



El Camino Health

Summary of Financial Operations

Fiscal Year 2022 – Period 8

7/1/2021 to 02/28/2022

Executive Summary - Overall Commentary for Period 8

- Continued solid financial results for Period 8:
 - Both Inpatient and Outpatient activity/charges were above budgeted levels and above last year's performance
 - Continued strong rebound in Outpatient activity and emergency department visits
 - When adjusted for volume, overall costs are below target levels and continue to be managed effectively
- Total gross charges were favorable to budget by \$40.5M / 11.2% and \$87.9M / 27.9% higher than the same period last year.
 - Outpatient charges were favorable by \$19.5M / 10.1% while Inpatient charges were favorable by \$21.0M / 12.9%
- Net patient revenue was favorable to budget by \$14.2M / 15.5% and \$20.7M / 24.3% higher than the same period last year.
- Operating margin was favorable to budget by \$3.9M / 63.0% and \$6.9M / 210.2% higher than the same period last year.
- Operating EBIDA was favorable to budget by \$4.7M / 35.5% and \$7.3M / 69.0% better than the same period last year.
- Net income was unfavorable to budget by \$35.1M / (279.6%) and \$40.2M / (227.8%) lower than the same period last year. This is attributed the instability in the capital markets, which has resulted in the lower than expected investment income.

Operational / Financial Results: Period 8 – February 2022 (as of 02/28/2022)

(\$ thousands)		Current Year	Budget	Variance to Budget	Performance to Budget	Prior Year	Variance to Prior Year	Variance to Prior Year	Moody's	S&P	Performance to Rating Agency Medians
									'A1'	'AA'	
Activity / Volume	ADC	300	264	36	13.8%	229	71	31.2%	---	---	---
	Total Acute Discharges	1,758	1,568	190	12.1%	1,431	327	22.9%	---	---	---
	Adjusted Discharges	3,291	2,901	390	13.4%	2,713	577	21.3%	---	---	---
	Emergency Room Visits	4,770	4,248	522	12.3%	3,663	1,107	30.2%	---	---	---
	OP Procedural Cases	11,933	9,448	2,485	26.3%	13,212	(1,279)	(9.7%)	---	---	---
	Gross Charges (\$)	402,507	362,006	40,502	11.2%	314,620	87,887	27.9%	---	---	---
Operations	Total FTEs	3,185	3,121	64	2.1%	2,868	317	11.1%	---	---	---
	Productive Hrs. / APD	29.0	30.9	(1.9)	(6.1%)	33.6	(4.5)	(13.4%)	---	---	---
	Cost Per CMI AD	17,041	17,952	(911)	(5.1%)	17,528	(486)	(2.8%)	---	---	---
	Net Days in A/R	53.5	49.0	4.5	9.1%	51.3	2.1	4.2%	47.7	49.7	---
Financial Performance	Net Patient Revenue (\$)	105,960	91,762	14,197	15.5%	85,273	20,686	24.3%	138,547	82,105	---
	Total Operating Revenue (\$)	109,273	95,241	14,033	14.7%	88,625	20,648	23.3%	152,743	109,602	---
	Operating Margin (\$)	10,189	6,251	3,938	63.0%	3,285	6,905	210.2%	1,915	3,836	---
	Operating EBIDA (\$)	17,881	13,195	4,686	35.5%	10,580	7,301	69.0%	11,188	10,741	---
	Net Income (\$)	(22,531)	12,544	(35,074)	(279.6%)	17,633	(40,164)	(227.8%)	8,124	7,343	---
	Operating Margin (%)	9.3%	6.6%	2.8%	42.1%	3.7%	5.6%	151.6%	1.9%	3.5%	---
	Operating EBIDA (%)	16.4%	13.9%	2.5%	18.1%	11.9%	4.4%	37.1%	8.3%	9.8%	---
	DCOH (days)	303	325	(22)	(6.8%)	346	(43)	(12.4%)	306	355	---

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

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

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

Operational / Financial Results: YTD FY2022 (as of 02/28/2022)

(\$ thousands)		Current Year	Budget	Variance to Budget	Performance to Budget	Prior Year	Variance to Prior Year	Variance to Prior Year	Moody's	S&P	Performance to Rating Agency Medians
									'A1'	'AA'	
Activity / Volume	ADC	271	252	19	7.5%	242	29	11.9%	---	---	---
	Total Acute Discharges	13,958	13,285	673	5.1%	12,410	1,548	12.5%	---	---	---
	Adjusted Discharges	27,203	24,582	2,621	10.7%	23,002	4,202	18.3%	---	---	---
	Emergency Room Visits	44,147	34,524	9,623	27.9%	32,644	11,503	35.2%	---	---	---
	OP Procedural Cases	102,330	81,371	20,959	25.8%	103,812	(1,482)	(1.4%)	---	---	---
	Gross Charges (\$)	3,331,831	3,003,435	328,396	10.9%	2,756,191	575,640	20.9%	---	---	---
Operations	Total FTEs	3,050	3,061	(11)	(0.4%)	2,811	239	8.5%	---	---	---
	Productive Hrs. / APD	28.8	31.7	(2.9)	(9.1%)	31.4	(2.6)	(8.2%)	---	---	---
	Cost Per CMI AD	16,559	17,952	(1,393)	(7.8%)	17,295	(736)	(4.3%)	---	---	---
	Net Days in A/R	53.5	49.0	4.5	9.1%	51.3	2.1	4.2%	47.7	49.7	
Financial Performance	Net Patient Revenue (\$)	853,292	759,023	94,269	12.4%	708,057	145,235	20.5%	1,108,378	656,837	
	Total Operating Revenue (\$)	882,063	789,013	93,050	11.8%	739,167	142,896	19.3%	1,215,275	876,817	
	Operating Margin (\$)	110,333	52,935	57,398	108.4%	39,107	71,226	182.1%	15,319	30,689	
	Operating EBIDA (\$)	170,198	109,171	61,027	55.9%	95,900	74,298	77.5%	89,507	85,928	
	Net Income (\$)	58,627	113,385	(54,758)	(48.3%)	195,122	(136,495)	(70.0%)	64,995	58,747	
	Operating Margin (%)	12.5%	6.7%	5.8%	86.4%	5.3%	7.2%	136.4%	1.9%	3.5%	
	Operating EBIDA (%)	19.3%	13.8%	5.5%	39.5%	13.0%	6.3%	48.7%	8.3%	9.8%	
	DCOH (days)	303	325	(22)	(6.8%)	346	(43)	(12.4%)	306	355	

