



# El Camino Health

## Summary of Financial Operations

*Fiscal Year 2022 – Period 11*

*7/1/2021 to 05/31/2022*

# Executive Summary - Overall Commentary for Period 11

## Key Drivers of Period 11 Financial Results

- Revenue was driven by strong inpatient and outpatient volumes across the organization. The following service lines continue to trend favorably compared to budget and the same period last year:
  - Outpatient: Radiation Oncology, Emergency Services, Radiation Oncology and Interventional Services
  - Inpatient: Surgical Services and Neonatal Intensive Care
- Effective management of variable expenses. When adjusted for volume, total cost per unit of service continue to trend favorably as compared to budget:
  - Cost per CMI adjusted discharge was 9.6% favorable to budget
- Total gross charges which are an indicator of patient activity were favorable to budget by \$47.4M / 11.9% and \$64.0M / 16.8% higher than the same period last year:
  - Outpatient charges were favorable by \$26.8M / 14.5%
  - Inpatient charges were favorable by \$19.8M / 9.6%
- Net patient revenue was favorable to budget by \$12.1M / 12.4% and \$14.5M / 15.1% higher than the same period last year
- Operating margin was favorable to budget by \$11.9M / 190.0% and \$6.2M / 52.1% higher than the same period last year
- Operating EBIDA was favorable to budget by \$12.5M / 94.9% and \$7.5M / 41.4% higher than the same period last year
- Net income was favorable to budget by \$5.4M / 37.8%, but \$8.8M / 30.6% lower than the same period last year. This is attributed the continued instability in the capital markets which has negatively impact investment income.

# Operational / Financial Results: Period 11 – May 2022 (as of 05/31/2022)

(\$ 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	293	261	32	12.3%	254	39	15.5%	--	--	--
	Total Acute Discharges	1,850	1,746	104	5.9%	1,724	126	7.3%	--	--	--
	Adjusted Discharges	3,571	3,299	271	8.2%	3,268	302	9.3%	--	--	--
	Emergency Room Visits	5,931	4,444	1,487	33.4%	4,601	1,330	28.9%	--	--	--
	OP Procedural Cases	12,700	10,731	1,969	18.4%	13,412	(712)	(5.3%)	---	---	---
	Gross Charges (\$)	445,891	398,501	47,390	11.9%	381,888	64,003	16.8%	--	--	--
Operations	Total FTEs	3,236	3,142	95	3.0%	2,917	319	11.0%	--	--	--
	Productive Hrs. / APD	28.5	30.4	(1.9)	(6.3%)	30.8	(2.4)	(7.6%)	--	--	--
	Cost Per CMI AD	16,231	17,952	(1,721)	(9.6%)	15,165	1,066	7.0%	---	---	---
	Net Days in A/R	57.6	49.0	8.6	17.5%	51.7	5.8	11.3%	47.7	49.7	
Financial Performance	Net Patient Revenue (\$)	110,010	97,887	12,122	12.4%	95,542	14,468	15.1%	138,547	82,105	
	Total Operating Revenue (\$)	113,307	101,471	11,836	11.7%	100,927	12,380	12.3%	152,743	109,602	
	<b>Operating Margin (\$)</b>	<b>18,138</b>	<b>6,255</b>	<b>11,883</b>	<b>190.0%</b>	<b>11,921</b>	<b>6,217</b>	<b>52.1%</b>	<b>1,915</b>	<b>3,836</b>	
	<b>Operating EBIDA (\$)</b>	<b>25,632</b>	<b>13,153</b>	<b>12,479</b>	<b>94.9%</b>	<b>18,130</b>	<b>7,502</b>	<b>41.4%</b>	<b>11,188</b>	<b>10,741</b>	
	Net Income (\$)	19,834	14,395	5,438	37.8%	28,588	(8,754)	(30.6%)	8,124	7,343	
	<b>Operating Margin (%)</b>	<b>16.0%</b>	<b>6.2%</b>	<b>9.8%</b>	<b>159.7%</b>	<b>11.8%</b>	<b>4.2%</b>	<b>35.5%</b>	<b>1.9%</b>	<b>3.5%</b>	
	<b>Operating EBIDA (%)</b>	<b>22.6%</b>	<b>13.0%</b>	<b>9.7%</b>	<b>74.5%</b>	<b>18.0%</b>	<b>4.7%</b>	<b>25.9%</b>	<b>8.3%</b>	<b>9.8%</b>	
	DCOH (days)	291	325	(34)	(10.5%)	379	(88)	(23.2%)	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 FY2022 (as of 05/31/2022)

(\$ 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	275	254	21	8.1%	242	33	13.4%	--	--	--
	Total Acute Discharges	19,529	18,462	1,067	5.8%	17,368	2,161	12.4%	--	--	--
	Adjusted Discharges	38,149	34,228	3,921	11.5%	32,794	5,354	16.3%	--	--	--
	Emergency Room Visits	61,358	48,042	13,316	27.7%	46,439	14,919	32.1%	--	--	--
	OP Procedural Cases	140,468	113,127	27,341	24.2%	148,005	(7,537)	(5.1%)	--	--	--
	Gross Charges (\$)	4,677,251	4,181,375	495,877	11.9%	3,901,178	776,073	19.9%	--	--	--
Operations	Total FTEs	3,091	3,081	11	0.3%	2,834	257	9.1%	--	--	--
	Productive Hrs. / APD	28.8	31.5	(2.7)	(8.6%)	31.2	(2.4)	(7.8%)	--	--	--
	Cost Per CMI AD	16,457	17,952	(1,495)	(8.3%)	16,876	(419)	(2.5%)	---	---	---
	Net Days in A/R	57.6	49.0	8.6	17.5%	51.7	5.8	11.3%	47.7	49.7	
Financial Performance	Net Patient Revenue (\$)	1,191,241	1,051,614	139,627	13.3%	995,673	195,568	19.6%	1,524,020	903,150	
	Total Operating Revenue (\$)	1,231,179	1,092,147	139,031	12.7%	1,039,398	191,781	18.5%	1,671,003	1,205,623	
	<b>Operating Margin (\$)</b>	<b>158,670</b>	<b>73,018</b>	<b>85,652</b>	<b>117.3%</b>	<b>66,580</b>	<b>92,090</b>	<b>138.3%</b>	<b>21,063</b>	<b>42,197</b>	
	<b>Operating EBIDA (\$)</b>	<b>241,491</b>	<b>150,031</b>	<b>91,460</b>	<b>61.0%</b>	<b>142,919</b>	<b>98,572</b>	<b>69.0%</b>	<b>123,072</b>	<b>118,151</b>	
	Net Income (\$)	56,207	157,589	(101,382)	(64.3%)	287,378	(231,171)	(80.4%)	89,369	80,777	
	<b>Operating Margin (%)</b>	<b>12.9%</b>	<b>6.7%</b>	<b>6.2%</b>	<b>92.8%</b>	<b>6.4%</b>	<b>6.5%</b>	<b>101.2%</b>	<b>1.9%</b>	<b>3.5%</b>	
	<b>Operating EBIDA (%)</b>	<b>19.6%</b>	<b>13.7%</b>	<b>5.9%</b>	<b>42.8%</b>	<b>13.8%</b>	<b>5.9%</b>	<b>42.7%</b>	<b>8.3%</b>	<b>9.8%</b>	
	DCOH (days)	291	325	(34)	(10.5%)	379	(88)	(23.2%)	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.

