



# El Camino Health

## Summary of Financial Operations

*Fiscal Year 2023 – Period 5  
7/1/2022 to 11/30/2022*

# Executive Summary - Overall Commentary for Period 5

- **Mixed financial results for Period 5:**

- Overall Revenue Favorable to budget by \$13.7M / 3.1%
  - Driven primarily by Inpatient activity
    - Inpatient Charges \$12.1M / 5.7% favorable to budget
    - Inpatient General Medicine activity 11% over budget, driving higher Medicare utilization
    - Outpatient activity in the Emergency Room and Orthopedic Surgery areas remain strong
  - Cost Management
    - When adjusted for volume, overall operating expense continues to be favorable to budget
    - Labor: Contract Labor and Overtime remain at high levels
- Gross charges were favorable to budget by \$13.7M / 3.1% and \$39.5M / 9.4% higher than the same period last year.
- Net patient revenue was favorable to budget by \$1.6M / 1.4% and \$6.3M / 5.8% higher than the same period last year.
- Operating margin was unfavorable to budget by \$1.1M / 8.9% and \$4.0M / 26.3% lower than the same period last year.
- Operating EBIDA was unfavorable to budget by \$857K / 4.3% and \$4.1M / 17.9% lower than the same period last year.
- Net income was favorable to budget by \$51.9M and \$73.2M above the same period last year.

# Operational / Financial Results: Period 5 – November 2022 (as of 11/30/2022)

(\$ thousands)		Current Year	Budget	Variance to Budget	Performance to Budget	Prior Year	Variance to Prior Year	Variance to Prior Year	Moody's 'A1'	S&P 'AA'	Performance to Rating Agency Medians
Activity / Volume	ADC	288	268	21	7.7%	259	30	11.4%	---	---	---
	Total Acute Discharges	1,742	1,732	10	0.6%	1,665	77	4.6%	---	---	---
	Adjusted Discharges	3,468	3,529	(60)	(1.7%)	3,385	83	2.5%	---	---	---
	Emergency Room Visits	6,895	5,126	1,769	34.5%	5,525	1,370	24.8%	---	---	---
	OP Procedural Cases	11,591	13,468	(1,877)	(13.9%)	13,075	(1,484)	(11.3%)	---	---	---
	Gross Charges (\$)	458,709	445,006	13,703	3.1%	419,177	39,532	9.4%	---	---	---
Operations	Total FTEs	3,289	3,273	16	0.5%	3,041	248	8.2%	---	---	---
	Productive Hrs. / APD	28.1	29.6	(1.5)	(4.9%)	28.5	(0.4)	(1.4%)	---	---	---
	Cost Per CMI AD	17,633	18,036	(403)	(2.2%)	16,172	1,461	9.0%	---	---	---
	Net Days in A/R	60.1	54.0	6.1	11.4%	58.8	1.3	2.3%	47.7	49.7	---
Financial Performance	Net Patient Revenue (\$)	113,525	111,911	1,614	1.4%	107,257	6,268	5.8%	138,547	82,105	---
	Total Operating Revenue (\$)	117,881	116,463	1,418	1.2%	110,857	7,024	6.3%	152,743	109,602	---
	<b>Operating Margin (\$)</b>	<b>11,267</b>	<b>12,368</b>	<b>(1,101)</b>	<b>(8.9%)</b>	<b>15,297</b>	<b>(4,029)</b>	<b>(26.3%)</b>	<b>1,915</b>	<b>3,836</b>	---
	<b>Operating EBIDA (\$)</b>	<b>19,006</b>	<b>19,863</b>	<b>(857)</b>	<b>(4.3%)</b>	<b>23,156</b>	<b>(4,150)</b>	<b>(17.9%)</b>	<b>11,188</b>	<b>10,741</b>	---
	Net Income (\$)	67,238	15,322	51,916	338.8%	(5,935)	73,173	1232.9%	8,124	7,343	---
	<b>Operating Margin (%)</b>	<b>9.6%</b>	<b>10.6%</b>	<b>(1.1%)</b>	<b>(10.0%)</b>	<b>13.8%</b>	<b>(4.2%)</b>	<b>(30.7%)</b>	<b>1.9%</b>	<b>3.5%</b>	---
	<b>Operating EBIDA (%)</b>	<b>16.1%</b>	<b>17.1%</b>	<b>(0.9%)</b>	<b>(5.5%)</b>	<b>20.9%</b>	<b>(4.8%)</b>	<b>(22.8%)</b>	<b>8.3%</b>	<b>9.8%</b>	---
	DCOH (days)	255	325	(70)	(21.4%)	328	(73)	(22.2%)	306	355	---