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

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

Approved Capital vs. Expenditures (\$ Millions)

Approved Capital Total		➔	Capital Expenditures to Date (as of 2/28/2022)	
Approved Projects	\$253.1M		Approved Projects	\$78.3M
FY2022 Routine Capital	<u>20.0M</u>		FY2022 Routine Capital	<u>14.6M</u>
Total Approved	\$273.1M		Total Expenditures	\$92.9M

- Of the total capital approved, \$92.9M has been deployed with **\$180.2M remaining.**
- The \$92.9M represents a **capex ratio of 1.91x.** Rating agency medians for comparable non-profit health systems is 1.2x-1.3x.

Approval Date	Approving Body	Approved Project	Total Approved (\$M)	Total Expenditures (\$M)	Estimated Completion
Oct-20	ECHB	Old Tower Demolition	\$24.90	\$5.78	Q1/Q2 2023
Jul-20	FC	Sterile Processing Equipment	\$1.85	\$1.77	Completed
Aug-20	ECHB	Radiation Oncology Replacement	\$10.30	\$9.12	Apr-22
Jan-21	FC	Real Estate Transaction	\$1.88	\$1.88	Completed
Jan-21	FC	CPWC Relocation	\$5.00	\$2.02	Q1 2022
Feb-21	ECHB	Women's Hospital Renovation	\$149.00	\$30.63	Jul-24
May-21	FC	MV Wireless / DAS Network	\$3.30	\$2.63	Apr-22
Aug-21	ECHB	MV Cath Lab Replacement Project	\$32.50	\$6.48	Q1 2024
Aug-21	ECHB	Pyxis MedStation Replacement	\$6.64	\$0.25	Jun-22
Aug-21	FC	ECHMN Clinic Relocation	\$3.10	\$3.10	Completed
Sep-21	ECHB	Real Estate Transaction	\$14.65	\$14.65	Completed
Sub-Total FC / Board Approved Projects			\$253.12	\$78.32	In-Process
FY2022 Routine Capital			\$20.00	\$14.60	In-Process

Key Statistics: Period 8 and YTD (as of 02/28/2022)

Key Metrics	Month to Date			Variance (%)		Year to Date			Variance (%)	
	PY	CY	Budget	CY vs PY	CY vs Budget	PY	CY	Budget	CY vs PY	CY vs Budget
ADC	229	300	264	31.2%	13.8%	242	271	252	11.9%	7.5%
Utilization MV	60%	80%	70%	32.8%	14.1%	63%	72%	67%	13.9%	7.6%
Utilization LG	29%	36%	32%	24.2%	12.3%	32%	33%	31%	4.1%	7.1%
Utilization Combined	50%	66%	58%	31.2%	13.8%	53%	60%	56%	12.1%	7.5%
Adjusted Discharges	2,713	3,291	2,901	21.3%	13.4%	23,002	27,203	24,582	18.3%	10.7%
Total Discharges (Exc NB)	1,431	1,758	1,568	22.9%	12.1%	12,410	13,958	13,285	12.5%	5.1%
Total Discharges	1,706	2,149	1,886	26.0%	14.0%	14,995	17,141	16,288	14.3%	5.2%
Inpatient Case Activity										
MS Discharges	1,010	1,182	1,086	17.0%	8.9%	8,480	9,340	8,833	10.1%	5.7%
Deliveries	293	425	333	45.1%	27.8%	2,761	3,430	3,167	24.2%	8.3%
BHS	109	114	106	4.6%	7.1%	833	881	935	5.8%	(5.8%)
Rehab	20	36	43	80.0%	(16.3%)	342	293	350	(14.3%)	(16.3%)
Outpatient Case Activity										
Total Outpatient Cases	15,857	15,523	12,587	-2.1%	23.3%	127,914	136,489	107,060	6.7%	27.5%
ED	2,645	3,590	3,139	35.7%	14.4%	24,102	34,159	25,689	41.7%	33.0%
OP Surg	442	541	423	22.4%	27.7%	4,013	4,656	3,579	16.0%	30.1%
Endo	191	248	201	29.8%	23.4%	1,635	1,865	1,686	14.1%	10.6%
Interventional	153	199	171	30.1%	16.4%	1,340	1,556	1,382	16.1%	12.6%
All Other	12,426	10,945	8,652	(11.9%)	26.5%	96,824	94,253	74,724	(2.7%)	26.1%
Hospital Payor Mix										
Medicare	47.1%	49.2%	48.5%	4.4%	1.4%	48.3%	47.6%	47.7%	(1.4%)	(0.2%)
Medi-Cal	8.6%	7.8%	8.0%	(8.5%)	(1.6%)	8.3%	8.2%	7.9%	(0.6%)	3.3%
Commercial	42.0%	40.7%	41.4%	(3.2%)	(1.7%)	41.2%	42.0%	42.3%	2.0%	(0.5%)
Other	2.3%	2.3%	2.1%	(0.6%)	6.3%	2.2%	2.2%	2.1%	(3.0%)	3.2%

