

Agenda

Estes Park Health Finance Subcommittee Meeting Agenda via Microsoft Teams

Monday, September 27, 2021

4:00 - 5:00 pm

Estes Park Health, 555 Prospect Avenue, Estes Park CO 80517

Regular Session		Mins.	Procedure	Presenter(s)
1	Call to Order and Welcome	1	Action	Dr Steve Alper
2	Approval of the Agenda	1	Action	Dr Steve Alper
3	Public Comments on Items Not on the Agenda		Information	Public
4	EPH Investment Discussion	10	Action	Board
5	July 2021 Financial Presentation	40	Information	Board
6	Adjourn	1	Action	Board
Estimated Total Regular Session Mins.		53		

Next Regular Finance Subcommittee Meeting:



555 Prospect Ave.
Estes Park, CO 80517
☎ 970-586-2317
eph.org

PARK HOSPITAL DISTRICT

FINANCIALS and FORECAST

July, 2021

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EXECUTIVE SUMMARY

July, 2021

Statement of Revenues, Expenses and Changes in Net Position:

Row 15—Total charges for the month were under budget by \$1,270,397. This was primarily driven by the fact that surgeries were under budget by 32% and Clinic visits being under budget by 18%.

Row 18---Contractuals are under budget for the month and would be in line with expectations given the gross charges are under budget for the month.

Row 19—Charity care and bad debts are over budget for the month and year-to-date. Based on the 2019 and 2020 year-to-date, it appears, on hindsight, that the 2021 budget is ultraconservative.

Row 27 and 40---For the month, operating revenues were under budget by 16.4% while operating expenses were over budget by 6.4%. Not a good combination but partially attributable to fixed expenses.

Row 31---Employee benefits are under budget for the month and year-to-date due to the fact that we made an adjustment to conservatively recognize the estimated excess self-funded health insurance liability. The July entry was for \$250,000 and there were similar entries at year end for \$600,000 in 2020 and \$1,100,000 in 2019.

Line 32---Professional fees and purchased services continue to exceed budget both on the month and year-to-date. For the month, contract labor was over budget by \$340,000 and maintenance contracts over budget by \$160,000. Year-to-date, contract labor is over budget by \$1,350,000; maintenance contracts over budget by \$220,000; recruitment over budget by \$200,000; and other contracted services under budget by \$150,000.

Row 42---There was an operating loss of \$172,634 for the month. Almost all the difference from budget comes from the operating revenue shortfall compared to budget.

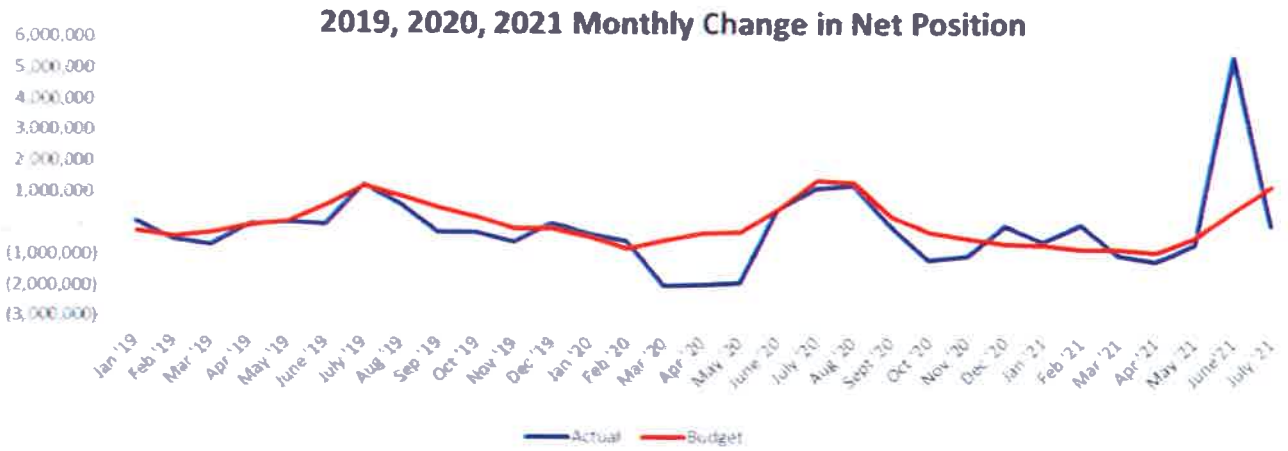
Balance sheet:

Row 39---Salaries, Wages and Related liabilities had a \$500,000+ decrease from June. This is all a timing situation when the payroll is paid.