# Key Statistics: Period 11 and YTD (as of 05/31/2022)

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	254	293	261	15.5%	12.3%	242	275	254	13.4%	8.1%
Utilization MV	66%	77%	69%	17.5%	12.5%	63%	73%	67%	14.7%	8.0%
Utilization LG	34%	37%	33%	7.3%	11.6%	32%	34%	31%	8.5%	8.7%
Utilization Combined	56%	65%	58%	15.5%	12.3%	53%	61%	56%	13.5%	8.1%
Adjusted Discharges	3,268	3,571	3,299	9.3%	8.2%	32,794	38,149	34,228	16.3%	11.5%
Total Discharges (Exc NB)	1,724	1,850	1,746	7.3%	5.9%	17,368	19,529	18,462	12.4%	5.8%
Total Discharges	2,092	2,272	2,145	8.6%	5.9%	20,968	23,895	22,606	14.0%	5.7%
<b>Inpatient Case Activity</b>										
MS Discharges	1,193	1,233	1,143	3.4%	7.9%	11,901	13,155	12,315	10.5%	6.8%
Deliveries	392	445	413	13.5%	7.7%	3,849	4,707	4,356	22.3%	8.1%
BHS	102	134	138	31.4%	(2.8%)	1,176	1,246	1,299	6.0%	(4.1%)
Rehab	37	39	52	5.4%	(25.0%)	444	409	492	(7.9%)	(16.9%)
<b>Outpatient Case Activity</b>										
Total Outpatient Cases	17,028	17,695	14,005	3.9%	26.4%	182,145	188,359	148,820	3.4%	26.6%
ED	3,616	4,995	3,274	38.1%	52.6%	34,140	47,891	35,693	40.3%	34.2%
OP Surg	580	567	464	(2.2%)	22.3%	5,836	6,494	4,965	11.3%	30.8%
Endo	242	268	232	10.7%	15.5%	2,358	2,616	2,358	10.9%	10.9%
Interventional	180	191	186	6.1%	2.7%	1,949	2,131	1,933	9.3%	10.2%
All Other	12,410	11,674	9,849	(5.9%)	18.5%	137,862	129,227	103,871	(6.3%)	24.4%
<b>Hospital Payor Mix</b>										
Medicare	49.0%	48.6%	48.2%	(0.7%)	0.9%	48.6%	48.2%	47.9%	(1.0%)	0.6%
Medi-Cal	8.8%	7.3%	7.8%	(16.8%)	(6.4%)	8.2%	8.0%	8.0%	(2.3%)	0.9%
Commercial	39.9%	41.9%	42.1%	5.2%	(0.4%)	40.8%	41.7%	42.1%	2.1%	(0.9%)
Other	2.4%	2.1%	2.0%	(10.5%)	7.9%	2.3%	2.1%	2.1%	(8.1%)	1.2%

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

	FY2021					FY2022											YTD FY2022	Rolling 16 Monthly Average
	Period 8	Period 9	Period 10	Period 11	Period 12	Period 1	Period 2	Period 3	Period 4	Period 5	Period 6	Period 7	Period 8	Period 9	Period 10	Period 11		
	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22		
<b>Operating Revenues:</b>																		
Net Patient Revenue	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	123,165	104,774	110,010	1,191,241	104,773
Other Operating Revenue	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	3,577	4,293	3,297	39,938	3,788
<b>Total Operating Revenue</b>	<b>88,625</b>	<b>100,708</b>	<b>98,595</b>	<b>100,927</b>	<b>116,945</b>	<b>104,889</b>	<b>108,228</b>	<b>108,256</b>	<b>111,138</b>	<b>110,857</b>	<b>116,681</b>	<b>112,741</b>	<b>109,273</b>	<b>126,741</b>	<b>109,067</b>	<b>113,307</b>	<b>1,231,179</b>	<b>108,561</b>
<b>Operating Expenses:</b>																		
Salaries, Wages and Benefits	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	60,098	57,347	53,852	612,126	53,725
Supplies	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	17,661	15,225	16,471	170,746	15,275
Fees & Purchased Services	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	17,352	15,127	13,626	165,243	15,422
Other Operating Expenses	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	3,821	3,517	3,726	41,573	3,710
Interest	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	1,384	1,394	1,393	15,483	1,403
Depreciation	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	6,246	6,438	6,101	67,337	5,895
<b>Total Operating Expenses</b>	<b>85,341</b>	<b>92,450</b>	<b>91,301</b>	<b>89,006</b>	<b>96,281</b>	<b>92,242</b>	<b>94,844</b>	<b>94,286</b>	<b>96,065</b>	<b>95,561</b>	<b>98,665</b>	<b>100,984</b>	<b>99,084</b>	<b>106,561</b>	<b>99,048</b>	<b>95,169</b>	<b>1,072,508</b>	<b>95,430</b>
<b>Operating Margin</b>	<b>3,285</b>	<b>8,258</b>	<b>7,294</b>	<b>11,921</b>	<b>20,664</b>	<b>12,648</b>	<b>13,384</b>	<b>13,970</b>	<b>15,073</b>	<b>15,297</b>	<b>18,016</b>	<b>11,756</b>	<b>10,189</b>	<b>20,180</b>	<b>10,020</b>	<b>18,138</b>	<b>158,670</b>	<b>13,131</b>
Non-Operating Income	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)	3,935	(56,388)	1,696	(102,463)	(206)
<b>Net Margin</b>	<b>17,633</b>	<b>27,223</b>	<b>36,445</b>	<b>28,588</b>	<b>40,705</b>	<b>8,549</b>	<b>27,703</b>	<b>(4,408)</b>	<b>39,435</b>	<b>(5,935)</b>	<b>35,596</b>	<b>(19,783)</b>	<b>(22,531)</b>	<b>24,115</b>	<b>(46,369)</b>	<b>19,834</b>	<b>56,207</b>	<b>12,925</b>
<b>Operating EBIDA</b>	<b>10,580</b>	<b>14,588</b>	<b>14,301</b>	<b>18,130</b>	<b>27,771</b>	<b>18,793</b>	<b>21,959</b>	<b>21,289</b>	<b>22,290</b>	<b>23,156</b>	<b>25,608</b>	<b>19,223</b>	<b>17,881</b>	<b>27,810</b>	<b>17,851</b>	<b>25,632</b>	<b>241,491</b>	<b>20,429</b>
Operating Margin (%)	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%	15.9%	9.2%	16.0%	12.9%	12.1%
<b>Operating EBIDA Margin (%)</b>	<b>11.9%</b>	<b>14.5%</b>	<b>14.5%</b>	<b>18.0%</b>	<b>23.7%</b>	<b>17.9%</b>	<b>20.3%</b>	<b>19.7%</b>	<b>20.1%</b>	<b>20.9%</b>	<b>21.9%</b>	<b>17.1%</b>	<b>16.4%</b>	<b>21.9%</b>	<b>16.4%</b>	<b>22.6%</b>	<b>19.6%</b>	<b>18.8%</b>