Enterprise Income Statement: Rolling 16 Monthly Trend (\$000s)

	FY2021								FY2022								YTD FY2022	Rolling 16 Monthly Average
	Period 5 Nov-20	Period 6 Dec-20	Period 7 Jan-21	Period 8 Feb-21	Period 9 Mar-21	Period 10 Apr-21	Period 11 May-21	Period 12 Jun-21	Period 1 Jul-21	Period 2 Aug-21	Period 3 Sep-21	Period 4 Oct-21	Period 5 Nov-21	Period 6 Dec-21	Period 7 Jan-22	Period 8 Feb-22		
Operating Revenues:																		
Net Patient Revenue	88,597	92,289	89,795	85,273	97,171	94,903	95,542	112,238	101,774	104,482	104,776	106,632	107,257	113,033	109,378	105,960	853,292	100,569
Other Operating Revenue	3,234	3,079	4,427	3,352	3,537	3,692	5,385	4,706	3,116	3,746	3,479	4,506	3,600	3,648	3,362	3,313	28,770	3,761
Total Operating Revenue	91,831	95,368	94,222	88,625	100,708	98,595	100,927	116,945	104,889	108,228	108,256	111,138	110,857	116,681	112,741	109,273	882,063	104,330
Operating Expenses:																		
Salaries, Wages and Benefits	47,222	48,774	53,636	48,592	52,025	50,616	48,138	48,101	53,000	53,940	53,629	56,001	53,709	55,947	59,347	55,256	440,829	52,371
Supplies	13,641	14,519	13,888	13,587	15,421	14,256	15,241	15,156	15,109	14,569	14,862	14,502	14,941	16,060	16,051	15,296	121,389	14,819
Fees & Purchased Services	14,264	14,035	15,825	14,770	15,139	15,761	15,923	19,915	14,390	14,182	14,800	14,760	15,210	14,955	14,291	16,550	119,137	15,298
Other Operating Expenses	3,512	4,100	3,819	1,097	3,536	3,662	3,496	6,002	3,598	3,577	3,676	3,586	3,842	4,112	3,829	4,290	30,509	3,733
Interest	1,428	1,428	1,428	1,392	1,399	1,400	1,400	1,367	1,419	1,418	1,418	1,418	1,420	1,419	1,421	1,380	11,313	1,410
Depreciation	6,068	5,591	5,689	5,903	4,931	5,606	4,808	5,740	4,727	7,157	5,902	5,798	6,440	6,173	6,046	6,311	48,553	5,805
Total Operating Expenses	86,136	88,446	94,284	85,341	92,450	91,301	89,006	96,281	92,242	94,844	94,286	96,065	95,561	98,665	100,984	99,084	771,730	93,436
Operating Margin	5,695	6,922	(62)	3,285	8,258	7,294	11,921	20,664	12,648	13,384	13,970	15,073	15,297	18,016	11,756	10,189	110,333	10,894
Non-Operating Income	64,968	57,357	39	14,349	18,965	29,151	16,666	20,041	(4,099)	14,319	(18,378)	24,361	(21,232)	17,581	(31,539)	(32,720)	(51,706)	10,614
Net Margin	70,663	64,279	(23)	17,633	27,223	36,445	28,588	40,705	8,549	27,703	(4,408)	39,435	(5,935)	35,596	(19,783)	(22,531)	58,627	21,509
Operating EBIDA	13,192	13,940	7,055	10,580	14,588	14,301	18,130	27,771	18,793	21,959	21,289	22,290	23,156	25,608	19,223	17,881	170,198	18,110
Operating Margin (%)	6.2%	7.3%	-0.1%	3.7%	8.2%	7.4%	11.8%	17.7%	12.1%	12.4%	12.9%	13.6%	13.8%	15.4%	10.4%	9.3%	12.5%	10.4%
Operating EBIDA Margin (%)	14.4%	14.6%	7.5%	11.9%	14.5%	14.5%	18.0%	23.7%	17.9%	20.3%	19.7%	20.1%	20.9%	21.9%	17.1%	16.4%	19.3%	17.4%

Financial Overview: Period 8 – February 2022

Period ending 2/28/2022

Financial Performance

- February operating margin was \$10.2M compared to a budget of \$6.3M, resulting in a favorable variance of \$3.9M
- February volumes and revenues continue to be strong as demonstrated by:
 - Favorable variance of gross charges of \$40.5M was driven by Inpatient and Outpatient activity:
 - Inpatient gross charges: Favorable to budget by \$19.5M / 10.1% variance primarily driven by medical surgical and maternal/child inpatient services, NICU (neonatal intensive care), emergency services, and corresponding ancillary services
 - Outpatient gross charges: Favorable to budget by \$21.0M / 12.9% variance primarily driven by outpatient surgery, cath lab, emergency services, radiation oncology, and corresponding ancillary services
 - Operating Expenses were unfavorable to budget by \$10.1M / 11.3% driven by the level of patient activity
 - SWB were unfavorable by \$5.2M / 10.4%
 - Supplies were unfavorable by \$1.5M / 10.5%
 - Supply expenses attributed to Covid-19 were \$742K in February and \$6.2M YTD
 - All other discretionary non-volume driven expenses were unfavorable to budget by \$3.4M
- Non Operating Income includes:
 - Unfavorable variance in non-operating revenue is due to unrealized losses on investments
- Unfavorable market performance drove unrealized losses for the investment portfolio, which resulted in negative net income for period 8

Financial Overview: Period 8 – February 2022 (cont.)

