



# El Camino Health

## Summary of Financial Operations

*Fiscal Year 2023 – Period 1*

*7/1/2022 to 07/31/2022*

## Executive Summary - Overall Commentary for Period 1

- Solid financial results for Period 1 are attributed to the following key drivers:
  - Revenue favorability to budget driven by both Inpatient and Outpatient performance
  - Continued effective cost control
    - Cost per CMI Adjusted Discharge was 3.6% favorable to budget
- Gross charges were favorable to budget by \$27.3M / 6.7% and \$36.6M / 9.2% higher than the same period last year.
  - Inpatient charges were favorable by \$18.0M / 8.9% while Outpatient charges were favorable by \$9.3M / 4.6%.
- Net patient revenue was favorable at budget and \$6.7M / 6.6% higher than the same period last year.
- Operating margin was favorable to budget by \$3.7M / 36.7% and \$1.2M / 9.8% higher than the same period last year.
- Operating EBIDA was favorable to budget by \$3.9M / 22.0% and \$2.9M / 15.6% higher than the same period last year.
- Net income was favorable to budget by \$36.5M / 283.8% and \$40.9M / 478.1% higher than the same period last year. This is attributed the positive capital market's impact on investment income.

# Operational / Financial Results: YTD FY2023 (as of 07/31/2022)

(\$ 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	282	247	35	14.3%	256	27	10.4%	--	--	--
	Total Acute Discharges	1,746	1,670	76	4.6%	1,705	41	2.4%	--	--	--
	Adjusted Discharges	3,400	3,315	85	2.6%	3,428	(28)	(0.8%)	--	--	--
	Emergency Room Visits	5,345	5,406	(61)	(1.1%)	5,022	323	6.4%	--	--	--
	OP Procedural Cases	11,620	12,952	(1,332)	(10.3%)	12,059	(439)	(3.6%)	--	--	--
	Gross Charges (\$)	441,741	414,454	27,287	6.6%	406,295	35,446	8.7%	--	--	--
Operations	Total FTEs	3,220	3,156	64	2.0%	2,946	274	9.3%	--	--	--
	Productive Hrs. / APD	28.4	31.7	(3.3)	(10.4%)	28.3	0.1	0.3%	--	--	--
	Cost Per CMI AD	17,388	18,036	(648)	(3.6%)	15,593	1,795	11.5%	---	---	---
	Net Days in A/R	60.3	54.0	6.3	11.7%	62.8	(2.4)	(3.9%)	47.7	49.7	
Financial Performance	Net Patient Revenue (\$)	108,509	108,319	191	0.2%	101,774	6,736	6.6%	138,547	82,105	
	Total Operating Revenue (\$)	112,566	112,220	346	0.3%	104,889	7,677	7.3%	151,909	109,602	
	<b>Operating Margin (\$)</b>	<b>13,891</b>	<b>10,162</b>	<b>3,730</b>	<b>36.7%</b>	<b>12,648</b>	<b>1,244</b>	<b>9.8%</b>	<b>1,915</b>	<b>3,836</b>	
	<b>Operating EBIDA (\$)</b>	<b>21,725</b>	<b>17,813</b>	<b>3,912</b>	<b>22.0%</b>	<b>18,793</b>	<b>2,932</b>	<b>15.6%</b>	<b>11,188</b>	<b>10,741</b>	
	Net Income (\$)	49,420	12,876	36,545	283.8%	8,549	40,872	478.1%	8,124	7,343	
	<b>Operating Margin (%)</b>	<b>12.3%</b>	<b>9.1%</b>	<b>3.3%</b>	<b>36.3%</b>	<b>12.1%</b>	<b>0.3%</b>	<b>2.3%</b>	<b>1.9%</b>	<b>3.5%</b>	
	<b>Operating EBIDA (%)</b>	<b>19.3%</b>	<b>15.9%</b>	<b>3.4%</b>	<b>21.6%</b>	<b>17.9%</b>	<b>1.4%</b>	<b>7.7%</b>	<b>8.3%</b>	<b>9.8%</b>	
	DCOH (days)	291	325	(34)	(10.4%)	364	(73)	(20.0%)	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 1 and YTD (as of 07/31/2022)

