



County of Monterey

Item No.

Board Report

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

Legistar File Number: BC 25-009

January 29, 2025

Introduced: 1/17/2025

Current Status: Agenda Ready

Version: 1

Matter Type: Budget Committee

Receive Natividad Medical Center's Financial Report for the first quarter (July thru September 2024) of fiscal year 2025.

RECOMMENDATION:

It is recommended that the Board of Supervisors' Budget Committee receive Natividad Medical Center's Financial Report for the first quarter (July thru September 2024) of fiscal year 2025.

SUMMARY/DISCUSSION:

The average daily inpatient census (ADC) for the quarter was 122.2 compared to budget of 128.6. ICU and Med Surg patient days were below budget for this period, while NICU, PED's, ARU, OBGYN, and PSY census were higher than budget. Patient days for the quarter were 5.0% lower than budget due to decreased Med Surg and ICU patients in the quarter. The average adjusted patient days (including both inpatient and outpatient volumes) were 16,939 compared to budget of 17,362 which was unfavorable by 2.4%. Emergency Department visits were lower than budget by 7.3% for the quarter.

Total net margin for the quarter was positive (revenues more than expenses) at \$232 thousand but less than budget net margin of \$399 thousand.

Net patient revenues totaled \$77.6 million for the quarter compared to budget of \$78.9 million. Net patient revenues were lower than budget by 1.6% due to lower inpatient days and unfavorable payor mix. Revenues from Government Funding were \$25.0 million compared to budget of \$23.6 million. The other operating revenues is 21.0% higher than budget due to quality incentive of \$611 thousand received from Central California Alliance Health for the quarter. Rent income were close to the budget. Operating expenses for the quarter were \$106.2 million compared to budget of \$105.2 million or increase of 0.9%. The increase in costs were related to higher usage of nurse travelers to back fill for sick employees especially in Labor, Med Surg and Emergency Room. Costs for salaries and benefits showed lower than budget of \$1.7 million, nurse travelers increased as compared to budget by \$905 thousand, physician costs increased by nearly \$102 thousand, supplies including medications increased by \$1.4 million and other expenses including patient equipment rentals decreased by nearly \$133 thousand.

Collections from patients and payers were \$76.6 million year-to-date. Balance in cash Fund 451 was \$226.2 million, State and Federal Intergovernmental Fund was \$52.4 million, Capital Fund was \$61.3

million, and the Strategic Reserve was \$25.0 million.

Net patient receivables were \$73.4 million or 86.3 days in receivables. Distribution by payer: 2.8%, Medi-Cal, 16.0% Medi-Cal Managed Care, 12.4% Medicare, 60.6% Commercial, 0.1% Self-Pay, and 8.1% Short Doyle. Distribution by aging: 16.8% In-House and under process, 49.7% between 0-60 days, 32.9% between 60-181 days and 0.6% over 181 days.

OTHER AGENCY INVOLVEMENT:

None.

FINANCING:

Funding provided by NMC's Enterprise Fund

Daniel Leon

Daniel Leon, CFO
Natividad Medical Center

Date: January 13, 2024

Attachment: NMC's Financial Statements