Period ending 2/28/2022

Financial Performance

Hospital Operations:

- Adjusted Discharges (AD): Favorable to budget by 390 ADs / 3.4% and above prior year by 578 ADs / 21.3%:
 - Mountain View: Favorable to budget by 254 ADs / 10.8% and above prior year by 409 ADs / 19.5%
 - Los Gatos: Favorable to budget by 136 ADs / 20.6% and above prior year by 169 ADs / 27.0%
- Operating Expense Per CMI Adjusted Discharge: \$17,041 which is 5.1% favorable to budget
Note: Excludes depreciation and interest

El Camino Health Medical Network (ECHMN) Operations:

- February's total visits of 14,712 reflect a decrease of 10.6% over the prior month of 16,462. February's visit per day of 755 reflect a decrease of 3.8% over the prior month of 785.
- February's total visits were unfavorable to budget by 1.8%. February's YTD total visits were unfavorable to budget by 2.6%. The YTD budget variance is related to the loss of several OB/GYN providers couples months ago.
- Net Income for the month of February was unfavorable to budget by \$113K or 4.0% and the YTD was unfavorable by \$84K or 0.4%. However compared to last year, Feb FY22's Net Income was favorable by \$2.04M or 8.4%

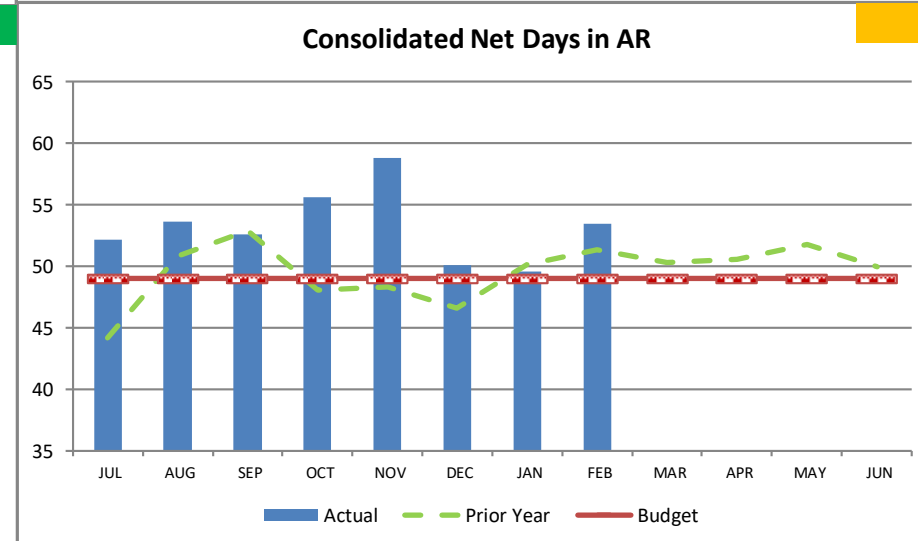
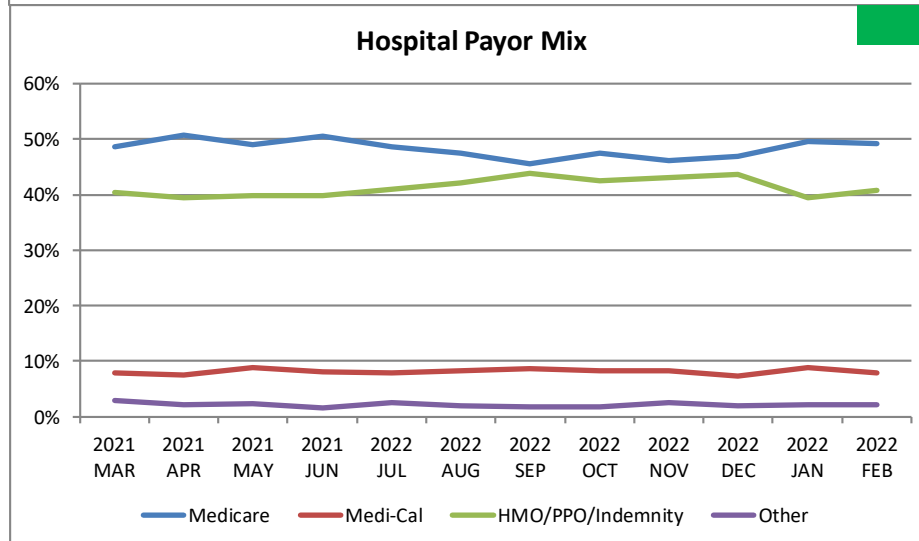
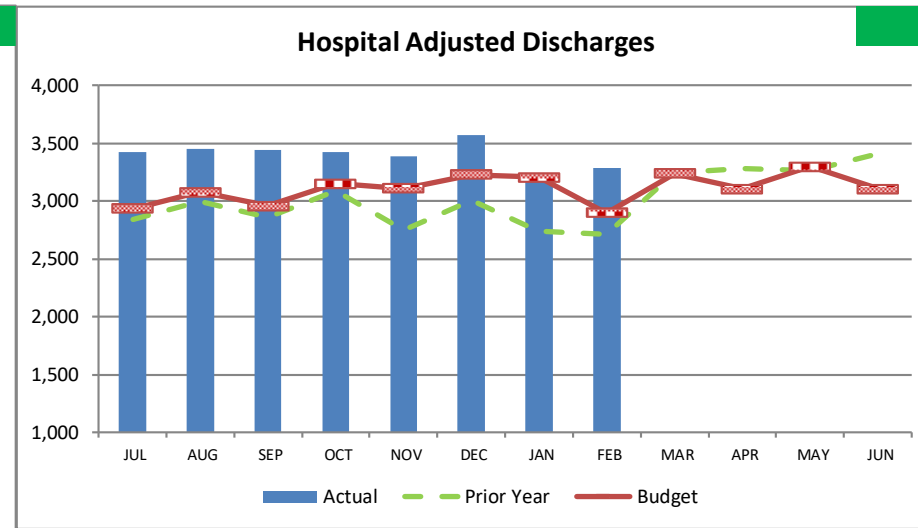
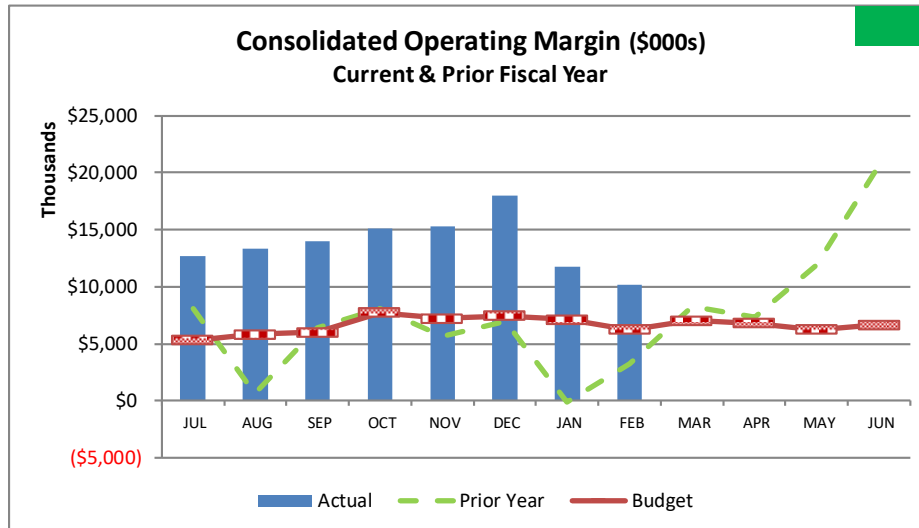
Financial Overview: YTD FY2022 (as of 2/28/2022)

