254	11.1%	24,837,317	24,093,877	743,440	3.1%
Ancillary Revenue	495,597	436,783	58,814	13.5%	3,468,486	4,284,051	(815,565)	-19.0%
Total Gross Revenue	<u>3,278,813</u>	<u>2,941,745</u>	<u>337,068</u>	<u>11.5%</u>	<u>28,305,803</u>	<u>28,377,928</u>	<u>(72,125)</u>	<u>-0.3%</u>
Deductions from Revenue	<u>1,986,115</u>	<u>1,694,445</u>	<u>(291,670)</u>	<u>-17.2%</u>	<u>16,794,449</u>	<u>17,137,696</u>	<u>343,247</u>	<u>2.0%</u>
Net Revenue	<u>1,292,698</u>	<u>1,247,300</u>	<u>45,398</u>	<u>3.6%</u>	<u>11,511,354</u>	<u>11,240,232</u>	<u>271,122</u>	<u>2.4%</u>
Expenses								
Salaries	468,257	530,059	61,802	11.7%	4,305,619	4,996,158	690,539	13.8%
Temporary Agency	30,171	-	(30,171)	-100.0%	136,316	-	(136,316)	-100.0%
Benefits	106,812	159,018	52,206	32.8%	979,214	1,512,807	533,593	35.3%
Professional Fees	9,053	9,007	(46)	-0.5%	59,449	109,998	50,549	46.0%
Supplies	62,814	98,941	36,127	36.5%	665,897	977,572	311,675	31.9%
Purchased Services	154,941	140,180	(14,761)	-10.5%	1,154,460	1,332,714	178,254	13.4%
Rents and Leases	77,029	76,636	(393)	-0.5%	770,560	765,604	(4,956)	-0.6%
Utilities	3,802	15,015	11,213	74.7%	126,674	150,005	23,331	15.6%
Insurance	2,500	12,179	9,679	79.5%	29,098	121,664	92,566	76.1%
Other	13,247	20,053	6,806	33.9%	159,157	205,046	45,889	22.4%
Total Expenses	<u>928,626</u>	<u>1,061,088</u>	<u>132,462</u>	<u>12.5%</u>	<u>8,386,444</u>	<u>10,171,568</u>	<u>1,785,124</u>	<u>17.6%</u>
Excess of Revenue over Expenses	<u>364,073</u>	<u>186,212</u>	<u>177,861</u>		<u>3,124,910</u>	<u>1,068,664</u>	<u>2,056,246</u>	

City of Alameda Health Care District
Orthopedic Clinic - Statement of Operations
May 31, 2013

	Current Month				Year-to-Date			
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>%</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>%</u>
Clinic Visits	193	275	(82)	-29.8%	1,049	1,334	(285)	-21.4%
Revenue								
Gross Revenue	96,825	108,890	(12,065)	-11.1%	421,517	1,197,790	(776,273)	-64.8%
Deductions from Revenue	<u>57,452</u>	<u>76,223</u>	<u>(18,771)</u>		<u>274,016</u>	<u>838,453</u>	<u>(564,437)</u>	
Net Revenue	<u>39,373</u>	<u>32,667</u>	<u>6,706</u>		<u>147,501</u>	<u>359,337</u>	<u>(211,836)</u>	
Expenses								
Salaries	33,153	33,064	(89)	-0.3%	249,045	280,375	31,330	11.2%
Benefits	9,482	9,357	(125)	-1.3%	71,175	79,346	8,171	10.3%
Professional Fees	23,538	25,000	1,462	5.8%	199,763	229,500	29,737	13.0%
Supplies	414	2,105	1,691	80.3%	42,711	17,895	(24,816)	-138.7%
Purchased Services	10,625	3,895	(6,730)	-172.8%	51,291	33,105	(18,186)	-54.9%
Rents and Leases	5,520	2,632	(2,888)	-109.7%	34,532	22,368	(12,164)	-54.4%
Depreciation	-	-	-	0.0%	-	-	-	0.0%
Other	844	3,263	2,419	74.1%	31,629	67,737	36,108	53.3%
Total Expenses	<u>83,576</u>	<u>79,316</u>	<u>(4,260)</u>	<u>-5.4%</u>	<u>680,146</u>	<u>730,326</u>	<u>50,180</u>	<u>6.9%</u>
Excess of Revenue over Expenses	<u>(44,203)</u>	<u>(46,649)</u>	<u>2,446</u>	<u>5.2%</u>	<u>(532,645)</u>	<u>(370,989)</u>	<u>(161,656)</u>	<u>-43.6%</u>
<u>Hospital Based Activity:</u>								
Inpatient Days	20	44	(24)	-54.5%	84	264	(180)	-68.2%
Inpatient Surgeries	2	10	(8)	-80.0%	15	60	(45)	-75.0%
Outpatient Surgeries	10	5	5	100.0%	51	36	15	41.7%
Therapy Referred Visits	178	500	(322)	-64.4%	902	2,550	(1,648)	-64.6%
Imaging Referred Procedures	138	307	(169)	-55.0%	655	1,377	(722)	-52.4%
Inpatient Gross Charges	405,857	619,000	(213,143)	-34.4%	1,646,963	3,714,000	(2,067,037)	-55.7%
Inpatient Net Revenue	<u>86,319</u>	<u>139,000</u>	<u>(52,681)</u>	<u>-37.9%</u>	<u>316,857</u>	<u>834,000</u>	<u>(517,143)</u>	<u>-62.0%</u>
Outpatient Gross Charges	315,024	473,915	(158,891)	-33.5%	1,935,547	2,468,965	(533,418)	-21.6%
Outpatient Net Revenue	<u>53,554</u>	<u>107,018</u>	<u>(53,464)</u>	<u>-50.0%</u>	<u>345,762</u>	<u>553,850</u>	<u>(208,088)</u>	<u>-37.6%</u>
Total Gross Charges	720,881	1,092,915	(372,034)	-34.0%	3,582,510	6,182,965	(2,600,455)	-42.1%
Total Net Revenue	<u>139,873</u>	<u>246,018</u>	<u>(106,145)</u>	<u>-43.1%</u>	<u>662,619</u>	<u>1,387,850</u>	<u>(725,231)</u>	<u>-52.3%</u>