Statements of Cash Flows:

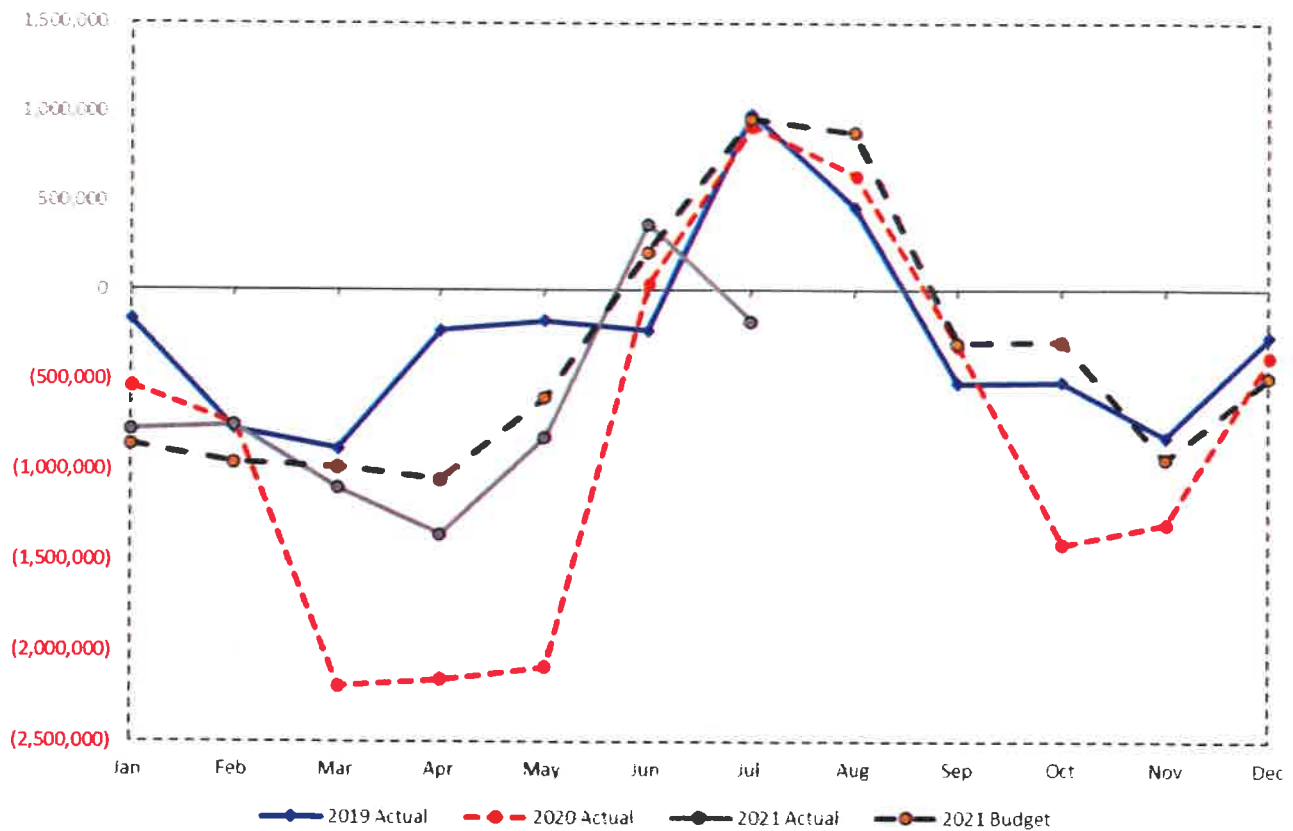
Rows 22, 35 and 49---We purchased approximately \$800,000 more capital assets than depreciation in 2020 but approximately \$1,250,000 less capital assets than depreciation in the first seven months of 2021. This is a major driver in the positive change on row 35.