Consolidated Financial Performance

- YTD FY2022 operating margin is \$110.3M compared to the budget of \$52.9M
 - Operating expense is \$771.7M / 4.8% unfavorable to budget
 - Operating expense per CMI adjusted discharge: \$16,559 which is 7.8% favorable to budget. This continues to demonstrate effective management of variable expenses and the impact of initiatives implemented by management
- Note: Excludes depreciation and interest expense**
- Year-over-year operating margin is \$71.2M higher than the same period last year, which is primarily due to the strength in volumes as exhibited by year over year growth in:
 - Outpatient Surgeries: +16.0% primarily driven by Heart/Vascular, Orthopedic, and Spine surgery activity
 - Emergency Room Visits: 40.6%
 - Deliveries - Maternal Child services: 24.5%
 - Year-over-year net margin is \$136.5M lower than the same period last year, which is attributed to lower investment income

APPENDIX

YTD FY2022 Financial KPIs – Monthly Trends



Investment Scorecard (as of 12/31/2021)

Key Performance Indicator	Status	El Camino	Benchmark	El Camino	Benchmark	El Camino	Benchmark	FY22 Budget	Expectation Per Asset Allocation
Investment Performance		CY 4Q 2021 / FY 2Q 2022		Fiscal Year-to-Date 2022		9y 2m Since Inception (annualized)		FY 2022	2019
Surplus cash balance*		\$1,481.1	--	--	--	--	--	--	--
Surplus cash return	Green	1.6%	2.4%	1.7%	2.3%	6.7%	6.6%	4.0%	5.6%
Cash balance plan balance (millions)		\$363.1	--	--	--	--	--	--	--
Cash balance plan return	Green	2.1%	3.2%	2.5%	3.1%	9.0%	8.2%	6.0%	6.0%
403(b) plan balance (millions)		\$768.1	--	--	--	--	--	--	--
Risk vs. Return		3-year			9y 2m Since Inception (annualized)			2019	
Surplus cash Sharpe ratio	Green	1.21	1.28	--	--	0.98	1.00	--	0.34
Net of fee return	Green	11.4%	11.6%	--	--	6.7%	6.6%	--	5.6%
Standard deviation	Green	8.3%	8.0%	--	--	6.1%	5.9%	--	8.7%
Cash balance Sharpe ratio	Green	1.22	1.25	--	--	1.05	1.04	--	0.32
Net of fee return	Green	14.3%	13.4%	--	--	9.0%	8.2%	--	6.0%
Standard deviation	Green	10.6%	9.5%	--	--	7.9%	7.2%	--	10.3%
Asset Allocation		CY 4Q 2021 / FY 2Q 2022							
Surplus cash absolute variances to target	Green	5.3%	< 10% Green < 20% Yellow	--	--	--	--	--	--
Cash balance absolute variances to target	Green	6.9%	< 10% Green < 20% Yellow	--	--	--	--	--	--
Manager Compliance		CY 4Q 2021 / FY 2Q 2022							
Surplus cash manager flags	Green	18	< 24 Green < 30 Yellow	--	--	--	--	--	--
Cash balance plan manager flags	Green	22	< 27 Green < 34 Yellow	--	--	--	--	--	--

*Excludes debt reserve funds, District assets (~\$42 mm), and balance sheet cash not in investable portfolio (~\$173 mm). Includes Foundation (~\$43 mm) and Concern (~\$15 mm) assets.