City of Alameda Health Care District
1206b Clinic - Statement of Operations
May 31, 2013

	Current Month				Year-to-Date			
	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>%</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>%</u>
Clinic Visits								
Primary Care	94				1,329			
Surgery	50				555			
Neurology	31				308			
Total Visits	<u>175</u>				<u>2,192</u>			
Revenue								
Gross Revenue	75,750	142,006	(66,256)	-46.7%	1,162,449	1,562,065	(399,616)	-25.6%
Deductions from Revenue	<u>44,947</u>	<u>93,724</u>	<u>(48,777)</u>		<u>748,661</u>	<u>1,030,963</u>	<u>(282,302)</u>	
Net Revenue	<u>30,803</u>	<u>48,282</u>	<u>(17,479)</u>		<u>413,788</u>	<u>531,102</u>	<u>(117,314)</u>	
Expenses								
Salaries	30,309	19,811	(10,498)	-53.0%	312,708	201,975	(110,733)	-54.8%
Temporary Agency	4,638	-	(4,638)	-100.0%	31,252	-	(31,252)	-100.0%
Benefits	8,668	5,607	(3,062)	-54.6%	81,373	57,159	(24,214)	-42.4%
Professional Fees	23,891	21,708	(2,183)	-10.1%	247,889	238,790	(9,099)	-3.8%
Supplies	382	954	572	60.0%	23,334	10,493	(12,841)	-122.4%
Purchased Services	5,671	4,783	(888)	-18.6%	98,261	52,615	(45,646)	-86.8%
Rents and Leases	12,661	11,606	(1,055)	-9.1%	140,019	127,669	(12,350)	-9.7%
Depreciation	494	207	(287)	-138.6%	3,426	2,278	(1,148)	-50.4%
Other	<u>4,947</u>	<u>2,291</u>	<u>(2,656)</u>	<u>-115.9%</u>	<u>36,211</u>	<u>25,209</u>	<u>(11,002)</u>	<u>-43.6%</u>
Total Expenses	<u>91,661</u>	<u>66,967</u>	<u>(24,695)</u>	<u>-36.9%</u>	<u>974,473</u>	<u>716,188</u>	<u>(258,285)</u>	<u>-36.1%</u>
Excess of Revenue over Expenses	<u>(60,858)</u>	<u>(18,685)</u>	<u>(42,174)</u>	<u>225.7%</u>	<u>(560,685)</u>	<u>(185,086)</u>	<u>(375,599)</u>	<u>202.9%</u>

Note:

Clinic Hours by Physician

Dr. Celada - M,W,F Mornings only

Dr. Brimer - M & Th full days, plus T Mornings

Dr. Dutaret - T & W full days

City of Alameda Health Care District
Statement of Cash Flows
For the Eleven Months Ended May 31, 2013

	<u>Current Month</u>	<u>Year-to-Date</u>
Cash flows from operating activities		
Net Income / (Loss)	\$ (621,999)	\$ (2,333,668)
Items not requiring the use of cash:		
Depreciation and amortization	93,192	\$ 823,505
Write-off of Kaiser liability	-	\$ -
Changes in certain assets and liabilities:		
Patient accounts receivable, net	178,242	(2,403,726)
Other Receivables	17,980	5,718,071
Third-Party Payer Settlements Receivable	500,675	3,050,044
Inventories	3,710	(54,928)
Prepays and Other	(21,442)	(224,738)
Accounts payable and accrued liabilities	(205,170)	3,145,735
Payroll Related Accruals	475,846	839,891
Employee Health Plan Accruals	(11,635)	(13,000)
Deferred Revenues	(474,620)	(5,241,864)
	<u>(65,221)</u>	<u>3,305,321</u>
Cash flows from investing activities		
(Increase) Decrease in Assets Limited As to Use	(2,746)	(113,933)
Additions to Property, Plant and Equipment	(87,371)	(1,194,573)
Other	304	7,723
	<u>(89,814)</u>	<u>(1,300,783)</u>
Cash flows from financing activities		
Net Change in Long-Term Debt	(83,503)	(285,536)
Net Change in Restricted Funds	2,746	113,933
	<u>(80,756)</u>	<u>(171,602)</u>
Net increase (decrease) in cash and cash equivalents	(235,791)	1,832,936
Cash and cash equivalents at beginning of period	5,396,612	3,327,884
Cash and cash equivalents at end of period	<u>\$ 5,160,823</u>	<u>\$ 5,160,821</u>

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

Financial Ratios	Audited Results				YTD
	FY 2009	FY 2010	FY 2011	FY 2012	5/31/2013
<u>Profitability Ratios</u>					
Net Patient Revenue (%)	22.69%	24.16%	23.58%	22.90%	23.33%
Earnings Before Depreciation, Interest, Taxes and Amortization (EBITA)	3.62%	4.82%	-1.01%	-1.48%	-1.48%
EBIDAP ^{Note 5}	-5.49%	-3.66%	-13.41%	-11.22%	-9.75%
Total Margin	1.03%	2.74%	-2.61%	-3.21%	-3.43%
<u>Liquidity Ratios</u>					
Current Ratio	1.15	1.23	1.05	0.96	0.86
Days in accounts receivable ,net	57.26	51.83	46.03	55.21	56.25
Days cash on hand (with restricted)	13.6	21.6	14.1	17.7	22.0
<u>Debt Ratios</u>					
Cash to Debt	115.3%	249.0%	123.3%	123.56%	216.95%
Average pay period (includes payroll)	58.03	57.11	62.68	72.94	74.85
Debt service coverage	3.87	5.98	(0.70)	(0.53)	(1.20)
Long-term debt to fund balance	0.20	0.14	0.18	0.28	0.34
Return on fund balance	8.42%	18.87%	-19.21%	-27.35%	-48.38%
Debt to number of beds	13,481	10,482	11,515	16,978	9,728

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

Financial Ratios	Audited Results				YTD
	FY 2009	FY 2010	FY 2011	FY 2012	5/31/2013
Patient Care Information					
Bed Capacity	161	161	161	161	281
Patient days(all services)	30,463	30,607	30,270	30,448	60,680
Patient days (acute only)	11,787	10,579	10,443	10,880	10,560
Discharges(acute only)	2,812	2,802	2,527	2,799	2,614
Average length of stay (acute only)	4.19	3.78	4.13	3.89	4.04
Average daily patients (all sources)	83.46	83.85	82.93	83.19	181.13
Occupancy rate (all sources)	52.94%	52.08%	51.51%	51.67%	64.46%
Average length of stay	4.19	3.78	4.13	3.89	4.04
Emergency Visits	17,337	17,624	16,816	16,964	15,746
Emergency visits per day	47.50	48.28	46.07	46.35	47.00
Outpatient registrations per day ^{Note 1}	82.05	79.67	65.19	60.67	63.87
Surgeries per day - Total	16.12	13.46	6.12	6.12	5.52
Surgeries per day - excludes Kaiser	5.14	5.32	6.12	6.12	5.52

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.