

Kalkaska Memorial Health Center

Balance Sheet

Assets	July 31, 2021	June 30, 2021
Current Assets		
Cash and Cash Equivalents	\$ 7,986,164	\$ 8,941,754
Short-Term Investments	7,925,772	7,923,659
Accounts Receivable	7,249,203	6,905,864
Third Party Settlements	1,620,415	1,575,675
Due from Affiliates	5,399	1,786
Inventory	311,774	192,714
Other Current Assets	153,159	169,722
Total Current Assets	25,251,886	25,711,174
Investments	692,940	832,328
Capital Assets (net of Accumulated Depreciation)	36,229,975	36,502,459
Land	1,364,151	1,364,151
Construction In Progress	1,130,461	1,435,478
Other Assets		
Restricted Cash	14,569,104	14,568,991
Other Assets	102,496	102,496
Total Other Assets	14,671,600	14,671,487
Total Assets	\$ 79,341,013	\$ 80,517,077
Liabilities and Net Assets		
Current Liabilities		
Current Maturities - Long-Term Debt	\$ 1,219,456	\$ 1,219,456
Trade Accounts Payable	959,911	1,562,570
Accrued Compensation	4,413,196	5,011,549
Third Party Liabilities	2,682,343	3,011,634
Due to Affiliates	2,057,214	2,075,767
Other Current Liabilities	7,106,235	7,039,210
Total Current Liabilities	18,438,355	19,920,186
Long-Term Debt - Less Current Maturities	5,662,566	5,684,759
Other Long-Term Liabilities	550,000	550,000
Deferred Liabilities	16,450	8,420
Total Liabilities	24,667,371	26,163,365
Net Assets		
Invested in Capital Assets, net of Related Debt	37,471,570	38,026,878
Unrestricted	17,202,072	16,326,834
Total Net Assets	54,673,642	54,353,712
Total Liabilities and Net Assets	\$ 79,341,013	\$ 80,517,077