Period 8 and YTD Operating Income, Non-Operating Income and Net Income by Affiliate (as of 02/28/2022)

(\$000s)

	Period 8- Month			Period 8- FYTD		
	Actual	Budget	Variance	Actual	Budget	Variance
El Camino Hospital Operating Margin						
Mountain View	10,900	6,507	4,393	101,273	53,229	48,044
Los Gatos	2,309	2,780	(471)	31,637	23,579	8,058
Sub Total - El Camino Hospital, excl. Affilates	13,209	9,287	3,922	132,910	76,808	56,102
Operating Margin %	12.5%	10.2%		15.7%	10.2%	
El Camino Hospital Non Operating Income						
Sub Total - Non Operating Income	(32,461)	5,998	(38,460)	(52,825)	58,114	(110,939)
El Camino Hospital Net Margin	(19,252)	15,285	(34,538)	80,085	134,922	(54,837)
ECH Net Margin %	-18.2%	16.8%		9.5%	18.0%	
Concern	(51)	89	(139)	645	567	78
Foundation	(271)	13	(284)	48	(38)	85
El Camino Health Medical Network	(2,957)	(2,843)	(113)	(22,151)	(22,067)	(84)
Net Margin Hospital Affiliates	(3,278)	(2,742)	(537)	(21,458)	(21,538)	80
Total Net Margin Hospital & Affiliates	(22,531)	12,544	(35,074)	58,627	113,385	(54,758)

Consolidated Statement of Operations (\$000s)

Period 8 ending 02/28/2022

Period 8 FY 2021	Period 8 FY 2022	Period 8 Budget 2022	Variance Fav (Unfav)	Var%	\$000s	YTD FY 2021	YTD FY 2022	YTD Budget 2022	Variance Fav (Unfav)	Var%
OPERATING REVENUE										
314,620	402,507	362,006	40,502	11.2%	Gross Revenue	2,756,191	3,331,831	3,003,435	328,396	10.9%
(229,347)	(296,548)	(270,243)	(26,304)	(9.7%)	Deductions	(2,048,133)	(2,478,538)	(2,244,412)	(234,127)	(10.4%)
85,273	105,960	91,762	14,197	15.5%	Net Patient Revenue	708,057	853,292	759,023	94,269	12.4%
3,352	3,313	3,478	(165)	(4.7%)	Other Operating Revenue	31,110	28,770	29,989	(1,219)	(4.1%)
88,625	109,273	95,241	14,033	14.7%	Total Operating Revenues	739,167	882,063	789,013	93,050	11.8%
OPERATING EXPENSE										
48,592	55,256	50,049	(5,207)	(10.4%)	Salaries & Wages	389,591	440,829	414,657	(26,172)	(6.3%)
13,587	15,296	13,842	(1,455)	(10.5%)	Supplies	111,641	121,389	115,499	(5,890)	(5.1%)
14,770	16,550	14,041	(2,509)	(17.9%)	Fees & Purchased Services	114,109	119,137	115,403	(3,734)	(3.2%)
1,097	4,290	4,114	(176)	(4.3%)	Other Operating Expense	27,926	30,509	34,282	3,773	11.0%
1,392	1,380	1,399	19	1.4%	Interest	11,392	11,313	11,211	(102)	(0.9%)
5,903	6,311	5,544	(767)	(13.8%)	Depreciation	45,402	48,553	45,025	(3,528)	(7.8%)
85,341	99,084	88,989	(10,095)	(11.3%)	Total Operating Expenses	700,060	771,730	736,078	(35,652)	(4.8%)
3,285	10,189	6,251	3,938	63.0%	Net Operating Margin	39,107	110,333	52,935	57,398	108.4%
14,349	(32,720)	6,292	(39,012)	(620.0%)	Non Operating Income	156,016	(51,706)	60,450	(112,155)	(185.5%)
17,633	(22,531)	12,544	(35,074)	(279.6%)	Net Margin	195,122	58,627	113,385	(54,758)	(48.3%)
10,580	17,881	13,195	4,686	35.5%	Operating EBIDA	95,900	170,198	109,171	61,027	55.9%
11.9%	16.4%	13.9%	2.5%		Operating EBIDA Margin	13.0%	19.3%	13.8%	5.5%	
3.7%	9.3%	6.6%	2.8%		Operating Margin	5.3%	12.5%	6.7%	5.8%	
19.9%	-20.6%	13.2%	(33.8%)		Net Margin	26.4%	6.6%	14.4%	(7.7%)	

El Camino Hospital – Mountain View

Statement of Operations (\$000s)

