



Seneca Healthcare District
Financial Statements - Board Report
August 2017

Revenues

Gross patient revenue for the month ended at \$2.4M as compared to a budgeted amount of \$2.5M. However, a favorable service mix combined with better than budgeted reimbursement rates resulted in a net patient revenue at just \$7k less than budgeted. The year-to-date net patient revenue is approximately \$48k over budget.

We had 33 acute inpatient days in the month, with no swing inpatient days, resulting in an average daily census of 1.06 patients per day during the month. Our skilled nursing unit remained at capacity. The lower inpatient volumes contributed to 99% of the variance in gross revenue.

Outpatient volumes and revenues were exactly on budget, with the rural health clinic increasing volume to 1,145 total visits.

Expenses

Total operating expenses were \$1.4M, exceeding budgeted expenses by approximately \$80k.

Professional Fees: Physicians' fees in the clinic and physical therapy departments exceeded budgeted expense while surgery and anesthesia experienced decreased expenses as related to budget.

Purchased Services: We had an \$11k expense in the IT department to have an outside firm run an internal and external penetration test, a physical security review, an IT policy review, and an IT staff review. This work is in progress.

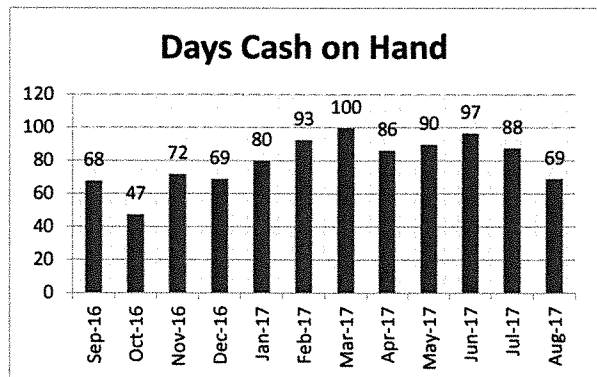
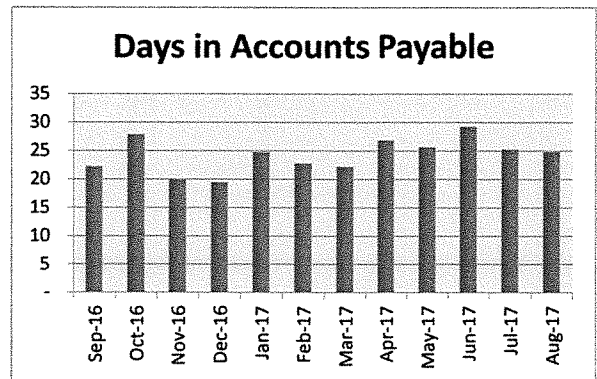
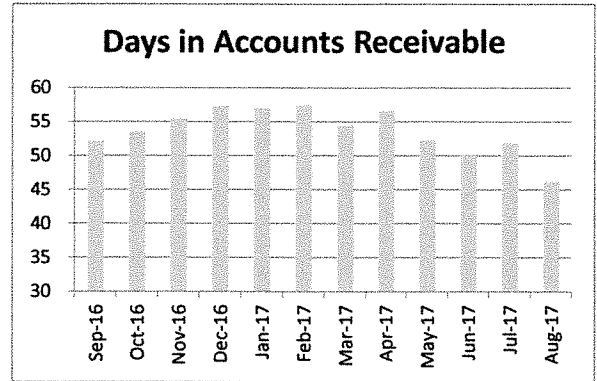
Additional Information

We did receive the request for IGT payment for the two county Managed Medi-Cal plans in August. We participated in both the Anthem Blue Cross and California Health & Wellness Medi-Cal Expansion IGT programs for the 15/16 state fiscal year. Anthem's share of participation was \$66,230 while CHW's share was \$792,013. The payments are expected back mid-October; the reduction in cash and days cash on hand is due to the IGT participation.

Revenue Cycle

Gross accounts receivable ended the month at \$3.7M, a \$400k decrease in overall AR as cash collections from the delayed July claim submission and the August claims exceeded target. We collected 107% of our cash goal, with \$1.35M collected during the month. Days in gross accounts receivable decreased nearly 6 days, ending the month at 46.2 days, at the low end of our best practices 45 - 55 days.

The revenue cycle team, including HRG, finance, admissions, and clinic staff are working diligently to continue to improve our clean claims rates, which continues to be a primary focus coupled with registration accuracy.



