



Monterey County

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

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Matter Type: Budget Committee

Receive Natividad Medical Center's Financial Report for the quarter September thru November 2019.

RECOMMENDATION:

It is recommended that the Board of Supervisors' Budget Committee receive Natividad Medical Center's Financial Report for the quarter September thru November 2019.

SUMMARY/DISCUSSION:

The average daily inpatient census (ADC) for the period quarter was 112 compared to a budget of 110.0. NICU, ICU, PEDs and OB/GYN patient days were below the budget for this period, while Med/Surg, Acute Rehab and Mental Health were higher than budget for the same period. The average adjusted patient days (including both inpatient and outpatient volumes) totaled 4,914 compared to budget of 4,688, a favorable variance of 4.8%. Emergency Department visits were lower than budget by 9.8%.

Actual net income for the quarter was \$5.9 million compared to a budgeted net income of \$2.8 million. Net patient revenues totaled \$66 million compared to a budget of \$64.7 million. Net patient revenues were higher than budget by 2% due to payer mix volumes. Revenues from Government Funding were \$15.3 million. Other operating revenue totaled \$2.8 million compared to a budget of \$1.9 million primarily due to interest income higher than anticipated. Operating expenses for the period September through November, 2019 were \$78.3 million compared to a budget of \$78.6 million. Net revenue per adjusted patient day was lower than budget by \$68 or .4%.

The year-to-date average daily inpatient census as of November was 112.1 as compared to a budget of 110.0. Areas in NICU, ICU, PEDs and OB/GYN were below than budget while Med/Surg, Acute Rehab and Mental Health were higher than budget. Adjusted patient days (including both inpatient and outpatient volumes) totaled 24,873 compared to budget of 23,898, a favorable variance of 4.1%. Emergency Department was lower than budget by 4%.

Net income year-to-date was \$8.5 million compared to a budgeted net income of \$4.6 million. Net patient revenues totaled \$110.8 million compared to a budget of \$108.8 million. Net patient revenues were higher than budget by 1.9%. Revenues from Government Funding totaled \$25.4 million and were 2% higher than budget. Other operating revenue totaled \$4.1 million and was 29% higher than budget. Operating expenses for the year-to-date were \$131.8 million compared to a budget of \$132.2 million. Cost per adjusted patient day was lower than budget by \$233 or 4.2%. Net patient revenue per adjusted patient day was higher than budget by \$149 or 76.4%.

Collections from patients and various payers were \$116.2 million year-to-date. Year-to-date through November 30, 2019, the balance in cash Fund 404 was \$71.0 million, State and Federal Intergovernmental Fund was \$62.1 million and the Strategic Reserve was \$25.0 million.

Patient receivables were \$40.2 million. Distribution by payer: 10.3% MediCal, 10.9% MediCal Managed Care, 13.3% Medicare, 62.6% Commercial, 0.9% Self-Pay, and 2.1% Short Doyle. Distribution by aging: 23.4% In-House and under process, 49.5% between 0-60 days, 26.8% between 60-181 days and .2% over 181 days.

OTHER AGENCY INVOLVEMENT:

None.

FINANCING:

Accepting this report has no financial impact.

Daniel Leon, CFO
Natividad Medical Center

Date: January 13, 2019

Attachment: NMC's Financial Statements