Period 8 ending 02/28/2022

Period 8 FY 2021	Period 8 FY 2022	Period 8 Budget 2022	Variance Fav (Unfav)	Var%	\$000s	YTD FY 2021	YTD FY 2022	YTD Budget 2022	Variance Fav (Unfav)	Var%
					OPERATING REVENUES					
238,441	302,365	283,694	18,671	6.6%	Gross Revenue	2,110,429	2,518,789	2,338,431	180,358	7.7%
(177,534)	(219,246)	(212,691)	(6,555)	(3.1%)	Deductions	(1,568,939)	(1,863,332)	(1,755,352)	(107,980)	(6.2%)
60,906	83,119	71,003	12,116	17.1%	Net Patient Revenue	541,491	655,457	583,079	72,378	12.4%
1,081	1,456	1,533	(77)	(5.0%)	Other Operating Revenue	11,814	12,025	14,071	(2,046)	(14.5%)
61,988	84,575	72,535	12,039	16.6%	Total Operating Revenues	553,304	667,482	597,150	70,332	11.8%
					OPERATING EXPENSES					
38,395	43,251	39,772	(3,479)	(8.7%)	Salaries & Wages	306,930	347,826	328,802	(19,024)	(5.8%)
10,099	11,087	10,670	(418)	(3.9%)	Supplies	84,560	89,215	88,335	(880)	(1.0%)
7,225	9,786	6,983	(2,802)	(40.1%)	Fees & Purchased Services	55,042	58,675	57,081	(1,594)	(2.8%)
(134)	3,275	2,831	(444)	(15.7%)	Other Operating Expense	17,736	21,566	22,965	1,399	6.1%
1,392	1,380	1,399	19	1.4%	Interest	11,392	11,313	11,211	(102)	(0.9%)
4,567	4,896	4,373	(523)	(12.0%)	Depreciation	36,261	37,615	35,527	(2,088)	(5.9%)
61,544	73,675	66,029	(7,646)	(11.6%)	Total Operating Expenses	511,921	566,210	543,921	(22,288)	(4.1%)
443	10,900	6,507	4,393	67.5%	Net Operating Margin	41,383	101,273	53,229	48,044	90.3%
13,099	(32,461)	5,998	(38,460)	(641.2%)	Non Operating Income	150,506	(52,848)	58,114	(110,962)	(190.9%)
13,542	(21,561)	12,505	(34,066)	(272.4%)	Net Margin	191,889	48,425	111,343	(62,919)	(56.5%)
6,402	17,176	12,279	4,897	39.9%	Operating EBIDA	89,036	150,200	99,967	50,233	50.2%
10.3%	20.3%	16.9%	3.4%		Operating EBIDA Margin	16.1%	22.5%	16.7%	5.8%	
0.7%	12.9%	9.0%	3.9%		Operating Margin	7.5%	15.2%	8.9%	6.3%	
21.8%	-25.5%	17.2%	(42.7%)		Net Margin	34.7%	7.3%	18.6%	(11.4%)	

El Camino Hospital – Los Gatos

Statement of Operations (\$000s)

Period 8 ending 02/28/2022

Period 8 FY 2021	Period 8 FY 2022	Period 8 Budget 2022	Variance Fav (Unfav)	Var%	\$000s	YTD FY 2021	YTD FY 2022	YTD Budget 2022	Variance Fav (Unfav)	Var%
					OPERATING REVENUE					
67,718	93,525	71,716	21,809	30.4%	Gross Revenue	577,384	742,187	600,643	141,545	23.6%
(46,631)	(72,857)	(53,423)	(19,434)	(36.4%)	Deductions	(433,509)	(567,732)	(448,567)	(119,165)	(26.6%)
21,088	20,668	18,294	2,374	13.0%	Net Patient Revenue	143,874	174,455	152,076	22,379	14.7%
257	287	270	17	6.1%	Other Operating Revenue	2,783	2,266	2,165	101	4.7%
21,345	20,955	18,564	2,391	12.9%	Total Operating Revenue	146,657	176,721	154,240	22,481	14.6%
					OPERATING EXPENSE					
8,033	10,037	8,352	(1,685)	(20.2%)	Salaries & Wages	66,268	76,984	68,953	(8,030)	(11.6%)
3,058	3,861	2,948	(912)	(30.9%)	Supplies	23,594	29,492	24,947	(4,545)	(18.2%)
2,958	3,267	3,165	(101)	(3.2%)	Fees & Purchased Services	23,215	27,450	25,656	(1,794)	(7.0%)
422	357	394	37	9.4%	Other Operating Expense	3,068	2,554	3,644	1,090	29.9%
0	0	0	0	0.0%	Interest	0	0	0	0	0.0%
1,097	1,125	923	(201)	(21.8%)	Depreciation	7,171	8,603	7,461	(1,142)	(15.3%)
15,568	18,646	15,784	(2,862)	(18.1%)	Total Operating Expense	123,316	145,084	130,661	(14,422)	(11.0%)
5,777	2,309	2,780	(471)	(17.0%)	Net Operating Margin	23,341	31,637	23,579	8,058	34.2%
0	0	0	0	0.0%	Non Operating Income	0	23	0	23	0.0%
5,777	2,309	2,780	(471)	(17.0%)	Net Margin	23,341	31,660	23,579	8,081	34.3%
6,874	3,434	3,704	(270)	(7.3%)	Operating EBIDA	30,512	40,240	31,040	9,201	29.6%
32.2%	16.4%	20.0%	(3.6%)		Operating EBIDA Margin	20.8%	22.8%	20.1%	2.6%	
27.1%	11.0%	15.0%	(4.0%)		Operating Margin	15.9%	17.9%	15.3%	2.6%	
27.1%	11.0%	15.0%	(4.0%)		Net Margin	15.9%	17.9%	15.3%	2.6%	

El Camino Health Medical Network

Statement of Operations (\$000s)