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

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

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

# Operational / Financial Results: YTD FY2023 (as of 11/30/2022)

(\$ 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	296	252	44	17.5%	267	28	10.6%	---	---	---
	Total Acute Discharges	9,039	8,476	563	6.6%	8,748	291	3.3%	---	---	---
	Adjusted Discharges	17,558	17,210	348	2.0%	17,139	419	2.4%	---	---	---
	Emergency Room Visits	30,236	26,252	3,984	15.2%	27,086	3,150	11.6%	---	---	---
	OP Procedural Cases	60,497	67,384	(6,887)	(10.2%)	63,709	(3,212)	(5.0%)	---	---	---
	Gross Charges (\$)	2,338,906	2,165,176	173,730	8.0%	2,078,281	260,625	12.5%	---	---	---
Operations	Total FTEs	3,266	3,266	0	0.0%	3,008	258	8.6%	---	---	---
	Productive Hrs. / APD	28.3	30.9	(2.6)	(8.4%)	28.6	(0.4)	(1.3%)	---	---	---
	Cost Per CMI AD	17,679	18,036	(358)	(2.0%)	16,211	1,467	9.1%	---	---	---
	Net Days in A/R	60.1	54.0	6.1	11.4%	58.8	1.3	2.3%	47.7	49.7	---
Financial Performance	Net Patient Revenue (\$)	568,396	553,446	14,949	2.7%	524,922	43,474	8.3%	692,736	410,523	---
	Total Operating Revenue (\$)	587,377	573,704	13,673	2.4%	543,368	44,009	8.1%	759,547	548,010	---
	Operating Margin (\$)	59,234	55,799	3,436	6.2%	70,371	(11,137)	(15.8%)	9,574	19,180	---
	Operating EBIDA (\$)	98,198	93,715	4,483	4.8%	107,487	(9,289)	(8.6%)	55,942	53,705	---
	Net Income (\$)	89,914	70,208	19,706	28.1%	65,344	24,570	37.6%	40,622	36,717	---
	Operating Margin (%)	10.1%	9.7%	0.4%	3.7%	13.0%	(2.9%)	(22.1%)	1.9%	3.5%	---
	Operating EBIDA (%)	16.7%	16.3%	0.4%	2.3%	19.8%	(3.1%)	(15.5%)	8.3%	9.8%	---
	DCOH (days)	255	325	(70)	(21.4%)	328	(73)	(22.2%)	306	355	---

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

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

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

# Consolidated Balance Sheet (as of 11/30/2022)

(\$000s)

## ASSETS

	Audited	
	November 30, 2022	June 30, 2022
<b>CURRENT ASSETS</b>		
Cash	210,463	196,067
Short Term Investments	133,587	138,654
Patient Accounts Receivable, net	225,752	209,668
Other Accounts and Notes Receivable	17,322	9,927
Intercompany Receivables	11,334	13,998
Inventories and Prepaids	38,189	36,476
<b>Total Current Assets</b>	<b>636,646</b>	<b>604,789</b>
<b>BOARD DESIGNATED ASSETS</b>		
Foundation Board Designated	23,569	18,721
Plant & Equipment Fund	342,195	310,367
Women's Hospital Expansion	30,401	30,261
Operational Reserve Fund	207,898	182,907
Community Benefit Fund	17,613	18,299
Workers Compensation Reserve Fund	14,029	14,029
Postretirement Health/Life Reserve Fund	30,235	29,783
PTO Liability Fund	35,330	33,709
Malpractice Reserve Fund	1,865	1,906
Catastrophic Reserves Fund	27,981	24,668
<b>Total Board Designated Assets</b>	<b>731,115</b>	<b>664,651</b>
<b>FUNDS HELD BY TRUSTEE</b>	<b>-</b>	<b>0</b>
<b>LONG TERM INVESTMENTS</b>	<b>454,775</b>	<b>499,483</b>
<b>CHARITABLE GIFT ANNUITY INVESTMENTS</b>	<b>959</b>	<b>940</b>
<b>INVESTMENTS IN AFFILIATES</b>	<b>29,585</b>	<b>30,376</b>
<b>PROPERTY AND EQUIPMENT</b>		
Fixed Assets at Cost	1,901,262	1,872,501
Less: Accumulated Depreciation	(810,088)	(778,427)
Construction in Progress	128,031	96,603
<b>Property, Plant &amp; Equipment - Net</b>	<b>1,219,205</b>	<b>1,190,676</b>
<b>DEFERRED OUTFLOWS</b>	<b>19,071</b>	<b>19,474</b>
<b>RESTRICTED ASSETS</b>	<b>32,586</b>	<b>31,200</b>
<b>OTHER ASSETS</b>	<b>219,342</b>	<b>138,632</b>
<b>TOTAL ASSETS</b>	<b>3,343,285</b>	<b>3,180,222</b>

## LIABILITIES AND FUND BALANCE

	Audited	
	November 30, 2022	June 30, 2022
<b>CURRENT LIABILITIES</b>		
Accounts Payable	62,006	51,286
Salaries and Related Liabilities	49,248	46,502
Accrued PTO	35,395	34,449
Worker's Comp Reserve	2,300	2,300
Third Party Settlements	12,935	14,942
Intercompany Payables	8,675	13,489
Malpractice Reserves	2,096	2,096
Bonds Payable - Current	9,905	9,905
Bond Interest Payable	6,477	8,096
Other Liabilities	12,779	15,739
<b>Total Current Liabilities</b>	<b>201,815</b>	<b>198,804</b>
<b>LONG TERM LIABILITIES</b>		
Post Retirement Benefits	30,235	29,783
Worker's Comp Reserve	14,029	14,029
Other L/T Obligation (Asbestos)	38,081	5,073
Bond Payable	465,638	466,838
<b>Total Long Term Liabilities</b>	<b>547,983</b>	<b>515,723</b>
<b>DEFERRED REVENUE-UNRESTRICTED</b>	<b>12,002</b>	<b>12,864</b>
<b>DEFERRED INFLOW OF RESOURCES</b>	<b>104,214</b>	<b>51,133</b>
<b>FUND BALANCE/CAPITAL ACCOUNTS</b>		
Unrestricted	2,228,839	2,154,900
Board Designated	207,892	210,197
Restricted	40,540	36,601
<b>Total Fund Bal &amp; Capital Accts</b>	<b>2,477,271</b>	<b>2,401,698</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>3,343,285</b>	<b>3,180,222</b>