Current Ratio.....	2.82
Operating Margin.....	-2.3%
Days in Accounts Receivable.....	46.2
Long-Term Debt to Capitalization.....	0.02
Debt Service Coverage.....	0.06
Days Cash on Hand Excl. Board Restr.....	45.2

**Seneca Healthcare District
Income Statement
For the Month of August 2017**

	% Net Pt Revenue	Actual	Month-to-Date Budget	\$ Variance	% Net Pt Revenue	Actual	Year-to-Date Budget	\$ Variance
1 REVENUE								
2 Inpatient Revenue - Direct Hosp Stay		106,557	138,624	(32,067)		229,259	291,995	(62,736)
3 Inpatient Revenue - SNF		248,000	266,709	(18,709)		494,358	533,418	(39,060)
4 Inpatient Revenue - Ancillary		158,294	227,057	(68,763)		304,243	478,271	(174,028)
5 Inpatient Revenue - Total		512,851	632,390	(119,539)		1,027,860	1,303,684	(275,824)
6 Outpatient Revenue		1,870,814	1,869,414	1,400		3,916,802	3,844,706	72,096
7 Total Patient Revenue		2,383,664	2,501,804	(118,140)		4,944,662	5,148,390	(203,728)
8 Contractual Allowances		(1,074,473)	(1,216,457)	141,984		(2,189,589)	(2,505,444)	315,855
9 Charity Discount		(46,079)	(750)	(45,329)		(46,079)	(1,500)	(44,579)
10 Other Allowances		(9,565)	(8,620)	(945)		(32,142)	(17,240)	(14,902)
11 Bad Debt		(11,881)	(27,500)	15,619		(59,734)	(55,000)	(4,734)
12 Total Deductions		(1,141,999)	(1,253,327)	111,328		(2,327,545)	(2,579,184)	251,639
13 Net Patient Revenue		1,241,666	1,248,477	(6,811)		2,617,117	2,569,206	47,911
% of Gross Revenue	52.1%		49.9%	2.2%	52.9%		49.9%	3.0%
14 Meaningful Use Revenue		-	-	-		-	-	-
15 Quality Payments		-	-	-		-	15,000	(15,000)
16 Other Operating Revenue		65,994	65,319	675		111,270	123,327	(12,057)
17 Total Operating Revenue		1,307,659	1,313,796	(6,137)		2,728,388	2,707,533	20,855
18 EXPENSES								
19 Salaries & Wages	41.8%	(519,554)	(479,503)	(40,051)	37.5%	(980,256)	(957,445)	(22,811)
20 Employee Benefits	9.2%	(114,586)	(114,520)	(66)	8.7%	(226,779)	(231,905)	5,126
21 Contract Labor	9.1%	(113,441)	(90,463)	(22,978)	9.5%	(249,428)	(180,926)	(68,502)
22 Professional Fees - Medical	23.7%	(293,914)	(279,320)	(14,594)	23.7%	(620,752)	(558,640)	(62,112)
23 Professional Fees - Other	1.4%	(17,998)	(15,320)	(2,678)	1.1%	(28,146)	(30,640)	2,494
24 Supplies	6.7%	(83,310)	(85,391)	2,081	6.3%	(166,136)	(174,474)	8,338
25 Purchased Services	12.0%	(149,406)	(140,360)	(9,046)	10.5%	(275,182)	(280,720)	5,538
26 Insurance	0.9%	(10,902)	(11,309)	407	0.8%	(21,592)	(22,618)	1,026
27 Rentals and Leases	1.1%	(13,661)	(13,178)	(483)	1.0%	(26,169)	(26,356)	187
28 Repairs and Maintenance	1.9%	(24,177)	(15,286)	(8,891)	1.5%	(40,362)	(30,572)	(9,790)
29 Utilities and Telephone	2.8%	(34,411)	(36,774)	2,363	2.7%	(69,787)	(73,548)	3,761
30 Depreciation & Amortization	1.7%	(20,974)	(24,171)	3,197	1.6%	(41,949)	(47,175)	5,226
31 Other Expenses	0.7%	(8,132)	(15,580)	7,448	1.7%	(43,454)	(30,988)	(12,466)
32 Total Operating Expenses	113.1%	(1,404,466)	(1,321,175)	(83,291)	106.6%	(2,789,993)	(2,646,007)	(143,986)
33 Income From Operations	-7.8%	(96,807)	(7,379)	(89,428)	-2.4%	(61,605)	61,526	(123,131)
34 Tax Revenue	0.0%	-	-	-	0.0%	-	-	-
35 IGT - Incoming Portion	0.0%	-	-	-	0.0%	-	-	-
36 Non Capital Grants and Donations	0.7%	9,252	11,103	(1,851)	1.3%	33,225	22,206	11,019
37 Interest Income	0.1%	1,648	700	948	0.1%	3,636	2,000	1,636
38 Interest Expense	-0.2%	(2,538)	(3,381)	843	-0.2%	(5,269)	(6,964)	1,695
39 Non-Operating Income (Expense)	0.0%	-	-	-	0.0%	-	-	-
40 Total Non-Operating Gain (Loss)	0.7%	8,362	8,422	(60)	1.2%	31,592	17,242	14,350
41 Net Income	-7.1%	(88,445)	1,043	(89,488)	-1.1%	(30,013)	78,768	(108,781)
42 EBIDA		(64,933)	28,595	(93,528)		17,204	132,907	(115,703)
43 EBIDA Margin %		(5.0%)	2.2%	-7.14%		0.6%	4.9%	-4.28%
44 Operating Margin %		(7.4%)	(0.6%)	-6.84%		(2.3%)	2.3%	-4.53%
45 Net Margin %		(6.8%)	0.1%	-6.84%		(1.1%)	2.9%	-4.01%
46 Payroll as % of Operating Expense		36.99%	36.29%	0.70%		35.13%	36.18%	-1.05%
47 IGT Transaction Summary								
48 Outgoing		(858,243)	-	(858,243)		(858,243)	-	(858,243)
49 Incoming		-	-	-		-	-	-
50 Net Impact		(858,243)	-	(858,243)		(858,243)	-	(858,243)