# Financial Overview: Period 11 – May 2022

Period ending 5/31/2022

## Financial Performance

- Operating margin was \$18.1M compared to a budget of \$6.3M, resulting in a favorable variance of \$11.9M
- Volumes and revenues continued to be ahead of budgeted levels:
  - Favorable variance of gross charges of \$47.4M was driven primarily by outpatient activity:
    - Inpatient gross charges: Favorable to budget by \$19.8M / 9.6% variance primarily driven by surgical inpatient services, neonatal intensive care, nursing units, and corresponding ancillary services
    - Outpatient gross charges: Favorable to budget by \$26.8M / 14.5% variance primarily driven by emergency services, radiation oncology, interventional services, and corresponding ancillary services
  - Operating Expenses were consistent with budget
    - SWB were unfavorable by \$2.8M / 6.5%
    - Supplies were unfavorable by \$1.1M / 7.0%
      - Supply expenses attributed to Covid-19 were \$600K in May and \$8.8M YTD
    - All other discretionary non-volume driven expenses were unfavorable to budget by \$1.7M

# Financial Overview: Period 11 – May 2022 (cont.)

Period ending 5/31/2022

## Financial Performance

### Hospital Operations:

- Adjusted Discharges (AD): Favorable to budget by 272 ADs / 8.2% and above prior year by 303 ADs / 9.3%:
  - Mountain View: Favorable to budget by 246 ADs / 8.7% and above prior year by 328 ADs / 12.7%
  - Los Gatos: Favorable to budget by 26 ADs / 3.3% and below prior year by 25 ADs / 3.1%
- Operating Expense Per CMI Adjusted Discharge: \$16,231 which is 9.6% favorable to budget

Note: Excludes depreciation and interest

### El Camino Health Medical Network (ECHMN) Operations:

- May's total visits of 17,104 reflect an increase of 6.4% over the prior month's 16,069. May's visits per day of 787 also reflect an increase of 5.6% over the prior month's 745.
- Increases occurred at the Cupertino, Mountain View and 1<sup>st</sup> St. Urgent Care sites, McKee, Morgan Hill, Winchester and Mountain View Clinics.
- May's total visits were favorable to budget by 3.3%. However, May's YTD total visits are unfavorable to budget by 2.1%. The YTD budget variance is related to the loss of several OB/GYN providers and the closure of Gilroy and Campbell locations.
- Net Income for the month of May was unfavorable to budget by \$920K or 34% bringing the YTD variance to an unfavorable \$884K or 2.9%. Included in the net loss are losses on disposal of assets, \$166K, from the closure of Gilroy and relocation of the Samaritan Clinic and the repayment of \$359K of HHS stimulus funds that were received in FY2020. Compared to last year, May's net income was unfavorable by \$1.1M or 46%. However, for the eleven months ended May 2022 the organization remains favorable to the prior year by \$1.7M or 5.1%.