Period 8 ending 02/28/2022

Period 8 FY 2021	Period 8 FY 2022	Period 8 Budget 2022	Variance Fav (Unfav)	Var%	\$000s	YTD FY 2021	YTD FY 2022	YTD Budget 2022	Variance Fav (Unfav)	Var%
					OPERATING REVENUES					
8,461	6,618	6,596	22	0.3%	Gross Revenue	68,378	70,854	64,361	6,493	10.1%
(5,181)	(4,445)	(4,130)	(315)	(7.6%)	Deductions	(45,685)	(47,474)	(40,493)	(6,981)	(17.2%)
3,279	2,173	2,466	(293)	(11.9%)	Net Patient Revenue	22,692	23,380	23,868	(488)	(2.0%)
970	806	875	(70)	(7.9%)	Other Operating Revenue	10,165	7,506	7,354	153	2.1%
4,249	2,978	3,341	(363)	(10.9%)	Total Operating Revenues	32,857	30,887	31,222	(336)	(1.1%)
					OPERATING EXPENSES					
1,756	1,528	1,463	(65)	(4.4%)	Salaries & Wages	12,994	12,530	13,051	521	4.0%
420	345	214	(132)	(61.7%)	Supplies	3,389	2,619	2,135	(484)	(22.7%)
4,050	3,199	3,436	237	6.9%	Fees & Purchased Services	32,278	29,611	28,911	(700)	(2.4%)
779	584	839	255	30.4%	Other Operating Expense	6,746	5,906	7,277	1,371	18.8%
0	0	0	0	0.0%	Interest	0	0	0	0	0.0%
226	279	232	(46)	(19.9%)	Depreciation	1,867	2,240	1,916	(324)	(16.9%)
7,232	5,935	6,185	250	4.0%	Total Operating Expenses	57,274	52,906	53,289	383	0.7%
(2,983)	(2,957)	(2,843)	(113)	(4.0%)	Net Operating Margin	(24,417)	(22,019)	(22,067)	47	0.2%
0	0	0	0	0.0%	Non Operating Income	229	(132)	0	(132)	0.0%
(2,983)	(2,957)	(2,843)	(113)	(4.0%)	Net Margin	(24,188)	(22,151)	(22,067)	(84)	(0.4%)
(2,757)	(2,678)	(2,611)	(67)	(2.6%)	Operating EBIDA	(22,550)	(19,779)	(20,151)	372	1.8%
-64.9%	-89.9%	-78.1%	(11.8%)		Operating EBIDA Margin	-68.6%	-64.0%	-64.5%	0.5%	
-70.2%	-99.3%	-85.1%	(14.2%)		Operating Margin	-74.3%	-71.3%	-70.7%	(0.6%)	
-70.2%	-99.3%	-85.1%	(14.2%)		Net Margin	-73.6%	-71.7%	-70.7%	(1.0%)	

Consolidated Balance Sheet (as of 02/28/2022)

(\$000s)

ASSETS

	Audited	
	February 28, 2022	June 30, 2021
CURRENT ASSETS		
Cash	142,371	151,641
Short Term Investments	194,449	284,262
Patient Accounts Receivable, net	195,022	166,283
Other Accounts and Notes Receivable	6,365	9,540
Intercompany Receivables	12,435	15,116
Inventories and Prepays	30,928	23,079
Total Current Assets	581,569	649,921
BOARD DESIGNATED ASSETS		
Foundation Board Designated	22,857	20,932
Plant & Equipment Fund	303,825	258,191
Women's Hospital Expansion	30,261	30,401
Operational Reserve Fund	182,907	123,838
Community Benefit Fund	18,109	18,412
Workers Compensation Reserve Fund	17,002	16,482
Postretirement Health/Life Reserve Fund	31,292	30,658
PTO Liability Fund	33,303	32,498
Malpractice Reserve Fund	1,986	1,977
Catastrophic Reserves Fund	26,701	24,874
Total Board Designated Assets	668,244	558,264
FUNDS HELD BY TRUSTEE	0	5,694
LONG TERM INVESTMENTS	538,357	603,211
CHARITABLE GIFT ANNUITY INVESTMENTS	940	728
INVESTMENTS IN AFFILIATES	33,975	34,170
PROPERTY AND EQUIPMENT		
Fixed Assets at Cost	1,882,983	1,799,463
Less: Accumulated Depreciation	(792,623)	(742,921)
Construction in Progress	83,193	94,236
Property, Plant & Equipment - Net	1,173,553	1,150,778
DEFERRED OUTFLOWS	23,888	21,444
RESTRICTED ASSETS	29,310	29,332
OTHER ASSETS	109,982	86,764
TOTAL ASSETS	3,159,817	3,140,306

LIABILITIES AND FUND BALANCE

	Audited	
	February 28, 2022	June 30, 2021
CURRENT LIABILITIES		
Accounts Payable	47,863	39,762
Salaries and Related Liabilities	25,488	50,039
Accrued PTO	33,980	33,197
Worker's Comp Reserve	2,300	2,300
Third Party Settlements	14,191	12,990
Intercompany Payables	9,607	14,704
Malpractice Reserves	1,665	1,670
Bonds Payable - Current	9,905	9,430
Bond Interest Payable	1,619	8,293
Other Liabilities	11,307	16,953
Total Current Liabilities	157,926	189,338
LONG TERM LIABILITIES		
Post Retirement Benefits	31,292	30,658
Worker's Comp Reserve	17,002	17,002
Other L/T Obligation (Asbestos)	6,398	6,227
Bond Payable	471,915	479,621
Total Long Term Liabilities	526,606	533,509
DEFERRED REVENUE-UNRESTRICTED	32,312	67,576
DEFERRED INFLOW OF RESOURCES	45,862	28,009
FUND BALANCE/CAPITAL ACCOUNTS		
Unrestricted	2,164,116	2,097,010
Board Designated	200,902	193,782
Restricted	32,094	31,082
Total Fund Bal & Capital Accts	2,397,112	2,321,874
TOTAL LIABILITIES AND FUND BALANCE	3,159,817	3,140,306