Seneca Healthcare District
Comparative Balance Sheets - Board Report
Dates as Indicated

	Unaudited	Unaudited	Audited	Audited	2018-2017	
	2018	2017	2016	2015	\$ Change	% Change
	8/31/2017	6/30/2017	6/30/2016	6/30/2015		
ASSETS						
Current Assets						
Cash	\$ 425,002	\$ 545,974	\$ 479,334	\$ 397,846	\$ (120,972)	-22.16%
Short-term Investments	1,590,934	2,448,283	1,099,283	786,632	(857,349)	-35.02%
Total Cash and Equivalents	2,015,936	2,994,258	1,578,617	1,184,478	(978,322)	-32.67%
Patient Accounts Receivable	3,688,767	3,753,966	3,963,203	4,113,836	(65,199)	-1.74%
Accounts Receivable Reserves	(2,256,705)	(2,523,762)	(2,526,195)	(2,682,905)	267,056	-10.58%
Net Accounts Receivable	1,432,062	1,230,204	1,437,008	1,430,931	201,858	16.41%
<i>% of Gross Accounts Receivable</i>	<i>38.8%</i>	<i>32.8%</i>	<i>36.3%</i>	<i>34.8%</i>		
Inventory	289,003	289,935	313,664	305,624	(932)	-0.32%
Other Assets	176,726	138,538	1,031,124	591,059	38,188	27.56%
Board Restricted Funds - Facility Capital	500,000	500,000	0	0	0	
Board Restricted Funds	562,394	561,217	555,966	552,273	1,177	0.21%
Total Other Assets	1,528,124	1,489,691	1,900,753	1,448,956	38,433	2.58%
Total Current Assets	4,976,121	5,714,152	4,916,379	4,064,365	(738,031)	-12.92%
Fixed Assets						
Land	90,610	90,610	90,610	90,610	0	0.00%
Buildings	5,474,869	5,474,869	5,474,869	5,475,552	0	0.00%
Capital Equipment	4,368,480	4,368,480	4,352,629	6,173,350	0	0.00%
Total Plant & Equipment	9,933,959	9,933,959	9,918,108	11,739,512	0	0.00%
Accumulated Depreciation	(8,269,173)	(8,227,224)	(8,220,918)	(9,985,064)	(41,949)	0.51%
Net Fixed Assets	1,664,786	1,706,735	1,697,190	1,754,448	(41,949)	-2.46%
TOTAL ASSETS	\$ 6,640,907	\$ 7,420,887	\$ 6,613,569	\$ 5,818,813	\$ (779,980)	-10.51%
LIABILITIES AND RETAINED EARNINGS						
Current Liabilities						
Accounts Payable	\$ 549,884	\$ 468,249	\$ 566,130	\$ 422,380	\$ 81,635	17.43%
Accrued Payroll & Benefits	456,453	349,249	341,361	308,274	107,204	30.70%
Accrued Other Liabilities	513,761	513,761	0	496,825	0	0.00%
Total Current Liabilities	1,520,098	1,331,259	907,490	1,227,479	188,839	14.18%
Long-Term Liabilities						
Loans	282,922	347,912	583,760	660,821	(64,990)	-18.68%
Capitalized Leases	69,720	85,293	183,755	287,074	(15,573)	-18.26%
Total Long-Term Liabilities	352,642	433,205	767,515	947,895	(80,563)	-18.60%
TOTAL LIABILITIES	1,872,740	1,764,464	1,675,005	2,175,374	108,276	6.14%
RETAINED EARNINGS	4,768,167	5,656,423	4,938,564	3,643,439	(888,256)	-15.70%
TOTAL LIABILITIES AND RETAINED EARNINGS	\$ 6,640,907	\$ 7,420,887	\$ 6,613,569	\$ 5,818,813	\$ (779,980)	-10.51%