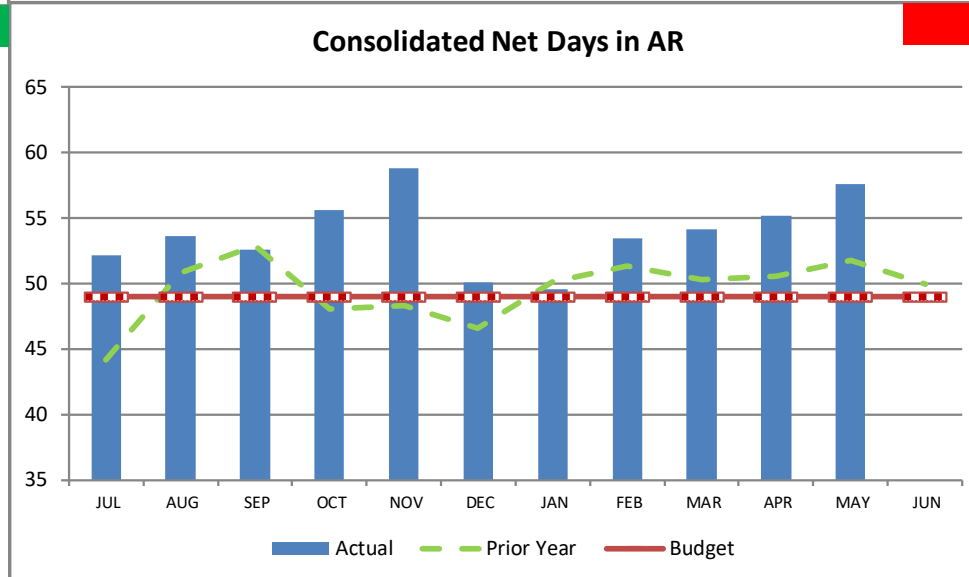
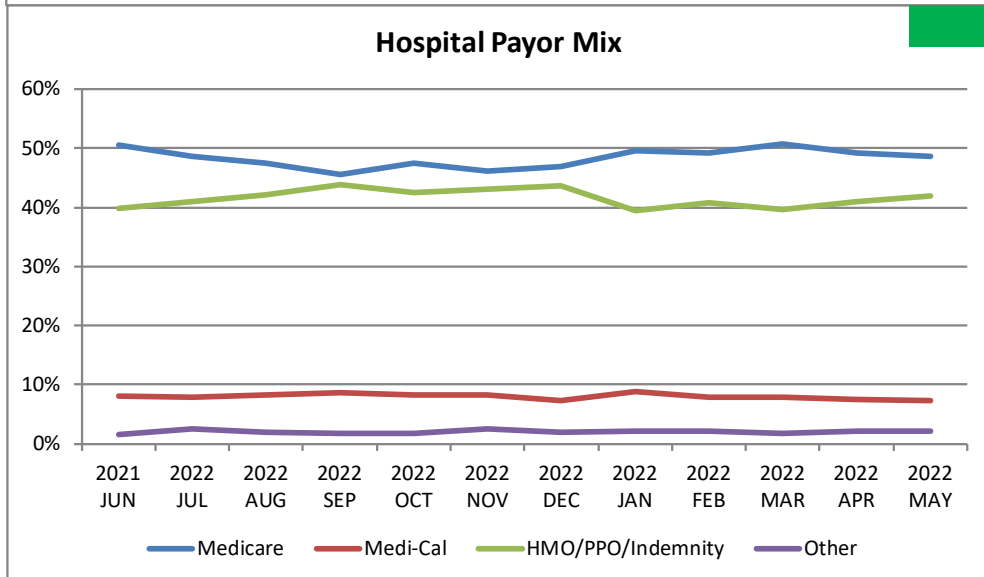
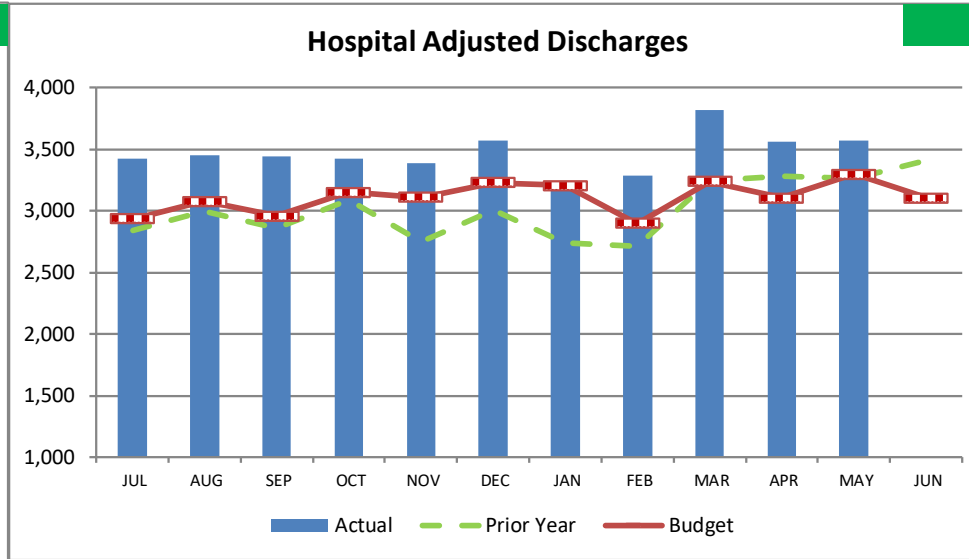
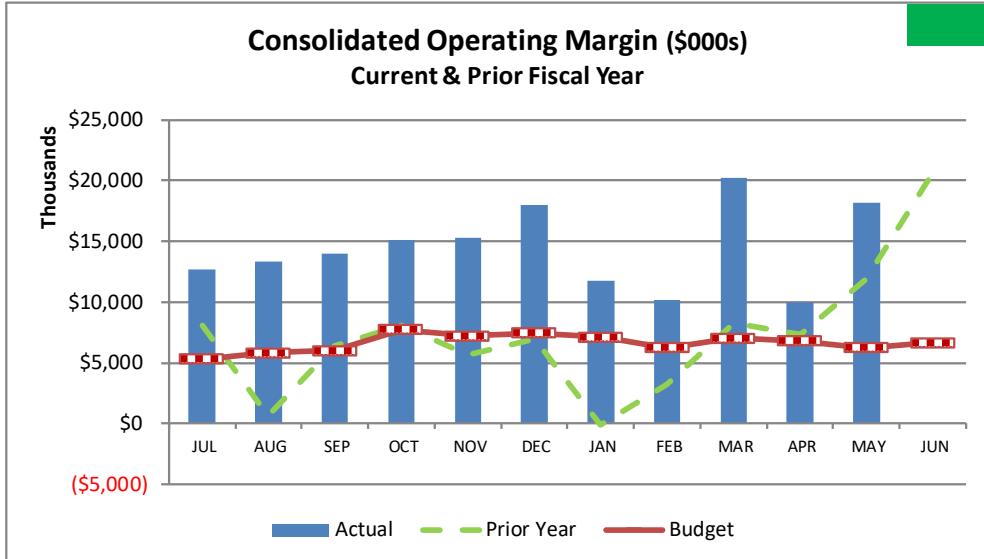
# Financial Overview: YTD FY2022 (as of 5/31/2022)

## Consolidated Financial Performance

- YTD FY2022 operating margin is \$158.7M compared to the budget of \$73.0M
  - Operating expense is \$1,073M / 5.2% unfavorable to budget
    - When adjusted for volume, operating expenses per CMI adjusted discharge is \$16,457 which is 8.3% 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 \$92.1M higher than the same period last year, which is primarily due to the strength in volumes as exhibited by year-over-year growth in the following service lines:
    - Outpatient Services: +11.3% primarily driven by Heart/Vascular, Orthopedic & Spine activity and the associated ancillary services
    - Emergency Room Visits: +40.3%
    - Deliveries - Maternal Child services: +22.3%
  - Year-over-year net margin is \$231.2M 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 03/31/2022)