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	256	282	247	10.4%	14.3%	256	282	247	10.4%	14.3%
Utilization MV	68%	76%	65%	11.8%	16.2%	68%	76%	65%	11.8%	16.2%
Utilization LG	32%	33%	31%	3.9%	5.9%	32%	33%	31%	3.9%	5.9%
Utilization Combined	56%	62%	54%	10.4%	14.3%	56%	62%	54%	10.4%	14.3%
Adjusted Discharges	3,428	3,400	3,315	(0.8%)	2.6%	3,428	3,400	3,315	(0.8%)	2.6%
Total Discharges (Exc NB)	1,705	1,746	1,670	2.4%	4.6%	1,705	1,746	1,670	2.4%	4.6%
Total Discharges	2,081	2,147	2,054	3.2%	4.5%	2,081	2,147	2,054	3.2%	4.5%
<b>Inpatient Case Activity</b>										
MS Discharges	1,149	1,169	1,114	1.7%	4.9%	1,149	1,169	1,114	1.7%	4.9%
Deliveries	414	431	411	4.1%	4.9%	414	431	411	4.1%	4.9%
BHS	96	106	110	10.4%	(3.6%)	96	106	110	10.4%	(3.6%)
Rehab	41	37	35	(9.8%)	6.8%	41	37	35	(9.8%)	6.8%
<b>Outpatient Case Activity</b>										
Total Outpatient Cases	16,296	16,471	17,126	1.1%	(3.8%)	16,296	16,471	17,126	1.1%	(3.8%)
ED	4,237	4,851	4,174	14.5%	16.2%	4,237	4,851	4,174	14.5%	16.2%
OP Surg	628	555	386	(11.6%)	43.8%	628	555	386	(11.6%)	43.8%
Endo	268	212	213	(20.9%)	(0.5%)	268	212	213	(20.9%)	(0.5%)
Interventional	208	167	191	(19.7%)	(12.6%)	208	167	191	(19.7%)	(12.6%)
All Other	10,955	10,686	12,162	(2.5%)	(12.1%)	10,955	10,686	12,162	(2.5%)	(12.1%)
<b>Hospital Payor Mix</b>										
Medicare	48.6%	49.0%	47.4%	0.9%	3.4%	48.6%	49.0%	47.4%	0.9%	3.4%
Medi-Cal	7.9%	8.9%	8.6%	11.6%	2.6%	7.9%	8.9%	8.6%	11.6%	2.6%
Commercial	40.9%	39.9%	42.0%	(2.5%)	(5.3%)	40.9%	39.9%	42.0%	(2.5%)	(5.3%)
Other	2.6%	2.2%	2.0%	(13.5%)	10.7%	2.6%	2.2%	2.0%	(13.5%)	10.7%

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

	FY2021			FY2022												FY2023	YTD FY2023	Rolling 16 Monthly Average
	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	Period 12	Period 1		
	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	Jun-22	Jul-22		
<b>Operating Revenues:</b>																		
Gross Revenue	375,480	381,888	408,078	406,295	418,615	420,182	414,012	419,177	433,046	417,996	402,507	478,275	421,254	445,891	445,643	441,741	441,741	420,630
Deductions from Revenue	(280,577)	(286,346)	(295,840)	(304,521)	(314,132)	(315,406)	(307,380)	(311,920)	(320,014)	(308,618)	(296,548)	(355,111)	(316,480)	(335,881)	(327,733)	(333,232)	(333,232)	(313,109)
Net Patient Revenue	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	117,911	108,509	108,509	107,521
Other Operating Revenue	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	4,430	4,057	4,057	3,888
<b>Total Operating Revenue</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>122,341</b>	<b>112,566</b>	<b>112,566</b>	<b>111,409</b>
<b>Operating Expenses:</b>																		
Salaries, Wages and Benefits	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	43,799	59,111	59,111	53,868
Supplies	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	12,943	14,550	14,550	15,181
Fees & Purchased Services	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	16,397	13,091	13,091	15,396
Other Operating Expenses	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	4,649	4,089	4,089	3,967
Interest	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	1,404	1,440	1,440	1,406
Depreciation	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	6,733	6,394	6,394	6,039
<b>Total Operating Expenses</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>85,924</b>	<b>98,675</b>	<b>98,675</b>	<b>95,856</b>
<b>Operating Margin</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>36,416</b>	<b>13,891</b>	<b>13,891</b>	<b>15,554</b>
Non-Operating Income	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	(48,858)	35,529	35,529	(3,121)
<b>Net Margin</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>(12,442)</b>	<b>49,420</b>	<b>49,420</b>	<b>12,433</b>
<b>Operating EBIDA</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>44,553</b>	<b>21,725</b>	<b>21,725</b>	<b>22,998</b>
Operating Margin (%)	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%	29.8%	12.3%	12.3%	14.0%
Operating EBIDA Margin (%)	14.5%	18.0%	23.7%	17.9%	20.3%	19.7%	20.1%	20.9%	21.9%	17.1%	16.4%	21.9%	16.4%	22.6%	36.4%	19.3%	19.3%	20.6%

# Financial Overview: Period 1 – July 2022

Period ending 7/31/2022

## July Financial Performance

- Operating margin was favorable to budget by \$3.7M / 36.7% and favorable to prior year by \$1.2M / 9.8%
- Revenue was favorable to budgeted levels:
  - Favorable variance of gross charges of \$27.3M was driven by both Inpatient & Outpatient activity:
    - Inpatient gross charges: Favorable to budget by \$18.0M / 8.9% variance primarily driven by activity in the critical care, telemetry, and medical/surgical nursing units and corresponding ancillary services
    - Outpatient gross charges: Favorable to budget by \$9.3M / 4.6% variance primarily driven by infusion services, nuclear medicine, and corresponding ancillary services
  - Operating Expenses were favorable to budget by \$3.4 / 3.3%
    - SWB were unfavorable by \$1.2M / 2.1%%
    - Supplies were favorable by \$970K / 6.2%
      - Supply expenses attributed to Covid-19 were \$47K
    - All other discretionary non-volume driven expenses were favorable to budget by \$3.6M
- Favorable market performance drove unrealized gains for the investment portfolio, which resulted in positive net income

# Financial Overview: Period 1 – July 2022 (cont.)

Period ending 7/31/2022

## July Financial Performance

### Hospital Operations:

- Adjusted Discharges (AD): Favorable to budget by 99 ADs / 3.0% and below prior year by 8 ADs / 0.2%:
  - Mountain View: Favorable to budget by 72 ADs / 2.8% and below prior year by 34 ADs / 1.3%
  - Los Gatos: Favorable to budget by 27 ADs / 3.4% and above prior year by 26 ADs / 3.3%
- Operating Expense Per CMI Adjusted Discharge: \$17,388 which is 3.6% favorable to budget  
**Note: Excludes depreciation and interest**