Key Balance Sheet Metrics:	YTD	FYE	FYE	FYE
	2021	2020	2019	2018
• Days Cash on Hand	223	234	172	182
• Debt Coverage Ratio	4.13	(-1.40)	3.32	2.56
• Accounts Receivable Days	43.5	46.3	55.6	54.7
• Total Cash on Hand	\$20.0M	\$24.6M	\$17.0M	\$16.3M
• Investment Portfolio	\$11.9M	\$9.6M	\$ 4.8M	\$6.0M

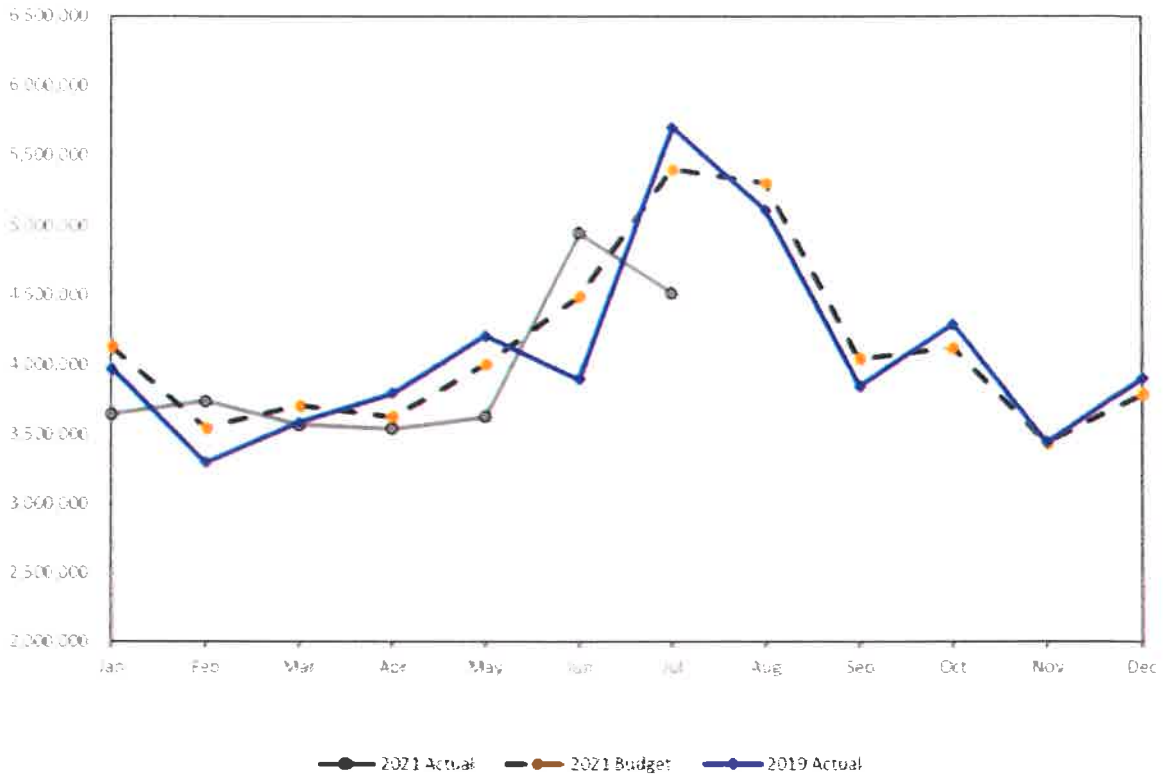


Key Statistics	Actual July '21	Budget July '21	YTD July 2021	Bud YTD July 2021	YTD July 2020	YTD July 2019
Inpatient Days	73	66	609	732	514	710
Observation Days	77	65	315	286	304	282
Births	2	11	25	48	31	42
ER Visits	721	706	3,012	2,765	2,491	3,399
Urgent Care	697	160	1,735	1,520	648	-
EMS	251	263	1,221	1,009	1,031	1,262
Surgeries	30	44	272	246	201	218
Clinic Visits	1,861	2,265	12,544	14,457	10,576	15,580
Radiology Exams	1,259	1,096	6,709	5,306	5,062	6,683
Lab Tests	7,337	6,396	43,740	38,443	39,296	44,784
Rehab Visits	668	746	4,853	4,819	4,094	6,277
Home Health	753	632	4,912	4,424	4,067	4,386
Hospice	144	171	1,051	1,197	1,433	1,293