Key Performance Indicator	Status	El Camino	Benchmark	El Camino	Benchmark	El Camino	Benchmark	FY22 Budget	Expectation Per Asset Allocation
<b>Investment Performance</b>		CY 1Q 2022 / FY 3Q 2022		Fiscal Year-to-Date 2022		9y 5m Since Inception (annualized)		FY 2022	2019
Surplus cash balance*		\$1,407.1	--	--	--	--	--	--	--
Surplus cash return		-5.2%	-4.5%	-3.4%	-2.0%	6.0%	6.0%	4.0%	5.6%
Cash balance plan balance (millions)		\$336.3	--	--	--	--	--	--	--
Cash balance plan return		-6.8%	-4.6%	-4.4%	-1.2%	7.9%	7.5%	6.0%	6.0%
403(b) plan balance (millions)		\$740.2	--	--	--	--	--	--	--
<b>Risk vs. Return</b>		3-year			9y 5m Since Inception (annualized)			2019	
Surplus cash Sharpe ratio		0.75	0.83	--	--	0.86	0.89	--	0.34
Net of fee return		7.2%	7.6%	--	--	6.0%	6.0%	--	5.6%
Standard deviation		8.6%	8.2%	--	--	6.2%	6.0%	--	8.7%
Cash balance Sharpe ratio		0.74	0.84	--	--	0.91	0.94	--	0.32
Net of fee return		8.7%	9.0%	--	--	7.9%	7.5%	--	6.0%
Standard deviation		10.9%	9.7%	--	--	8.0%	7.3%	--	10.3%
<b>Asset Allocation</b>		CY 1Q 2022 / FY 3Q 2022							
Surplus cash absolute variances to target		3.9%	< 10% Green < 20% Yellow	--	--	--	--	--	--
Cash balance absolute variances to target		6.2%	< 10% Green < 20% Yellow	--	--	--	--	--	--
<b>Manager Compliance</b>		CY 1Q 2022 / FY 3Q 2022							
Surplus cash manager flags		20	< 24 Green < 30 Yellow	--	--	--	--	--	--
Cash balance plan manager flags		20	< 27 Green < 34 Yellow	--	--	--	--	--	--

\*Excludes debt reserve funds, District assets (~\$41 mm), and balance sheet cash not in investable portfolio (~\$185 mm). Includes Foundation (~\$42 mm) and Concern (~\$14 mm) assets.



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# Period 11 and YTD Operating Income, Non-Operating Income and Net Income by Affiliate (as of 05/31/2022)

(\$000s)

	Period 11- Month			Period 11- FYTD		
	Actual	Budget	Variance	Actual	Budget	Variance
<b>El Camino Hospital Operating Margin</b>						
Mountain View	20,099	6,504	13,595	151,836	73,710	78,125
Los Gatos	1,662	2,806	(1,143)	38,643	32,270	6,373
<b>Sub Total - El Camino Hospital, excl. Affiliates</b>	<b>21,761</b>	<b>9,310</b>	<b>12,451</b>	<b>190,479</b>	<b>105,980</b>	<b>84,498</b>
<b>Operating Margin %</b>	<b>19.9%</b>	<b>9.6%</b>		<b>16.1%</b>	<b>10.2%</b>	
<b>El Camino Hospital Non Operating Income</b>						
<b>Sub Total - Non Operating Income</b>	<b>694</b>	<b>7,846</b>	<b>(7,153)</b>	<b>(102,321)</b>	<b>81,353</b>	<b>(183,674)</b>
<b>El Camino Hospital Net Margin</b>	<b>22,455</b>	<b>17,156</b>	<b>5,299</b>	<b>88,158</b>	<b>187,333</b>	<b>(99,175)</b>
<b>ECH Net Margin %</b>	<b>20.5%</b>	<b>17.7%</b>		<b>7.5%</b>	<b>18.0%</b>	
Concern	106	62	44	(236)	761	(997)
Foundation	901	(115)	1,016	(595)	(270)	(325)
El Camino Health Medical Network	(3,628)	(2,708)	(920)	(31,119)	(30,236)	(884)
<b>Net Margin Hospital Affiliates</b>	<b>(2,621)</b>	<b>(2,761)</b>	<b>140</b>	<b>(31,951)</b>	<b>(29,744)</b>	<b>(2,206)</b>
<b>Total Net Margin Hospital &amp; Affiliates</b>	<b>19,834</b>	<b>14,395</b>	<b>5,438</b>	<b>56,207</b>	<b>157,589</b>	<b>(101,382)</b>