Kalkaska Memorial Health Center

Statement of Operations

	Month of July 2021				Year to Date Ended July 31, 2021			
	Actual	Budget	Variance	Prior Year	Actual	Budget	Variance	Prior Year
Operating Revenue								
Inpatient	\$ 50,506	\$ 98,951	\$ (48,445)	\$ 78,239	\$ 50,506	\$ 98,951	\$ (48,445)	\$ 78,239
Outpatient	5,582,733	5,278,646	304,087	4,829,929	5,582,733	5,278,646	304,087	4,829,929
Professional	1,027,275	1,084,054	(56,779)	771,661	1,027,275	1,084,054	(56,779)	771,661
Long Term Care	1,059,761	967,072	92,689	934,857	1,059,761	967,072	92,689	934,857
Dialysis Center	727,087	769,894	(42,807)	769,165	727,087	769,894	(42,807)	769,165
Ambulance	271,158	405,714	(134,556)	317,034	271,158	405,714	(134,556)	317,034
Retail Pharmacy	137,607	121,676	15,931	106,718	137,607	121,676	15,931	106,718
Assisted Living	94,125	98,114	(3,989)	99,875	94,125	98,114	(3,989)	99,875
	<u>8,950,252</u>	<u>8,824,121</u>	<u>126,131</u>	<u>7,907,478</u>	<u>8,950,252</u>	<u>8,824,121</u>	<u>126,131</u>	<u>7,907,478</u>
Revenue Deductions:								
Contractual Allowances	3,969,225	3,756,913	(212,312)	3,451,170	3,969,225	3,756,913	(212,312)	3,451,170
Provision Charity Care	42,958	26,837	(16,121)	17,363	42,958	26,837	(16,121)	17,363
Provision for Bad Debt	49,139	165,551	116,412	152,837	49,139	165,551	116,412	152,837
	<u>4,061,322</u>	<u>3,949,301</u>	<u>(112,021)</u>	<u>3,621,370</u>	<u>4,061,322</u>	<u>3,949,301</u>	<u>(112,021)</u>	<u>3,621,370</u>
Net Patient Revenues	<u>4,888,930</u>	<u>4,874,820</u>	<u>14,110</u>	<u>4,286,108</u>	<u>4,888,930</u>	<u>4,874,820</u>	<u>14,110</u>	<u>4,286,108</u>
Other Operating Revenues	<u>381,372</u>	<u>275,628</u>	<u>105,744</u>	<u>442,770</u>	<u>381,372</u>	<u>275,628</u>	<u>105,744</u>	<u>442,770</u>
Total Operating Revenue	<u>5,270,302</u>	<u>5,150,448</u>	<u>119,854</u>	<u>4,728,878</u>	<u>5,270,302</u>	<u>5,150,448</u>	<u>119,854</u>	<u>4,728,878</u>
Operating Expenses								
Salaries and Wages	2,555,894	2,409,306	(146,588)	2,143,901	2,555,894	2,409,306	(146,588)	2,143,901
Fringe Benefits	685,987	638,387	(47,600)	631,633	685,987	638,387	(47,600)	631,633
Contract Labor	30,799	32,731	1,932	30,967	30,799	32,731	1,932	30,967
Physician Fees	67,956	100,446	32,490	57,523	67,956	100,446	32,490	57,523
Purchased Services	539,389	547,588	8,199	684,657	539,389	547,588	8,199	684,657
Pharmaceuticals	436,089	347,474	(88,615)	384,963	436,089	347,474	(88,615)	384,963
Supplies	261,316	290,429	29,113	269,788	261,316	290,429	29,113	269,788
Occupancy	78,586	104,273	25,687	89,876	78,586	104,273	25,687	89,876
Equipment, Software & Maintenance	62,237	92,958	30,721	74,859	62,237	92,958	30,721	74,859
Depreciation	245,158	231,407	(13,751)	222,327	245,158	231,407	(13,751)	222,327
Insurance	45,341	50,679	5,338	41,826	45,341	50,679	5,338	41,826
Other	44,270	42,142	(2,128)	36,058	44,270	42,142	(2,128)	36,058
	<u>5,053,022</u>	<u>4,887,820</u>	<u>(165,202)</u>	<u>4,668,378</u>	<u>5,053,022</u>	<u>4,887,820</u>	<u>(165,202)</u>	<u>4,668,378</u>
Less Shared Services	<u>143</u>	<u>800</u>	<u>(657)</u>	<u>-</u>	<u>143</u>	<u>800</u>	<u>(657)</u>	<u>-</u>
Total Operating Expenses	<u>5,052,879</u>	<u>4,887,020</u>	<u>(165,859)</u>	<u>4,668,378</u>	<u>5,052,879</u>	<u>4,887,020</u>	<u>(165,859)</u>	<u>4,668,378</u>
Income from Operations before Grant Revenue from COVID-19	<u>217,423</u>	<u>263,428</u>	<u>(46,005)</u>	<u>60,500</u>	<u>217,423</u>	<u>263,428</u>	<u>(46,005)</u>	<u>60,500</u>
Grant Revenue COVID-19	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Operating Income	<u>217,423</u>	<u>263,428</u>	<u>(46,005)</u>	<u>60,500</u>	<u>217,423</u>	<u>263,428</u>	<u>(46,005)</u>	<u>60,500</u>
Non-Operating Income (Expense)								
Reserved for Bond Debt	116,805	117,428	(623)	112,276	116,805	117,428	(623)	112,276
Interest on Debt Related to Capital Assets	(17,363)	(17,862)	499	(20,365)	(17,363)	(17,862)	499	(20,365)
Unrealized Gain/Loss on LT Investments	(2,381)	-	(2,381)	(2,400)	(2,381)	-	(2,381)	(2,400)
Tax Levy Revenue	730	684	46	674	730	684	46	674
Contributions	-	150	(150)	-	-	150	(150)	-
Other Income (Loss)	4,716	6,750	(2,034)	6,917	4,716	6,750	(2,034)	6,917
Total Non-Operating Income (Expense)	<u>102,507</u>	<u>107,150</u>	<u>(4,643)</u>	<u>97,102</u>	<u>102,507</u>	<u>107,150</u>	<u>(4,643)</u>	<u>97,102</u>
Total Increase (Decrease) in Net Assets	<u>\$ 319,930</u>	<u>\$ 370,578</u>	<u>\$ (50,648)</u>	<u>\$ 157,602</u>	<u>\$ 319,930</u>	<u>\$ 370,578</u>	<u>\$ (50,648)</u>	<u>\$ 157,602</u>