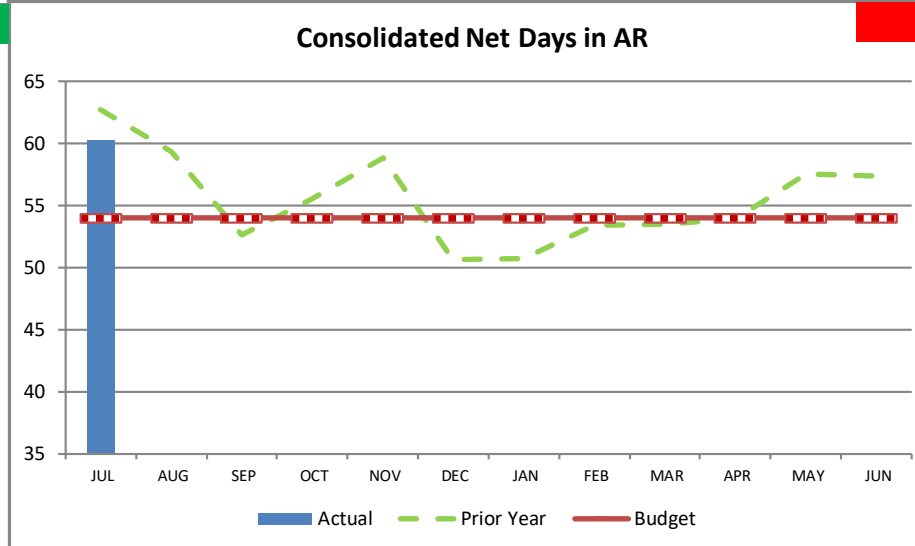
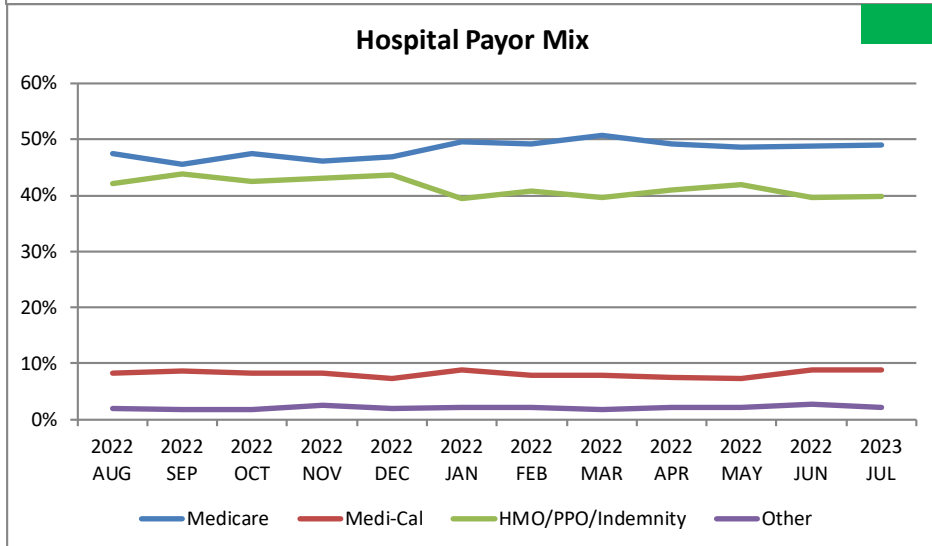
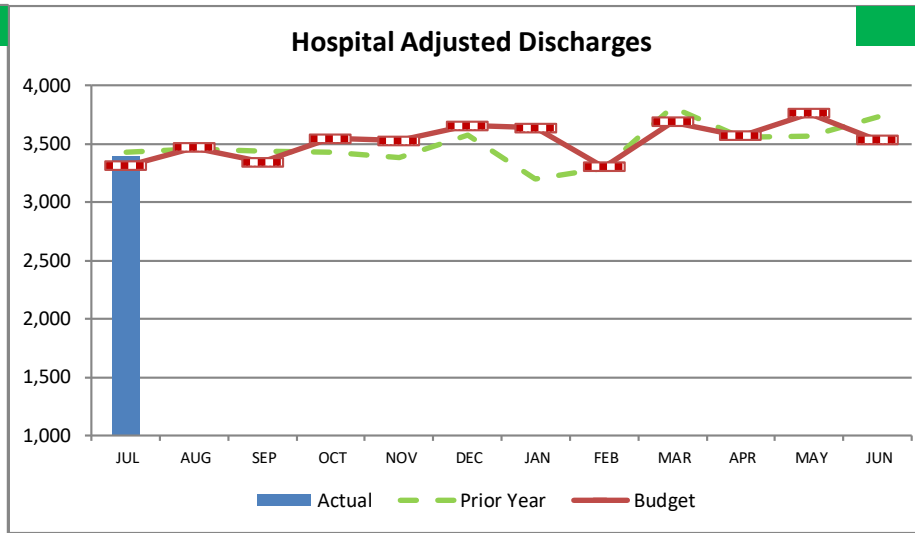
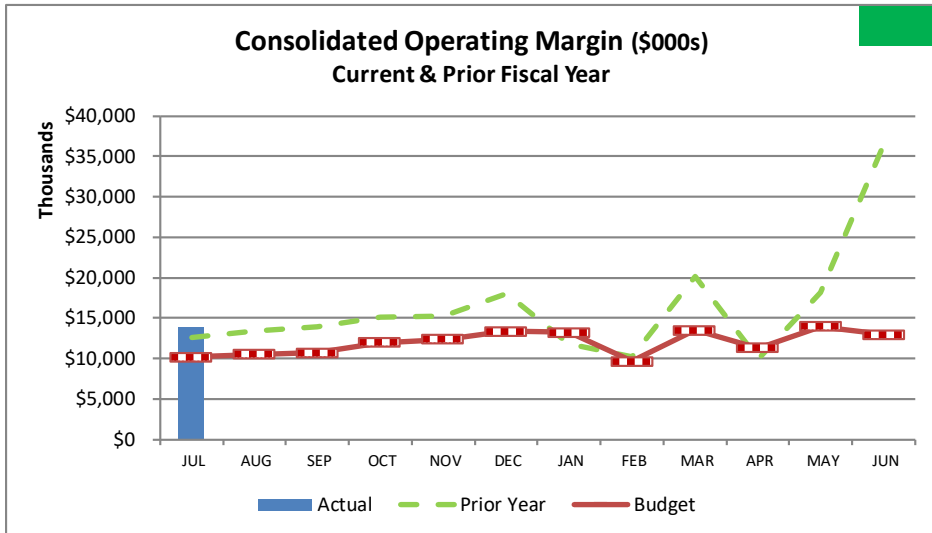
### El Camino Health Medical Network (ECHMN) Operations:

- Primarily as a result of two fewer business days in July total visits were 12.0% lower than June's 18,001 total visits. July's visits per day of 758 also reflect a decrease of 4.8% over the prior month's 796 visits per day. July's total visits were also unfavorable to budget by 11.3%. Variances from budget were experienced at the McKee, Samaritan, Cancer, Spine, Mt. View Primary Care and Neurology Clinics.
- Despite the lower visit volumes Net Income for the month of July was favorable to budget by \$698K or 21.3% as result of lower operating expenses in the first month of the new fiscal year. Compared to last year, July's net income is slightly unfavorable, \$15K or 0.6%.

# APPENDIX



# YTD FY2023 Financial KPIs – Monthly Trends



# Investment Scorecard (as of 06/30/2022)

Key Performance Indicator	Status	El Camino	Benchmark	El Camino	Benchmark	El Camino	Benchmark	FY22 Budget	Expectation Per Asset Allocation
<b>Investment Performance</b>		<b>CY 2Q / FY 4Q 2022</b>		<b>Fiscal Year-to-Date 2022</b>		<b>Since NEPC Inception (3/31/22)</b>		<b>FY 2022</b>	<b>2019</b>
Surplus cash balance* (millions)		\$1,290.8	--	--	--	--	--	--	--
Surplus Cash Return	Green	-8.3%	-8.2%	-11.4%	-9.8%	-8.3%	-8.2%	4.0%	5.6%
Cash balance plan balance (millions)		\$299.7	--	--	--	--	--	--	--
Cash balance plan return	Green	-10.0%	-9.4%	-14.0%	-10.2%	-10.0%	-9.4%	6.0%	6.0%
403(b) plan balance (millions)		n/a	--	--	--	--	--	--	--
<b>Risk vs. Return</b>		<b>3-year</b>			<b>Since NEPC Inception (3/31/22)</b>				<b>2019</b>
Surplus cash Sharpe ratio	Green	0.30	0.40	--	--	n/a	n/a	--	0.34
Net of fee return	Green	3.2%	3.7%	--	--	-8.3%	-8.2%	--	5.6%
Standard deviation	Green	8.7%	8.8%	--	--	n/a	n/a	--	8.7%
Cash balance Sharpe ratio	Green	0.30	0.40	--	--	n/a	n/a	--	0.32
Net of fee return	Green	3.9%	4.6%	--	--	-10.0%	-9.4%	--	6.0%
Standard deviation	Green	11.5%	10.3%	--	--	n/a	n/a	--	10.3%
<b>Asset Allocation</b>		<b>CY 2Q / FY 4Q 2022</b>							
Surplus cash absolute variances to target	Green	4.7%	< 10% Green < 20% Yellow	--	--	--	--	--	--
Cash balance absolute variances to target	Green	7.4%	< 10% Green < 20% Yellow	--	--	--	--	--	--
<b>Manager Compliance</b>		<b>CY 2Q / FY 4Q 2022</b>							
Surplus cash manager flags		n/a	< 24% Green < 30% Yellow	--	--	--	--	--	--
Cash balance manager flags		n/a	< 27% Green < 34% Yellow	--	--	--	--	--	--

\* Represents Total Surplus Cash ex District/Debt Reserves.