Seneca Healthcare District
Summary Statement of Cash Flows - Board Report
Fiscal Year-to-Date

		YTD
		8/31/2017
Net Income (Loss)	\$	(30,013)
Changes in:		
Depreciation		41,949
(Increase)/Decrease in Net Accounts Receivable		(201,858)
(Increase)/Decrease in Inventory		932
(Increase)/Decrease in Other Assets		(38,188)
Increase/(Decrease) in Accounts Payable		81,635
Increase/(Decrease) in Accrued Payroll & Benefits		107,204
Increase/(Decrease) in Other Accrued Liabilities		-
Net Cash Provided (Used) by Operating Activities		(8,326)
 Purchases of Equipment		 -
Net Cash Provided (Used) in Investing Activities		-
 Proceeds from New Loans		 -
Principal Payments of Loans		(64,990)
Principal Payments under Capital Leases		(15,573)
Principal Payments under Inter-Governmental Transfer Program		(858,243)
Net Cash Provided (Used) in Financing Activities		(938,806)
 Net Change in Cash and Cash Equivalents		 (977,145)
Cash and Cash Equivalents, Beginning of Period		4,055,475
 Cash and Cash Equivalents, End of Period	 \$	 3,078,330

*Inclusive of Board Restricted Cash

**SENECA HEALTHCARE DISTRICT
ACTIVITY SUMMARY
FOR THE MONTH OF AUGUST 2017**

	MONTH TO DATE			YEAR TO DATE	
	CURRENT MONTH AUG 2017	PRIOR MONTH JULY 2017	PRIOR YEAR MONTH AUG 2016	JULY 2017 - AUG 2017	JULY 2016 - AUG 2016
1. In Patient Stays					
1.a Admissions	6	10	13	16	19
1.b Discharges	9	8	13	17	22
2. Out Patient Observations	9	19	11	28	26
3. Out Patient Surgeries	28	12	20	40	37
4. Emergency Visits	250	353	342	603	737
5. Lab Procedures	2,954	2,979	2,854	5,933	6,297
6. Radiology Procedures	313	340	341	653	748
6.a X-Ray Procedures	217	246	236	463	541
6.b Mammography	18	13	9	31	31
6.c MRI	4	0	7	4	24
6.d Ultrasound	8	8	11	16	18
6.e C T Scan	66	73	78	139	134
7. Respiratory Therapy/ABG/PFT	110	259	163	369	416
8. CardioPulmonary EKG/Holter	60	56	68	116	140
9. Stress Tests	4	2	2	6	2
10. Physical Therapy	311	262	332	573	572
11. Lake Almanor Clinic Visits	1,145	877	1,161	2,022	2,271
Dr. Ware	251	228	244	479	495
Dr. Walls	174	136	225	310	379
Dr. Salehi	200	162	163	362	380
Dr. Suarez	206	109	0	315	0
Nurse Practitioner	204	201	394	405	779
Specialty/Other	110	41	135	151	238
ACUTE CARE					
12. Acute Patient Days	33	38	54	71	95
13. Acute ADC	1.06	1.23	1.74	1.15	1.53
14. % Occupancy	10.65	12.26	17.42	11.45	15.32
15. Avg Length of Stay	3.67	4.75	4.15	4.18	4.32
16. Swing Bed Days	0	2	12	2	19
17. Swing Bed ADC	0.00	0.06	0.39	0.03	0.31
18. Total ADC	1.06	1.29	2.13	1.18	1.84
SKILLED NURSING UNIT					
19. Patient Days	496	480	434	976	851
20. Average Daily Census	16.00	15.48	14.00	15.74	13.73
21. % Occupancy	100.00	96.77	87.50	98.39	85.79
TOTALS					
22. Patient Days	529	520	500	1,049	965
23. Average Daily Census	17.06	16.77	16.13	16.92	15.56
24. Total Adjusted Patient Days	2,459	2,586	2,114	5,046	4,654