Statement of Cash Flows

	One Month Ending July 31, 2021
Cash flow from operating activities	
Received from patients and third-party payors	\$ 4,167,947
Payments to employees	(3,840,234)
Payments to suppliers for services and goods	(2,214,494)
Other receipts from operations	382,102
Net cash used by operating activities	<u>(1,504,679)</u>
Cash flow from capital and related financing activities	
Acquisition and construction of capital assets	332,343
Proceeds from sale of capital assets	-
Proceeds from county bond tax levy	116,805
Interest paid on long-term debt	(17,363)
Principal payments on bonds and notes payable	(22,193)
Net cash provided by capital and related financing activity	<u>409,592</u>
Cash flow from investing activities	
Investment income	2,335
Purchase of short-term investments	(2,113)
Net activity of investments internally designated for capital acquisitions	139,388
Net cash provided by investing activities	<u>139,610</u>
Net decrease in cash and cash equivalents	(955,477)
Cash and cash equivalents at beginning of year	23,510,745
Cash and cash equivalents at end of period	<u>\$ 22,555,268</u>
Reconciliation of operating income to net cash flows from operating activities	
Operating income	\$ 217,423
Adjustments to reconcile operating income to net cash used by operating activities:	
Depreciation	245,158
Provision for uncollectible accounts	49,139
Operating tax levy	730
Net gains and losses on sale of PPE	-
(Increase) decrease in assets:	
Patient accounts receivable	(396,091)
Third-party settlements	(44,740)
Inventory	(119,060)
Other current assets	16,563
Increase (decrease) in liabilities:	
Trade accounts payable	(621,212)
Accrued Compensation	(598,353)
Third Party Settlements	(329,291)
Other accrued liabilities	75,055
Net cash used by operating activities	<u>\$ (1,504,679)</u>

Kalkaska Memorial Health Center
**Statement of Changes in Net Assets
One Month Ending July 31, 2021**

	Invested in Capital Assets, net of Related Debt	Unrestricted	Total Net Assets
Net Assets at June 30, 2020	\$ 31,663,831	\$ 17,985,240	\$ 49,649,071
Acquisition and construction of capital assets	2,263,093		3,665,276
Depreciation	(2,794,817)		(2,605,609)
Sale of Capital Assets	12,452		53,341
Net Change in Debt	1,253,314		1,217,859
Increase (Decrease) in Net Assets Net of Amounts Invested in Capital Assets		3,970,599	(450,120)
Increase (Decrease) in Net Assets	734,042	3,970,599	1,880,747
Net Assets at June 30, 2021	32,397,873	21,955,839	54,353,712
Acquisition and construction of capital assets	(332,343)		(332,343)
Depreciation	(245,158)		(245,158)
Sale of Capital Assets	-		-
Net Change in Debt	22,193		22,193
Increase (Decrease) in Net Assets Net of Amounts Invested in Capital Assets		875,238	875,238
Increase (Decrease) in Net Assets	(555,308)	875,238	319,930
Net Assets at July 31, 2021	\$ 31,842,565	\$ 22,831,077	\$ 54,673,642