# Period 1 and YTD Operating Income, Non-Operating Income and Net Income by Affiliate (as of 07/31/2022)

(\$000s)

	Period 1- Month			Period 1- FYTD		
	Actual	Budget	Variance	Actual	Budget	Variance
<b>El Camino Hospital Operating Margin</b>						
Mountain View	11,544	10,178	1,366	11,544	10,178	1,366
Los Gatos	4,902	3,470	1,432	4,902	3,470	1,432
<b>Sub Total - El Camino Hospital, excl. Affilates</b>	<b>16,446</b>	<b>13,648</b>	<b>2,798</b>	<b>16,446</b>	<b>13,648</b>	<b>2,798</b>
<b>Operating Margin %</b>	<b>15.2%</b>	<b>12.7%</b>		<b>15.2%</b>	<b>12.7%</b>	
<b>El Camino Hospital Non Operating Income</b>						
<b>Sub Total - Non Operating Income</b>	<b>33,339</b>	<b>2,402</b>	<b>30,937</b>	<b>33,339</b>	<b>2,402</b>	<b>30,937</b>
<b>El Camino Hospital Net Margin</b>	<b>49,785</b>	<b>16,051</b>	<b>33,735</b>	<b>49,785</b>	<b>16,051</b>	<b>33,735</b>
<b>ECH Net Margin %</b>	<b>46.0%</b>	<b>14.9%</b>		<b>46.0%</b>	<b>14.9%</b>	
Concern	521	84	436	521	84	436
Foundation	1,688	12	1,676	1,688	12	1,676
El Camino Health Medical Network	(2,574)	(3,271)	698	(2,574)	(3,271)	698
<b>Net Margin Hospital Affiliates</b>	<b>(365)</b>	<b>(3,175)</b>	<b>2,810</b>	<b>(365)</b>	<b>(3,175)</b>	<b>2,810</b>
<b>Total Net Margin Hospital &amp; Affiliates</b>	<b>49,420</b>	<b>12,876</b>	<b>36,545</b>	<b>49,420</b>	<b>12,876</b>	<b>36,545</b>

# Consolidated Statement of Operations (\$000s)

Period 1 ending 07/31/2022

Period 1 FY 2022	Period 1 FY 2023	Period 1 Budget 2023	Variance Fav (Unfav)	Var%	\$000s	YTD FY 2022	YTD FY 2023	YTD Budget 2023	Variance Fav (Unfav)	Var%
<b>OPERATING REVENUE</b>										
406,295	441,741	414,454	27,287	6.6%	<b>Gross Revenue</b>	406,295	441,741	414,454	27,287	6.6%
(304,521)	(333,232)	(306,135)	(27,097)	(8.9%)	<b>Deductions</b>	(304,521)	(333,232)	(306,135)	(27,097)	(8.9%)
<b>101,774</b>	<b>108,509</b>	<b>108,319</b>	<b>191</b>	<b>0.2%</b>	<b>Net Patient Revenue</b>	<b>101,774</b>	<b>108,509</b>	<b>108,319</b>	<b>191</b>	<b>0.2%</b>
3,116	4,057	3,902	155	4.0%	<b>Other Operating Revenue</b>	3,116	4,057	3,902	155	4.0%
<b>104,889</b>	<b>112,566</b>	<b>112,220</b>	<b>346</b>	<b>0.3%</b>	<b>Total Operating Revenues</b>	<b>104,889</b>	<b>112,566</b>	<b>112,220</b>	<b>346</b>	<b>0.3%</b>
<b>OPERATING EXPENSE</b>										
53,000	59,111	57,893	(1,218)	(2.1%)	<b>Salaries &amp; Wages</b>	53,000	59,111	57,893	(1,218)	(2.1%)
15,109	14,550	15,520	970	6.2%	<b>Supplies</b>	15,109	14,550	15,520	970	6.2%
14,390	13,091	16,340	3,250	19.9%	<b>Fees &amp; Purchased Services</b>	14,390	13,091	16,340	3,250	19.9%
3,598	4,089	4,655	566	12.2%	<b>Other Operating Expense</b>	3,598	4,089	4,655	566	12.2%
1,419	1,440	1,397	(43)	(3.1%)	<b>Interest</b>	1,419	1,440	1,397	(43)	(3.1%)
4,727	6,394	6,254	(140)	(2.2%)	<b>Depreciation</b>	4,727	6,394	6,254	(140)	(2.2%)
<b>92,242</b>	<b>98,675</b>	<b>102,059</b>	<b>3,384</b>	<b>3.3%</b>	<b>Total Operating Expenses</b>	<b>92,242</b>	<b>98,675</b>	<b>102,059</b>	<b>3,384</b>	<b>3.3%</b>
<b>12,648</b>	<b>13,891</b>	<b>10,162</b>	<b>3,730</b>	<b>36.7%</b>	<b>Net Operating Margin</b>	<b>12,648</b>	<b>13,891</b>	<b>10,162</b>	<b>3,730</b>	<b>36.7%</b>
(4,099)	35,529	2,714	32,815	1209.2%	<b>Non Operating Income</b>	(4,099)	35,529	2,714	32,815	1209.2%
<b>8,549</b>	<b>49,420</b>	<b>12,876</b>	<b>36,545</b>	<b>283.8%</b>	<b>Net Margin</b>	<b>8,549</b>	<b>49,420</b>	<b>12,876</b>	<b>36,545</b>	<b>283.8%</b>
<b>18,793</b>	<b>21,725</b>	<b>17,813</b>	<b>3,912</b>	<b>22.0%</b>	<b>Operating EBIDA</b>	<b>18,793</b>	<b>21,725</b>	<b>17,813</b>	<b>3,912</b>	<b>22.0%</b>
17.9%	19.3%	15.9%	3.4%		<b>Operating EBIDA Margin</b>	17.9%	19.3%	15.9%	3.4%	
12.1%	12.3%	9.1%	3.3%		<b>Operating Margin</b>	12.1%	12.3%	9.1%	3.3%	
8.2%	43.9%	11.5%	32.4%		<b>Net Margin</b>	8.2%	43.9%	11.5%	32.4%	