# Consolidated Statement of Operations (\$000s)

Period 11 ending 05/31/2022

Period 11 FY 2021	Period 11 FY 2022	Period 11 Budget 2022	Variance Fav (Unfav)	Var%	\$000s	YTD FY 2021	YTD FY 2022	YTD Budget 2022	Variance Fav (Unfav)	Var%
					<b>OPERATING REVENUE</b>					
381,888	445,891	398,501	47,390	11.9%	<b>Gross Revenue</b>	3,901,178	4,677,251	4,181,375	495,877	11.9%
(286,346)	(335,881)	(300,614)	(35,267)	(11.7%)	<b>Deductions</b>	(2,905,506)	(3,486,010)	(3,129,761)	(356,249)	(11.4%)
<b>95,542</b>	<b>110,010</b>	<b>97,887</b>	<b>12,122</b>	<b>12.4%</b>	<b>Net Patient Revenue</b>	<b>995,673</b>	<b>1,191,241</b>	<b>1,051,614</b>	<b>139,627</b>	<b>13.3%</b>
5,385	3,297	3,584	(286)	(8.0%)	<b>Other Operating Revenue</b>	43,725	39,938	40,534	(596)	(1.5%)
<b>100,927</b>	<b>113,307</b>	<b>101,471</b>	<b>11,836</b>	<b>11.7%</b>	<b>Total Operating Revenues</b>	<b>1,039,398</b>	<b>1,231,179</b>	<b>1,092,147</b>	<b>139,031</b>	<b>12.7%</b>
					<b>OPERATING EXPENSE</b>					
48,138	53,852	54,371	518	1.0%	<b>Salaries &amp; Wages</b>	540,369	612,126	576,200	(35,926)	(6.2%)
15,241	16,471	15,399	(1,071)	(7.0%)	<b>Supplies</b>	156,558	170,746	160,887	(9,858)	(6.1%)
15,923	13,626	14,400	774	5.4%	<b>Fees &amp; Purchased Services</b>	160,931	165,243	158,423	(6,820)	(4.3%)
3,496	3,726	4,148	422	10.2%	<b>Other Operating Expense</b>	38,620	41,573	46,606	5,033	10.8%
1,400	1,393	1,410	17	1.2%	<b>Interest</b>	15,592	15,483	15,442	(41)	(0.3%)
4,808	6,101	5,487	(614)	(11.2%)	<b>Depreciation</b>	60,746	67,337	61,571	(5,767)	(9.4%)
<b>89,006</b>	<b>95,169</b>	<b>95,216</b>	<b>46</b>	<b>0.0%</b>	<b>Total Operating Expenses</b>	<b>972,817</b>	<b>1,072,508</b>	<b>1,019,129</b>	<b>(53,379)</b>	<b>(5.2%)</b>
<b>11,921</b>	<b>18,138</b>	<b>6,255</b>	<b>11,883</b>	<b>190.0%</b>	<b>Net Operating Margin</b>	<b>66,580</b>	<b>158,670</b>	<b>73,018</b>	<b>85,652</b>	<b>117.3%</b>
					<b>Non Operating Income</b>					
16,666	1,696	8,140	(6,444)	(79.2%)	<b>Net Margin</b>	220,798	(102,463)	84,570	(187,034)	(221.2%)
<b>28,588</b>	<b>19,834</b>	<b>14,395</b>	<b>5,438</b>	<b>37.8%</b>	<b>Operating EBIDA</b>	<b>142,919</b>	<b>241,491</b>	<b>150,031</b>	<b>91,460</b>	<b>61.0%</b>
<b>18,130</b>	<b>25,632</b>	<b>13,153</b>	<b>12,479</b>	<b>94.9%</b>						
18.0%	22.6%	13.0%	9.7%	<b>Operating EBIDA Margin</b>	13.8%	19.6%	13.7%	5.9%		
11.8%	16.0%	6.2%	9.8%	<b>Operating Margin</b>	6.4%	12.9%	6.7%	6.2%		
28.3%	17.5%	14.2%	3.3%	<b>Net Margin</b>	27.6%	4.6%	14.4%	(9.9%)		

# El Camino Hospital – Mountain View

## Statement of Operations (\$000s)

Period 11 ending 05/31/2022

Period 11 FY 2021	Period 11 FY 2022	Period 11 Budget 2022	Variance Fav (Unfav)	Var%	\$000s	YTD FY 2021	YTD FY 2022	YTD Budget 2022	Variance Fav (Unfav)	Var%
<b>OPERATING REVENUES</b>										
285,630	338,235	310,769	27,467	8.8%	<b>Gross Revenue</b>	2,971,653	3,532,989	3,261,248	271,741	8.3%
(211,919)	(252,648)	(235,278)	(17,370)	(7.4%)	<b>Deductions</b>	(2,209,248)	(2,616,010)	(2,451,889)	(164,121)	(6.7%)
<b>73,710</b>	<b>85,587</b>	<b>75,491</b>	<b>10,096</b>	<b>13.4%</b>	<b>Net Patient Revenue</b>	<b>762,406</b>	<b>916,979</b>	<b>809,359</b>	<b>107,619</b>	<b>13.3%</b>
3,335	1,816	1,642	174	10.6%	<b>Other Operating Revenue</b>	18,200	17,886	18,790	(904)	(4.8%)
<b>77,045</b>	<b>87,403</b>	<b>77,132</b>	<b>10,270</b>	<b>13.3%</b>	<b>Total Operating Revenues</b>	<b>780,606</b>	<b>934,864</b>	<b>828,149</b>	<b>106,715</b>	<b>12.9%</b>
<b>OPERATING EXPENSES</b>										
37,319	40,339	43,140	2,800	6.5%	<b>Salaries &amp; Wages</b>	425,133	479,437	457,048	(22,389)	(4.9%)
10,786	11,954	11,937	(17)	(0.1%)	<b>Supplies</b>	116,815	124,421	123,657	(763)	(0.6%)
8,421	6,346	7,101	755	10.6%	<b>Fees &amp; Purchased Services</b>	79,309	82,266	78,448	(3,818)	(4.9%)
2,228	2,533	2,715	182	6.7%	<b>Other Operating Expense</b>	24,622	29,139	31,271	2,132	6.8%
1,400	1,393	1,410	17	1.2%	<b>Interest</b>	15,592	15,483	15,442	(41)	(0.3%)
3,607	4,739	4,326	(412)	(9.5%)	<b>Depreciation</b>	47,837	52,283	48,573	(3,709)	(7.6%)
<b>63,762</b>	<b>67,304</b>	<b>70,628</b>	<b>3,325</b>	<b>4.7%</b>	<b>Total Operating Expenses</b>	<b>709,308</b>	<b>783,028</b>	<b>754,438</b>	<b>(28,590)</b>	<b>(3.8%)</b>
<b>13,283</b>	<b>20,099</b>	<b>6,504</b>	<b>13,595</b>	<b>209.0%</b>	<b>Net Operating Margin</b>	<b>71,298</b>	<b>151,836</b>	<b>73,710</b>	<b>78,125</b>	<b>106.0%</b>
15,649	694	7,846	(7,153)	(91.2%)	<b>Non Operating Income</b>	212,390	(102,344)	81,353	(183,697)	(225.8%)
<b>28,933</b>	<b>20,793</b>	<b>14,350</b>	<b>6,442</b>	<b>44.9%</b>	<b>Net Margin</b>	<b>283,687</b>	<b>49,492</b>	<b>155,063</b>	<b>(105,571)</b>	<b>(68.1%)</b>
<b>18,290</b>	<b>26,231</b>	<b>12,241</b>	<b>13,990</b>	<b>114.3%</b>	<b>Operating EBIDA</b>	<b>134,727</b>	<b>219,602</b>	<b>137,726</b>	<b>81,876</b>	<b>59.4%</b>
23.7%	30.0%	15.9%	14.1%		<b>Operating EBIDA Margin</b>	17.3%	23.5%	16.6%	6.9%	
17.2%	23.0%	8.4%	14.6%		<b>Operating Margin</b>	9.1%	16.2%	8.9%	7.3%	
37.6%	23.8%	18.6%	5.2%		<b>Net Margin</b>	36.3%	5.3%	18.7%	(13.4%)	

