



County of Monterey

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

Legislation Details (With Board Report)

File #: BC 17-091 **Name:** Receive the Natividad Medical Center Financial Report for April 30, 2017
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Date	Ver.	Action By	Action	Result
6/28/2017	1	Budget Committee		

Receive the Natividad Medical Center Financial Report for April 30, 2017

RECOMMENDATION:

It is recommended that the Monterey County Board of Supervisors' Budget Committee receive the Natividad Medical Center Financial Report for April 30, 2017.

SUMMARY:

The Monterey County Board of Supervisors Budget Committee has charged NMC Administration to report monthly on the financial status of the institution.

The average daily inpatient census (ADC) for the month of April 30, 2017 was 110.9 compared to a budget of 104.5. ICU, OB/GYN and Mental Health patient days were below the budget for the month, while NICU, Medical/Surgical, Pediatrics and Acute Rehab were higher than budget for the month. Adjusted patient days (including both inpatient and outpatient volumes) totaled 4,686 compared to budget of 4,768, an unfavorable variance of 1.7%. Emergency Department was higher than budget by 15.2%.

Actual net income for the month was \$2.6 million compared to a budget net income of \$0.2 million. Net patient revenues totaled \$20.5 million compared to a budget of \$16.7 million. Net revenues improved by 22.8% from improved payer mix. Revenues from Government Funding totaled \$3.7 million compared to a budget of \$3.2 million. Other operating revenue totaled \$0.5 million compared to a budget of \$0.5 million. Operating expenses for month were \$22.1 million compared to a budget of \$20.2 million. Unfavorable operating expense variances were noted in the areas of Salaries, Wages, & Benefits of \$902,217, Registry expense of \$224,934, Purchase Service of \$556,697, Supplies of \$287,860 and Other Operating Expense of \$139,496. Cost per adjusted patient day was higher than budget by \$476 or 11.2%. Net revenue per adjusted patient day was higher than budget by \$874 or 24.9%.

The average daily inpatient census (ADC) for the year-to-date ended April 30, 2017 was 106.1 compared to a budget of 104.5. OB/GYN, and Mental Health patient days were below the budget for the period, while NICU, Medical/Surgical, ICU, Pediatrics and Acute Rehabilitation were higher than budget for the period. Adjusted

patient days (including both inpatient and outpatient volumes) totaled 45,440 compared to budget of 42,908, a favorable variance of 5.9%. Emergency Department visits year to date through April 30, 2017 were higher than budget by 7.7%.

Actual net income for the year-to-date ended April 30, 2017 was \$22.5 million compared to a budget net income of \$2.1 million. Net patient revenues totaled \$188.0 million compared to a budget of \$167.3 million. Net revenues improved by 12.4% from improved payer mix. Revenues from Government Funding totaled \$44.9 million compared to a budget of \$32.0 million. Other operating revenue totaled \$5.3 million compared to a budget of \$5.0 million. Operating expenses for the year-to-date ended April 30, 2017 were \$215.7 million compared to a budget of \$2.1 million. Unfavorable operating expense variances were noted in the areas of Salaries, Wages, & Benefits of \$6,734,757, Registry expense of \$2,549,840, Physicians of \$313,526, Purchased Services of \$2,774,621, and Supplies of \$2,326,734 and Other Operating Expenses of \$542,535. Cost per adjusted patient day was higher than budget by \$35 or .7%. Net revenue per adjusted patient day was higher than budget by \$238 or 6.1%.

Year-to-date through April 30, 2017, the balance in cash -Fund 451 - including \$3.2 million for the Seaside Clinics reserve was \$74.0 million. Collections from patients and various payers were \$18.3 million for the month.

Year-to-date through April 30, 2017, the balance in cash Fund 404 was 24.4M. Expenditures for Fund 404 as of April 30, 2017 was 3.9M.

Total expenditures for capital as of April 30, 2017 were \$9.7 million. Remaining balance for capital expenditures for the year is \$18.3 million.

Patient receivables were \$30.7 million. Distribution by payer: 10.6% MediCal, 10.3% MediCal Managed Care, 13.5% Medicare, 63.5% Commercial, 0.1% Self Pay, and 2.0% Short Doyle. Distribution by aging: 22.6% In-House and under process, 56.0% between 0-60 days, 21.0% between 60-181 days and 0.4% over 181 days.

DISCUSSION:

NMC's Financial Statements as of April 30, 2017 are attached and will be presented by NMC staff at the scheduled meeting of the Budget Committee on June 28, 2017.

OTHER AGENCY INVOLVEMENT:

No other County agency participates in this reporting.

FINANCING:

There is no impact on the General Fund.

Daniel Leon, CFO
Natividad Medical Center

Date: June 7, 2017

Attachment: April, 2017 NMC Financial Statements