# El Camino Hospital – Mountain View

## Statement of Operations (\$000s)

Period 1 ending 07/31/2022

Period 1 FY 2022	Period 1 FY 2023	Period 1 Budget 2023	Variance Fav (Unfav)	Var%	\$000s	YTD FY 2022	YTD FY 2023	YTD Budget 2023	Variance Fav (Unfav)	Var%
<b>OPERATING REVENUES</b>										
304,128	338,325	312,886	25,440	8.1%	<b>Gross Revenue</b>	304,128	338,325	312,886	25,440	8.1%
(224,583)	(255,564)	(230,217)	(25,347)	(11.0%)	<b>Deductions</b>	(224,583)	(255,564)	(230,217)	(25,347)	(11.0%)
<b>79,545</b>	<b>82,761</b>	<b>82,669</b>	<b>93</b>	<b>0.1%</b>	<b>Net Patient Revenue</b>	<b>79,545</b>	<b>82,761</b>	<b>82,669</b>	<b>93</b>	<b>0.1%</b>
1,092	2,076	1,623	452	27.9%	<b>Other Operating Revenue</b>	1,092	2,076	1,623	452	27.9%
<b>80,637</b>	<b>84,837</b>	<b>84,292</b>	<b>545</b>	<b>0.6%</b>	<b>Total Operating Revenues</b>	<b>80,637</b>	<b>84,837</b>	<b>84,292</b>	<b>545</b>	<b>0.6%</b>
<b>OPERATING EXPENSES</b>										
41,961	46,842	45,253	(1,589)	(3.5%)	<b>Salaries &amp; Wages</b>	41,961	46,842	45,253	(1,589)	(3.5%)
11,347	11,299	11,288	(12)	(0.1%)	<b>Supplies</b>	11,347	11,299	11,288	(12)	(0.1%)
6,985	5,710	8,001	2,291	28.6%	<b>Fees &amp; Purchased Services</b>	6,985	5,710	8,001	2,291	28.6%
2,266	3,013	3,321	308	9.3%	<b>Other Operating Expense</b>	2,266	3,013	3,321	308	9.3%
1,419	1,440	1,397	(43)	(3.1%)	<b>Interest</b>	1,419	1,440	1,397	(43)	(3.1%)
3,783	4,989	4,854	(134)	(2.8%)	<b>Depreciation</b>	3,783	4,989	4,854	(134)	(2.8%)
<b>67,761</b>	<b>73,293</b>	<b>74,114</b>	<b>821</b>	<b>1.1%</b>	<b>Total Operating Expenses</b>	<b>67,761</b>	<b>73,293</b>	<b>74,114</b>	<b>821</b>	<b>1.1%</b>
<b>12,877</b>	<b>11,544</b>	<b>10,178</b>	<b>1,366</b>	<b>13.4%</b>	<b>Net Operating Margin</b>	<b>12,877</b>	<b>11,544</b>	<b>10,178</b>	<b>1,366</b>	<b>13.4%</b>
(4,271)	33,339	2,402	30,937	1287.9%	<b>Non Operating Income</b>	(4,271)	33,339	2,402	30,937	1287.9%
<b>8,605</b>	<b>44,883</b>	<b>12,580</b>	<b>32,303</b>	<b>256.8%</b>	<b>Net Margin</b>	<b>8,605</b>	<b>44,883</b>	<b>12,580</b>	<b>32,303</b>	<b>256.8%</b>
<b>18,078</b>	<b>17,973</b>	<b>16,430</b>	<b>1,543</b>	<b>9.4%</b>	<b>Operating EBIDA</b>	<b>18,078</b>	<b>17,973</b>	<b>16,430</b>	<b>1,543</b>	<b>9.4%</b>
22.4%	21.2%	19.5%	1.7%		<b>Operating EBIDA Margin</b>	22.4%	21.2%	19.5%	1.7%	
16.0%	13.6%	12.1%	1.5%		<b>Operating Margin</b>	16.0%	13.6%	12.1%	1.5%	
10.7%	52.9%	14.9%	38.0%		<b>Net Margin</b>	10.7%	52.9%	14.9%	38.0%	