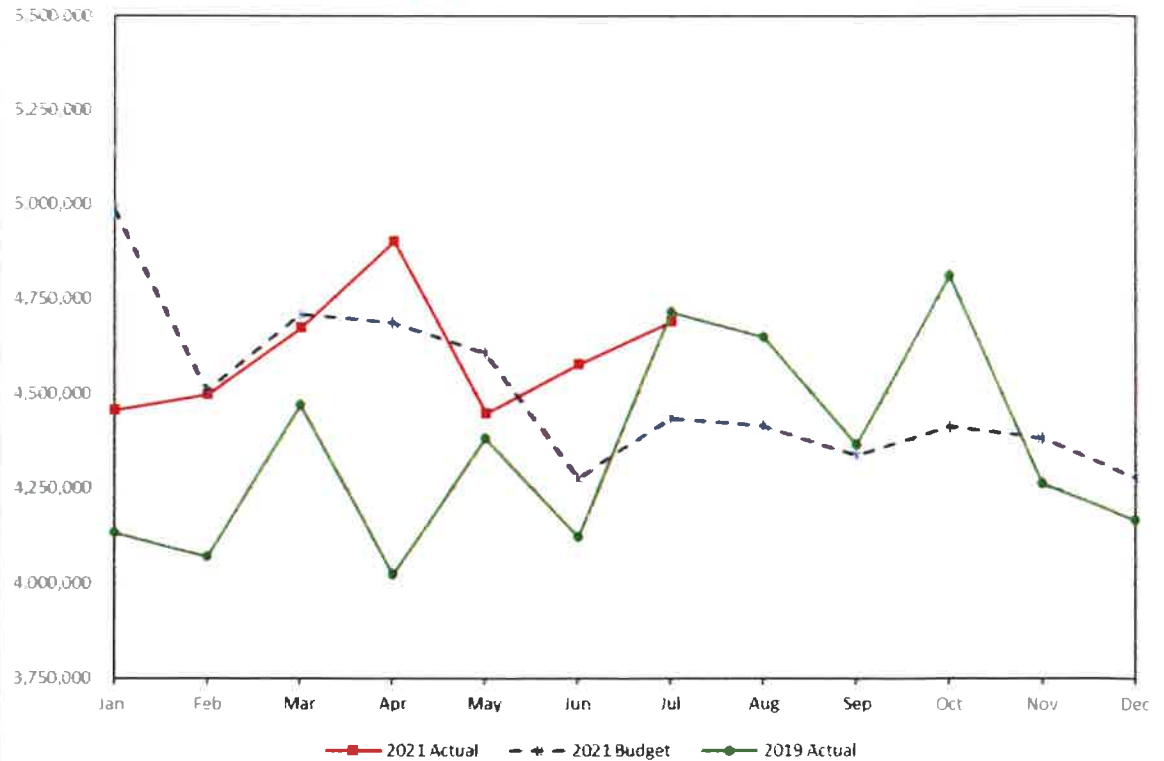
Total Operating Income (Loss) - Actual 2019, 2020, 2021 & Budget 2021



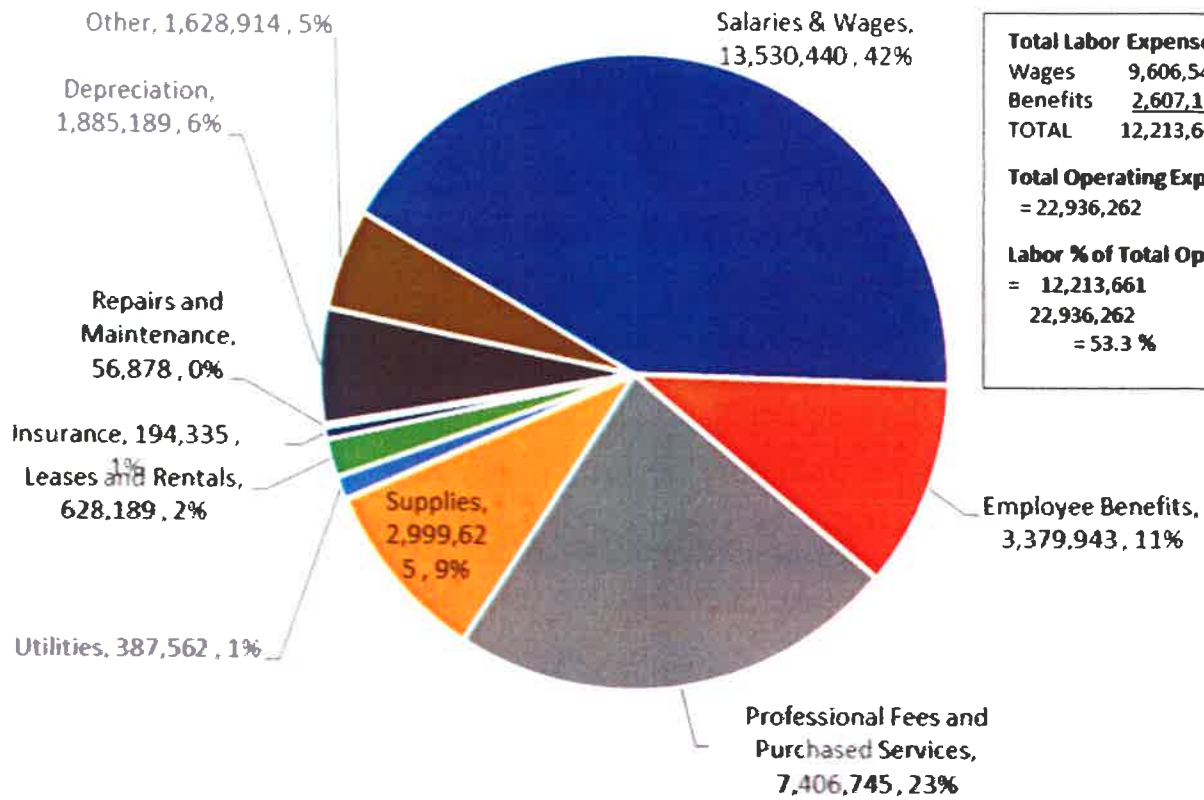
Total Operating Revenues - Actual 2019 , 2021 & Budget 2021