# El Camino Hospital – Los Gatos

## Statement of Operations (\$000s)

Period 11 ending 05/31/2022

Period 11 FY 2021	Period 11 FY 2022	Period 11 Budget 2022	Variance Fav (Unfav)	Var%	\$000s	YTD FY 2021	YTD FY 2022	YTD Budget 2022	Variance Fav (Unfav)	Var%
					<b>OPERATING REVENUE</b>					
86,414	99,549	80,430	19,119	23.8%	<b>Gross Revenue</b>	830,154	1,047,483	834,093	213,390	25.6%
(68,064)	(77,792)	(60,764)	(17,028)	(28.0%)	<b>Deductions</b>	(629,967)	(805,159)	(623,810)	(181,349)	(29.1%)
<b>18,350</b>	<b>21,757</b>	<b>19,666</b>	<b>2,091</b>	<b>10.6%</b>	<b>Net Patient Revenue</b>	<b>200,187</b>	<b>242,324</b>	<b>210,283</b>	<b>32,041</b>	<b>15.2%</b>
276	293	272	21	7.7%	<b>Other Operating Revenue</b>	3,589	3,143	2,981	162	5.4%
<b>18,626</b>	<b>22,050</b>	<b>19,939</b>	<b>2,112</b>	<b>10.6%</b>	<b>Total Operating Revenue</b>	<b>203,776</b>	<b>245,467</b>	<b>213,264</b>	<b>32,203</b>	<b>15.1%</b>
					<b>OPERATING EXPENSE</b>					
8,624	11,376	9,147	(2,229)	(24.4%)	<b>Salaries &amp; Wages</b>	92,030	110,383	96,053	(14,330)	(14.9%)
4,154	4,114	3,239	(875)	(27.0%)	<b>Supplies</b>	35,019	42,373	34,342	(8,030)	(23.4%)
3,123	3,345	3,288	(57)	(1.7%)	<b>Fees &amp; Purchased Services</b>	32,592	38,171	35,384	(2,788)	(7.9%)
365	478	545	67	12.2%	<b>Other Operating Expense</b>	4,150	4,045	4,996	952	19.0%
0	0	0	0	0.0%	<b>Interest</b>	0	0	0	0	0.0%
949	1,074	914	(160)	(17.5%)	<b>Depreciation</b>	10,035	11,853	10,218	(1,634)	(16.0%)
<b>17,216</b>	<b>20,388</b>	<b>17,133</b>	<b>(3,255)</b>	<b>(19.0%)</b>	<b>Total Operating Expense</b>	<b>173,826</b>	<b>206,824</b>	<b>180,994</b>	<b>(25,831)</b>	<b>(14.3%)</b>
<b>1,410</b>	<b>1,662</b>	<b>2,806</b>	<b>(1,143)</b>	<b>(40.8%)</b>	<b>Net Operating Margin</b>	<b>29,950</b>	<b>38,643</b>	<b>32,270</b>	<b>6,373</b>	<b>19.7%</b>
0	0	0	0	0.0%	<b>Non Operating Income</b>	0	23	0	23	0.0%
<b>1,410</b>	<b>1,662</b>	<b>2,806</b>	<b>(1,143)</b>	<b>(40.8%)</b>	<b>Net Margin</b>	<b>29,950</b>	<b>38,666</b>	<b>32,270</b>	<b>6,396</b>	<b>19.8%</b>
<b>2,360</b>	<b>2,737</b>	<b>3,720</b>	<b>(983)</b>	<b>(26.4%)</b>	<b>Operating EBIDA</b>	<b>39,985</b>	<b>50,496</b>	<b>42,488</b>	<b>8,007</b>	<b>18.8%</b>
12.7%	12.4%	18.7%	(6.2%)		<b>Operating EBIDA Margin</b>	19.6%	20.6%	19.9%	0.6%	
7.6%	7.5%	14.1%	(6.5%)		<b>Operating Margin</b>	14.7%	15.7%	15.1%	0.6%	
7.6%	7.5%	14.1%	(6.5%)		<b>Net Margin</b>	14.7%	15.8%	15.1%	0.6%	