# El Camino Hospital – Los Gatos

## Statement of Operations (\$000s)

Period 1 ending 07/31/2022

Period 1 FY 2022	Period 1 FY 2023	Period 1 Budget 2023	Variance Fav (Unfav)	Var%	\$000s	YTD FY 2022	YTD FY 2023	YTD Budget 2023	Variance Fav (Unfav)	Var%
					<b>OPERATING REVENUE</b>					
92,802	95,228	93,368	1,860	2.0%	<b>Gross Revenue</b>	92,802	95,228	93,368	1,860	2.0%
(73,645)	(72,197)	(70,503)	(1,695)	(2.4%)	<b>Deductions</b>	(73,645)	(72,197)	(70,503)	(1,695)	(2.4%)
<b>19,157</b>	<b>23,031</b>	<b>22,866</b>	<b>165</b>	<b>0.7%</b>	<b>Net Patient Revenue</b>	<b>19,157</b>	<b>23,031</b>	<b>22,866</b>	<b>165</b>	<b>0.7%</b>
266	285	262	23	8.8%	<b>Other Operating Revenue</b>	266	285	262	23	8.8%
<b>19,423</b>	<b>23,316</b>	<b>23,127</b>	<b>188</b>	<b>0.8%</b>	<b>Total Operating Revenue</b>	<b>19,423</b>	<b>23,316</b>	<b>23,127</b>	<b>188</b>	<b>0.8%</b>
					<b>OPERATING EXPENSE</b>					
9,172	10,202	10,058	(145)	(1.4%)	<b>Salaries &amp; Wages</b>	9,172	10,202	10,058	(145)	(1.4%)
3,527	3,006	3,909	903	23.1%	<b>Supplies</b>	3,527	3,006	3,909	903	23.1%
3,333	3,690	4,033	343	8.5%	<b>Fees &amp; Purchased Services</b>	3,333	3,690	4,033	343	8.5%
380	432	560	128	22.9%	<b>Other Operating Expense</b>	380	432	560	128	22.9%
0	0	0	0	0.0%	<b>Interest</b>	0	0	0	0	0.0%
675	1,083	1,098	14	1.3%	<b>Depreciation</b>	675	1,083	1,098	14	1.3%
<b>17,087</b>	<b>18,414</b>	<b>19,657</b>	<b>1,243</b>	<b>6.3%</b>	<b>Total Operating Expense</b>	<b>17,087</b>	<b>18,414</b>	<b>19,657</b>	<b>1,243</b>	<b>6.3%</b>
<b>2,337</b>	<b>4,902</b>	<b>3,470</b>	<b>1,432</b>	<b>41.3%</b>	<b>Net Operating Margin</b>	<b>2,337</b>	<b>4,902</b>	<b>3,470</b>	<b>1,432</b>	<b>41.3%</b>
0	0	0	0	0.0%	<b>Non Operating Income</b>	0	0	0	0	0.0%
<b>2,337</b>	<b>4,902</b>	<b>3,470</b>	<b>1,432</b>	<b>41.3%</b>	<b>Net Margin</b>	<b>2,337</b>	<b>4,902</b>	<b>3,470</b>	<b>1,432</b>	<b>41.3%</b>
<b>3,012</b>	<b>5,985</b>	<b>4,568</b>	<b>1,417</b>	<b>31.0%</b>	<b>Operating EBIDA</b>	<b>3,012</b>	<b>5,985</b>	<b>4,568</b>	<b>1,417</b>	<b>31.0%</b>
15.5%	25.7%	19.8%	5.9%		<b>Operating EBIDA Margin</b>	15.5%	25.7%	19.8%	5.9%	
12.0%	21.0%	15.0%	6.0%		<b>Operating Margin</b>	12.0%	21.0%	15.0%	6.0%	
12.0%	21.0%	15.0%	6.0%		<b>Net Margin</b>	12.0%	21.0%	15.0%	6.0%	

# El Camino Health Medical Network

## Statement of Operations (\$000s)

Period 1 ending 07/31/2022

Period 1 FY 2022	Period 1 FY 2023	Period 1 Budget 2023	Variance Fav (Unfav)	Var%	\$000s	YTD FY 2022	YTD FY 2023	YTD Budget 2023	Variance Fav (Unfav)	Var%
<b>OPERATING REVENUES</b>										
9,365	8,187	8,199	(12)	(0.2%)	<b>Gross Revenue</b>	9,365	8,187	8,199	(12)	(0.2%)
(6,294)	(5,470)	(5,415)	(55)	(1.0%)	<b>Deductions</b>	(6,294)	(5,470)	(5,415)	(55)	(1.0%)
<b>3,071</b>	<b>2,717</b>	<b>2,784</b>	<b>(67)</b>	<b>(2.4%)</b>	<b>Net Patient Revenue</b>	<b>3,071</b>	<b>2,717</b>	<b>2,784</b>	<b>(67)</b>	<b>(2.4%)</b>
872	1,023	1,278	(255)	(20.0%)	<b>Other Operating Revenue</b>	872	1,023	1,278	(255)	(20.0%)
<b>3,943</b>	<b>3,740</b>	<b>4,062</b>	<b>(323)</b>	<b>(7.9%)</b>	<b>Total Operating Revenues</b>	<b>3,943</b>	<b>3,740</b>	<b>4,062</b>	<b>(323)</b>	<b>(7.9%)</b>
<b>OPERATING EXPENSES</b>										
1,463	1,651	2,067	416	20.1%	<b>Salaries &amp; Wages</b>	1,463	1,651	2,067	416	20.1%
218	232	317	85	26.9%	<b>Supplies</b>	218	232	317	85	26.9%
3,682	3,513	3,940	428	10.9%	<b>Fees &amp; Purchased Services</b>	3,682	3,513	3,940	428	10.9%
883	608	726	118	16.2%	<b>Other Operating Expense</b>	883	608	726	118	16.2%
0	0	0	0	0.0%	<b>Interest</b>	0	0	0	0	0.0%
255	310	283	(27)	(9.4%)	<b>Depreciation</b>	255	310	283	(27)	(9.4%)
<b>6,502</b>	<b>6,313</b>	<b>7,334</b>	<b>1,020</b>	<b>13.9%</b>	<b>Total Operating Expenses</b>	<b>6,502</b>	<b>6,313</b>	<b>7,334</b>	<b>1,020</b>	<b>13.9%</b>
<b>(2,558)</b>	<b>(2,574)</b>	<b>(3,271)</b>	<b>698</b>	<b>21.3%</b>	<b>Net Operating Margin</b>	<b>(2,558)</b>	<b>(2,574)</b>	<b>(3,271)</b>	<b>698</b>	<b>21.3%</b>
0	0	0	0	0.0%	<b>Non Operating Income</b>	0	0	0	0	0.0%
<b>(2,558)</b>	<b>(2,574)</b>	<b>(3,271)</b>	<b>698</b>	<b>21.3%</b>	<b>Net Margin</b>	<b>(2,558)</b>	<b>(2,574)</b>	<b>(3,271)</b>	<b>698</b>	<b>21.3%</b>
<b>(2,303)</b>	<b>(2,264)</b>	<b>(2,988)</b>	<b>724</b>	<b>24.2%</b>	<b>Operating EBIDA</b>	<b>(2,303)</b>	<b>(2,264)</b>	<b>(2,988)</b>	<b>724</b>	<b>24.2%</b>
<b>(58.4%)</b>	<b>(60.5%)</b>	<b>(73.5%)</b>	<b>13.0%</b>		<b>Operating EBIDA Margin</b>	<b>(58.4%)</b>	<b>(60.5%)</b>	<b>(73.5%)</b>	<b>13.0%</b>	
<b>(64.9%)</b>	<b>(68.8%)</b>	<b>(80.5%)</b>	<b>11.7%</b>		<b>Operating Margin</b>	<b>(64.9%)</b>	<b>(68.8%)</b>	<b>(80.5%)</b>	<b>11.7%</b>	
<b>(64.9%)</b>	<b>(68.8%)</b>	<b>(80.5%)</b>	<b>11.7%</b>		<b>Net Margin</b>	<b>(64.9%)</b>	<b>(68.8%)</b>	<b>(80.5%)</b>	<b>11.7%</b>	