Total Operating Expenses - Actual 2019 and 2021 & Budget 2021



Estes Park Health 2021 Operating Expense Proportions



Total Labor Expenses	
Wages	9,606,547
Benefits	<u>2,607,114</u>
TOTAL	12,213,661
Total Operating Expenses	
= 22,936,262	
Labor % of Total Op Expenses	
= 12,213,661	
22,936,262	
= 53.3 %	

Estes Park Health

Financial Overview

Month Ended July 31, 2021

FINANCIAL RATIOS

	Jun	Jul	RED	YELLOW	GREEN
Days in Accounts Receivable	46.7	43.5	> 60	50 - 60	< 50
Days Cash on Hand	225	223	< 125	125 - 224	> 225
Debt Service Coverage Ratio	4.76	4.13	<1.25	1.25 - 2.0	> 2.0
Operating Margin (12 Mo. Rolling)	-8.8%	-11.2%	< 2.0%	2% - 4.99%	> 5%
Total Margin (12 Mo. Rolling)	9.3%	7.2%	< 5.0%	5% - 9.99%	> 10.0%

OTHER INDICATORS

	Jun	Jul	Budget	YTD	YTD Budget
Total Deductions from Revenue %	-48.3%	-45.8%	-43.7%	-46.7%	-43.4%
Operating Margin	\$371,863	(\$172,634)	\$997,558	(\$4,506,745)	(\$3,168,764)
Operating Margin %	7.5%	-3.8%	18.5%	-16.3%	-11.0%
Increase (decrease) in Net Assets	\$5,492,522	\$65,960	\$1,327,530	\$2,487,072	(\$1,371,243)
Total Margin %	111.0%	1.5%	24.6%	9.0%	-4.7%

SUMMARY

Statistics: IP Days are at 73 compared to 90 in June and 80 in July 2020.
Physicians Clinic Visits are at 1861 compared to 2054 in June and 2096 in July 2020.
Surgeries are at 30 compared to 49 in June and 48 in July 2020.

Revenue: July's Gross Patient Charges is \$8,268,720 compared to a budget level of \$9,539,117.

Other Operating Revenue: July's Other Revenues are \$30,879.

Expenses: Total Operating Expenses in July are \$4,687,400 which is \$283,758 over budget. Salaries and benefits are under budget by \$215,673.

Excess Revenues (Expenses): July's increase in Total Net Position is \$65,960 compared to a budget of \$1,327,530. July's Total Margin is 1.5% compared to a budgeted level of 24.6.

Ratio Analysis: Day's in A/R is at 43.5 which is lower than the industry average of fifty.
Day's Cash on Hand is at 223 compared to June level of 225 and July 2020 of 234.

Debt Coverage Ratio: July's rolling 12 month debt ratio is 4.13. The loan end of year minimum required ratio is 1.25.