# El Camino Health Medical Network

## Statement of Operations (\$000s)

Period 11 ending 05/31/2022

Period 11 FY 2021	Period 11 FY 2022	Period 11 Budget 2022	Variance Fav (Unfav)	Var%	\$000s	YTD FY 2021	YTD FY 2022	YTD Budget 2022	Variance Fav (Unfav)	Var%
					<b>OPERATING REVENUES</b>					
9,844	8,107	7,302	804	11.0%	<b>Gross Revenue</b>	99,371	96,779	86,033	10,746	12.5%
(6,363)	(5,441)	(4,572)	(869)	(19.0%)	<b>Deductions</b>	(66,291)	(64,841)	(54,061)	(10,780)	(19.9%)
<b>3,482</b>	<b>2,666</b>	<b>2,730</b>	<b>(64)</b>	<b>(2.4%)</b>	<b>Net Patient Revenue</b>	<b>33,081</b>	<b>31,938</b>	<b>31,972</b>	<b>(33)</b>	<b>(0.1%)</b>
910	517	869	(352)	(40.5%)	<b>Other Operating Revenue</b>	12,858	9,847	9,964	(117)	(1.2%)
<b>4,391</b>	<b>3,183</b>	<b>3,600</b>	<b>(417)</b>	<b>(11.6%)</b>	<b>Total Operating Revenues</b>	<b>45,938</b>	<b>41,786</b>	<b>41,936</b>	<b>(150)</b>	<b>(0.4%)</b>
					<b>OPERATING EXPENSES</b>					
1,754	1,657	1,586	(71)	(4.5%)	<b>Salaries &amp; Wages</b>	18,469	17,469	17,767	298	1.7%
298	399	214	(185)	(86.7%)	<b>Supplies</b>	4,621	3,877	2,776	(1,101)	(39.7%)
3,750	3,612	3,437	(175)	(5.1%)	<b>Fees &amp; Purchased Services</b>	43,901	40,254	39,222	(1,033)	(2.6%)
835	638	839	202	24.0%	<b>Other Operating Expense</b>	9,251	7,706	9,795	2,088	21.3%
0	0	0	0	0.0%	<b>Interest</b>	0	0	0	0	0.0%
239	276	232	(44)	(19.0%)	<b>Depreciation</b>	2,733	3,072	2,612	(460)	(17.6%)
<b>6,876</b>	<b>6,582</b>	<b>6,308</b>	<b>(274)</b>	<b>(4.3%)</b>	<b>Total Operating Expenses</b>	<b>78,975</b>	<b>72,378</b>	<b>72,171</b>	<b>(207)</b>	<b>(0.3%)</b>
<b>(2,484)</b>	<b>(3,399)</b>	<b>(2,708)</b>	<b>(691)</b>	<b>(25.5%)</b>	<b>Net Operating Margin</b>	<b>(33,037)</b>	<b>(30,593)</b>	<b>(30,236)</b>	<b>(357)</b>	<b>(1.2%)</b>
0	(229)	0	(229)	0.0%	<b>Non Operating Income</b>	229	(527)	0	(527)	0.0%
<b>(2,484)</b>	<b>(3,628)</b>	<b>(2,708)</b>	<b>(920)</b>	<b>(34.0%)</b>	<b>Net Margin</b>	<b>(32,808)</b>	<b>(31,119)</b>	<b>(30,236)</b>	<b>(884)</b>	<b>(2.9%)</b>
<b>(2,245)</b>	<b>(3,123)</b>	<b>(2,476)</b>	<b>(647)</b>	<b>(26.1%)</b>	<b>Operating EBIDA</b>	<b>(30,304)</b>	<b>(27,521)</b>	<b>(27,624)</b>	<b>103</b>	<b>0.4%</b>
-51.1%	-98.1%	-68.8%	(29.3%)		<b>Operating EBIDA Margin</b>	-66.0%	-65.9%	-65.9%	0.0%	
-56.6%	-106.8%	-75.2%	(31.6%)		<b>Operating Margin</b>	-71.9%	-73.2%	-72.1%	(1.1%)	
-56.6%	-114.0%	-75.2%	(38.8%)		<b>Net Margin</b>	-71.4%	-74.5%	-72.1%	(2.4%)	

# Consolidated Balance Sheet (as of 05/31/2022)

(\$000s)

## ASSETS

	Audited	
	May 31, 2022	June 30, 2021
<b>CURRENT ASSETS</b>		
Cash	175,661	151,641
Short Term Investments	160,720	284,262
Patient Accounts Receivable, net	211,555	166,283
Other Accounts and Notes Receivable	6,713	9,540
Intercompany Receivables	13,445	15,116
Inventories and Prepaids	29,523	23,079
<b>Total Current Assets</b>	<b>597,617</b>	<b>649,921</b>
<b>BOARD DESIGNATED ASSETS</b>		
Foundation Board Designated	20,566	20,932
Plant & Equipment Fund	311,790	258,191
Women's Hospital Expansion	30,261	30,401
Operational Reserve Fund	182,907	123,838
Community Benefit Fund	17,999	18,412
Workers Compensation Reserve Fund	17,002	16,482
Postretirement Health/Life Reserve Fund	31,473	30,658
PTO Liability Fund	34,159	32,498
Malpractice Reserve Fund	1,932	1,977
Catastrophic Reserves Fund	27,109	24,874
<b>Total Board Designated Assets</b>	<b>675,198</b>	<b>558,264</b>
<b>FUNDS HELD BY TRUSTEE</b>	<b>0</b>	<b>5,694</b>
<b>LONG TERM INVESTMENTS</b>	<b>507,695</b>	<b>603,211</b>
<b>CHARITABLE GIFT ANNUITY INVESTMENTS</b>	<b>891</b>	<b>728</b>
<b>INVESTMENTS IN AFFILIATES</b>	<b>30,259</b>	<b>34,170</b>
<b>PROPERTY AND EQUIPMENT</b>		
Fixed Assets at Cost	1,869,670	1,799,463
Less: Accumulated Depreciation	(781,542)	(742,921)
Construction in Progress	95,056	94,236
<b>Property, Plant &amp; Equipment - Net</b>	<b>1,183,183</b>	<b>1,150,778</b>
<b>DEFERRED OUTFLOWS</b>	<b>23,738</b>	<b>21,444</b>
<b>RESTRICTED ASSETS</b>	<b>31,308</b>	<b>29,332</b>
<b>OTHER ASSETS</b>	<b>116,580</b>	<b>86,764</b>
<b>TOTAL ASSETS</b>	<b>3,166,469</b>	<b>3,140,306</b>

## LIABILITIES AND FUND BALANCE

	Audited	
	May 31, 2022	June 30, 2021
<b>CURRENT LIABILITIES</b>		
Accounts Payable	38,666	39,762
Salaries and Related Liabilities	46,448	50,039
Accrued PTO	34,923	33,197
Worker's Comp Reserve	2,300	2,300
Third Party Settlements	13,514	12,990
Intercompany Payables	10,832	14,704
Malpractice Reserves	1,665	1,670
Bonds Payable - Current	9,905	9,430
Bond Interest Payable	6,477	8,293
Other Liabilities	13,022	16,953
<b>Total Current Liabilities</b>	<b>177,754</b>	<b>189,338</b>
<b>LONG TERM LIABILITIES</b>		
Post Retirement Benefits	31,473	30,658
Worker's Comp Reserve	17,002	17,002
Other L/T Obligation (Asbestos)	6,525	6,227
Bond Payable	469,601	479,621
<b>Total Long Term Liabilities</b>	<b>524,601</b>	<b>533,509</b>
<b>DEFERRED REVENUE-UNRESTRICTED</b>	<b>19,423</b>	<b>67,576</b>
<b>DEFERRED INFLOW OF RESOURCES</b>	<b>45,862</b>	<b>28,009</b>
<b>FUND BALANCE/CAPITAL ACCOUNTS</b>		
Unrestricted	2,161,797	2,097,010
Board Designated	200,675	193,782
Restricted	36,358	31,082
<b>Total Fund Bal &amp; Capital Accts</b>	<b>2,398,830</b>	<b>2,321,874</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>3,166,469</b>	<b>3,140,306</b>