Kalkaska Memorial Health Center

Statistical Report

	Month of July 2021				Year to Date Ended July 31, 2021			
	Actual	Budget	Variance	Prior Year	Actual	Budget	Variance	Prior Year
ADMISSIONS:								
Acute Care	8	18	(10)	12	8	18	(10)	12
Long Term Care	6	14	(8)	20	6	14	(8)	20
Extended Stays	15	13	2	10	15	13	2	10
PATIENT DAYS:								
Acute Care	24	43	(19)	25	24	43	(19)	25
Long Term Care-Skilled	232	254	(22)	164	232	254	(22)	164
Long Term Care-Basic	2,637	2,480	157	2,570	2,637	2,480	157	2,570
Extended Stays	5	5	0	10	5	5	0	10
AVERAGE LENGTH OF STAY:								
Acute Care	3.0	2.4	0.6	2.1	3.0	2.4	0.6	2.1
DAILY AVERAGE CENSUS:								
Acute Care	0.8	1.4	(0.6)	0.8	0.8	1.4	(0.6)	0.8
Long Term Care	92.5	88.2	4.4	88.2	92.5	88.2	4.4	88.2
PERCENT OF OCCUPANCY:								
Acute Care	9.7%	17.3%	-7.7%	10.1%	9.7%	17.3%	-7.7%	10.1%
Long Term Care	89.0%	84.8%	4.2%	84.8%	89.0%	84.8%	4.2%	84.8%
ANCILLARY DEPARTMENT VOLUME:								
Emergency Room	558	1,174	(616)	524	558	1,174	(616)	524
Urgent Care	179	0	179	211	179	0	179	211
Walk-in Clinic	318	262	56	0	318	262	56	0
Primary Care Physician RVU's	6,065	5,088	977	4,109	6,065	5,088	977	4,109
Primary Care Physician Encounters	3,560	3,682	(122)	2,895	3,560	3,682	(122)	2,895
Specialty Clinics	367	385	(18)	287	367	385	(18)	287
KMA Clinic RVU's	6,690	6,050	640	4,436	6,690	6,050	640	4,436
Total Outpatient Visits	7,288	6,988	300	7,367	7,288	6,988	300	7,367
Surgical Procedures	101	108	(7)	87	101	108	(7)	87
Radiology	2,566	2,133	433	2,102	2,566	2,133	433	2,102
Laboratory	19,809	17,127	2,682	17,563	19,809	17,127	2,682	17,563
Physical Therapy	3,539	3,297	242	3,522	3,539	3,297	242	3,522
Chemo Therapy	349	321	28	90	349	321	28	90
Dialysis Treatments	641	689	(48)	701	641	689	(48)	701
Ambulance Transports	175	279	(104)	226	175	279	(104)	226
Assisted Living Days	957	1,005	(48)	1,039	957	1,005	(48)	1,039
Cost per adjusted IP and LTC day:	197.38	196.05	1.34	194.81	197.38	196.05	1.34	194.81
TOTAL FTE'S:	444	433	(11)	407	444	433	(11)	407

Kalkaska Memorial Health Center

Additional Financial Information

	July 31, 2021
MTD % increase in net revenue vs. prior year	14.06%
MTD % increase in expense vs. prior year	8.24%
	5.83%
YTD % increase in net revenue vs. prior year	14.06%
YTD % increase in expense vs. prior year	8.24%
	5.83%
LTC Expense per Critical Unit - MTD	\$ 213.21
LTC Expense per Critical Unit - YTD	\$ 213.21
Ambulance Days in AR YTD	48.02
Dialysis number of patients - MTD	57
Dialysis net income - MTD	\$ 2,851
Dialysis net income - YTD	\$ 2,851
Assisted Living net income - MTD	\$ (7,977)
Assisted Living net income - YTD	(7,977)
Average Age of Plant (as of 7/31/21)	11.51
Debt to Capitalization Ratio	0.11

Net Revenue Analysis

	Month of July 2021		
	Actual	Budget	Variance
Service Line Revenue % of Total			
Inpatient	0.6%	1.1%	-0.6%
Outpatient	62.4%	59.8%	2.6%
Professional	11.5%	12.3%	-0.8%
Long-Term Care	11.8%	11.0%	0.9%
Dialysis Center	8.1%	8.7%	-0.6%
Ambulance	3.0%	4.6%	-1.6%
Retail Pharmacy	1.5%	1.4%	0.2%
Assisted Living	1.1%	1.1%	-0.1%
	100.0%	100.0%	0.0%

Revenue Deductions as % of Gross Revenue			
Contractual Allowances	44.3%	42.6%	-1.8%
Charity Care	0.5%	0.3%	-0.2%
Bad Debt	0.5%	1.9%	1.3%
Total Revenue Deductions	45.4%	44.8%	-0.6%