# Consolidated Balance Sheet (as of 07/31/2022)

(\$000s)

## ASSETS

	July 31, 2022	Unaudited June 30, 2022
<b>CURRENT ASSETS</b>		
Cash	174,209	196,067
Short Term Investments	158,015	138,654
Patient Accounts Receivable, net	220,534	209,668
Other Accounts and Notes Receivable	6,932	9,927
Intercompany Receivables	22,087	13,998
Inventories and Prepaids	38,057	36,476
<b>Total Current Assets</b>	<b>619,834</b>	<b>604,789</b>
<b>BOARD DESIGNATED ASSETS</b>		
Foundation Board Designated	22,624	18,721
Plant & Equipment Fund	324,045	310,367
Women's Hospital Expansion	30,280	30,261
Operational Reserve Fund	182,907	182,907
Community Benefit Fund	14,230	18,299
Workers Compensation Reserve Fund	14,029	14,029
Postretirement Health/Life Reserve Fund	29,873	29,783
PTO Liability Fund	33,852	33,709
Malpractice Reserve Fund	1,915	1,906
Catastrophic Reserves Fund	26,127	24,668
<b>Total Board Designated Assets</b>	<b>679,884</b>	<b>664,651</b>
<b>FUNDS HELD BY TRUSTEE</b>	<b>0</b>	<b>0</b>
<b>LONG TERM INVESTMENTS</b>	<b>502,511</b>	<b>499,483</b>
<b>CHARITABLE GIFT ANNUITY INVESTMENTS</b>	<b>983</b>	<b>940</b>
<b>INVESTMENTS IN AFFILIATES</b>	<b>29,380</b>	<b>30,376</b>
<b>PROPERTY AND EQUIPMENT</b>		
Fixed Assets at Cost	1,873,264	1,872,501
Less: Accumulated Depreciation	(784,821)	(778,427)
Construction in Progress	99,168	96,603
<b>Property, Plant &amp; Equipment - Net</b>	<b>1,187,611</b>	<b>1,190,676</b>
<b>DEFERRED OUTFLOWS</b>	<b>19,424</b>	<b>19,474</b>
<b>RESTRICTED ASSETS</b>	<b>34,222</b>	<b>31,200</b>
<b>OTHER ASSETS</b>	<b>141,354</b>	<b>138,632</b>
<b>TOTAL ASSETS</b>	<b>3,215,203</b>	<b>3,180,222</b>

## LIABILITIES AND FUND BALANCE

	July 31, 2022	Unaudited June 30, 2022
<b>CURRENT LIABILITIES</b>		
Accounts Payable	39,685	51,286
Salaries and Related Liabilities	37,478	46,502
Accrued PTO	34,574	34,449
Worker's Comp Reserve	2,300	2,300
Third Party Settlements	14,796	14,942
Intercompany Payables	19,401	13,489
Malpractice Reserves	2,446	2,096
Bonds Payable - Current	9,905	9,905
Bond Interest Payable	0	8,096
Other Liabilities	16,562	15,739
<b>Total Current Liabilities</b>	<b>177,147</b>	<b>198,804</b>
<b>LONG TERM LIABILITIES</b>		
Post Retirement Benefits	29,873	29,783
Worker's Comp Reserve	14,029	14,029
Other L/T Obligation (Asbestos)	5,409	5,073
Bond Payable	466,251	466,838
<b>Total Long Term Liabilities</b>	<b>515,563</b>	<b>515,723</b>
<b>DEFERRED REVENUE-UNRESTRICTED</b>	<b>12,913</b>	<b>12,864</b>
<b>DEFERRED INFLOW OF RESOURCES</b>	<b>51,133</b>	<b>51,133</b>
<b>FUND BALANCE/CAPITAL ACCOUNTS</b>		
Unrestricted	2,210,559	2,154,900
Board Designated	209,130	210,197
Restricted	38,758	36,601
<b>Total Fund Bal &amp; Capital Accts</b>	<b>2,458,447</b>	<b>2,401,698</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>3,215,203</b>	<b>3,180,222</b>