	Year to Date Ended July 31, 2021		
	Actual	Budget	Variance
Service Line Revenue % of Total			
Inpatient	0.6%	1.1%	-0.6%
Outpatient	62.4%	59.8%	2.6%
Professional	11.5%	12.3%	-0.8%
Long-Term Care	11.8%	11.0%	0.9%
Dialysis Center	8.1%	8.7%	-0.6%
Ambulance	3.0%	4.6%	-1.6%
Retail Pharmacy	1.5%	1.4%	0.2%
Assisted Living	1.1%	1.1%	-0.1%
	100.0%	100.0%	0.0%

Revenue Deductions as % of Gross Revenue			
Contractual Allowances	44.3%	42.6%	-1.8%
Charity Care	0.5%	0.3%	-0.2%
Bad Debt	0.5%	1.9%	1.3%
Total Revenue Deductions	45.4%	44.8%	-0.6%

Kalkaska Memorial Health Center

Payor Mix Schedule

YTD 2022

Revenue %

	MCare	MCareHMO	Medicaid	Medicaid Adv	BC	Comm	Priority	Private	Total
Acute including EMS	28.54%	24.59%	2.07%	17.57%	11.11%	7.15%	6.34%	2.62%	100.00%
LTC	11.73%	15.78%	58.65%	0.00%	0.00%	3.39%	0.00%	10.45%	100.00%
ER	21.91%	15.72%	0.00%	27.07%	14.63%	9.95%	5.58%	5.14%	100.00%
OR	33.13%	25.13%	0.00%	13.18%	13.41%	7.51%	4.16%	3.48%	100.00%

YTD 2021

Revenue %

	MCare	MCareHMO	Medicaid	Medicaid Adv	BC	Comm	Priority	Private	Total
Acute including EMS	29.64%	22.29%	0.34%	16.97%	13.17%	6.53%	8.10%	2.96%	100.00%
LTC	11.30%	10.50%	59.94%	0.00%	0.00%	4.48%	0.00%	13.78%	100.00%
ER	20.22%	15.93%	0.00%	30.26%	14.16%	7.54%	8.00%	3.90%	100.00%
OR	23.11%	22.39%	0.00%	18.84%	15.90%	7.80%	11.60%	0.36%	100.00%

YTD 2020

Revenue %

	MCare	MCareHMO	Medicaid	Medicaid Adv	BC	Comm	Priority	Private	Total
Acute including EMS	32.78%	18.49%	0.30%	17.39%	14.81%	5.76%	7.57%	2.89%	100.00%
LTC	14.75%	9.87%	55.12%	0.00%	0.07%	6.65%	0.00%	13.54%	100.00%
ER	23.86%	12.91%	0.00%	28.30%	15.13%	6.72%	7.64%	5.43%	100.00%
OR	21.94%	18.12%	0.00%	27.92%	15.98%	6.10%	9.61%	0.33%	100.00%

YTD 2019

Revenue %

	MCare	MCareHMO	Medicaid	Medicaid Adv	BC	Comm	Priority	Private	Total
Acute including EMS	35.31%	14.95%	0.51%	17.51%	17.15%	5.26%	7.23%	2.08%	100.00%
LTC	13.43%	5.66%	64.30%	0.00%	0.06%	4.94%	0.00%	11.62%	100.00%
ER	27.44%	10.47%	0.00%	27.59%	15.95%	6.08%	6.93%	5.54%	100.00%
OR	26.38%	12.35%	0.00%	28.65%	18.96%	4.56%	8.20%	0.90%	100.00%

YTD 2018

Revenue %

	MCare	MCareHMO	Medicaid	Medicaid Adv	BC	Comm	Priority	Private	Total
Acute including EMS	37.43%	12.47%	0.87%	18.88%	14.78%	6.97%	6.62%	1.98%	100.00%
LTC	12.87%	4.54%	65.37%	0.00%	0.04%	4.33%	0.00%	12.85%	100.00%
ER	26.07%	8.58%	0.00%	30.48%	14.53%	8.06%	5.80%	6.48%	100.00%
OR	29.87%	8.13%	0.00%	32.16%	15.21%	3.47%	11.07%	0.08%	100.00%