ESTES PARK HEALTH
Draft Statement of Revenues, Expenses, and Changes in Net Position (Unaudited)
Month Ending July 31, 2021

Row	MONTH July 2021			2021 YEAR TO DATE Jan through Jul			2020 YEAR TO DATE Jan through Jul			2019 YEAR TO DATE Jan through Jul		
	Actual (A)	Budget (B)	Percent (A/B) ABSOLUTE	Actual (A)	Budget (B)	Percent (A/B) ABSOLUTE	2020 Actual	2020 Actual	Percent (2020/2019)	2019 Actual	2021 Actual	Percent (21/19)
8	OPERATING INCOME											
9	OPERATING REVENUES											
10	Changes for Patient Services											
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ESTES PARK HEALTH
Balance Sheet (Unaudited) Statements of Net Position
Month Ending July 31, 2021

Row		2021 Jul		2021 Jun		2020 Jul		
5.00		Actual	Actual	2021M ay minus 2021Apr	((2021M ay) - (2021Apr)) + ABS(2021M ay)	Actual	2021M ay minus 2020 M ay	((2021M ay) - (2020 M ay)) + ABS(2020 M ay)
6.00	ASSETS							
7.00	CURRENT ASSETS							
10.00	Cash and Cash Equivalents	16,112,457	16,087,985	24,472	0.2%	20,676,284	(4,563,827)	-22.07%
11.00	Restricted Cash Under Debt Agreements	3,919,320	3,919,204	116	0.0%	3,915,039	4,281	0.11%
12.00	Receivables							
	Patient and Resident, Net of Estimated Uncollectables of approximately \$1,301,000 in 2020 and \$1,784,000 in 2019	5,908,396	5,967,063	(58,667)	-1.0%	6,131,312	(222,916)	-3.64%
13.00	Property Taxes and Other	2,111,671	2,437,930	(326,259)	-13.4%	2,071,622	40,049	1.93%
15.00	Estimated Third-Party Payor Settlements	626,105	593,796	32,309	5.4%	626,105	no ÷ 0	
16.00	Supplies	1,293,076	1,290,772	2,304	0.2%	1,080,086	212,990	19.72%
17.00	Prepaid Expenses	319,833	396,853	(77,020)	-19.4%	394,954	(75,121)	-19.02%
18.00	TOTAL CURRENT ASSETS (Sum Rows 10, 11, 13, 14, 15, 16, 17)	30,290,858	30,693,603	(402,745)	-1.3%	34,269,297	(3,978,439)	-11.6%
19.00	LONG-TERM ASSETS							
21.00	Investments	11,910,829	11,910,829	0	0.0%	9,605,585	2,305,244	24.00%
22.00	Capital Assets							
23.00	Capital Assets Not Being Depreciated	521,472	570,083	(48,611)	-8.5%	1,153,681	(632,209)	-54.80%
	Depreciable Capital Assets, Net of Accumulated Depreciation	30,118,933	30,321,103	(202,170)	-0.7%	32,046,184	(1,927,251)	-6.01%
24.00	Total Capital Assets, Net	30,640,405	30,891,186	(250,781)		33,199,865	(2,559,460)	
26.00	Long Term Prepaid Lease							
27.00	TOTAL LONG-TERM ASSETS	42,551,234	42,802,015	(250,781)	-0.6%	42,805,450	(254,216)	-0.59%
28.00								
29.00	TOTAL ASSETS (Sum Rows 18, 27)	72,842,093	73,495,618	(653,525)	-0.89%	77,074,747	(4,232,654)	-5.49%
30.00								
31.00	LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION							
32.00								
33.00	CURRENT LIABILITIES							
34.00	Current Portion of Long-Term Debt	1,328,711	1,326,307	2,404	0.2%	6,201,581	(4,872,870)	-78.57%
35.00	Accounts Payable	1,268,136	1,289,539	(21,403)	-1.7%	561,597	706,539	125.81%
36.00	Estimated Third-Party Payor Settlements					1,430,484	(1,430,484)	-100.00%
37.00	Deferred Revenue	9,137,835	9,314,891	(177,056)	-1.9%	9,682,996	(545,161)	-5.63%
38.00	Accrued Expenses							
39.00	Salaries, Wages, and Related Liabilities	1,680,427	2,193,965	(513,538)	-23.4%	1,710,262	(29,835)	-1.74%
40.00	Compensated Absences	916,577	920,205	(3,628)	-0.4%	1,028,279	(111,702)	-10.86%
41.00	Other	82,895	55,255	27,640	50.0%	227,459	(144,564)	-63.56%
42.00	TOTAL CURRENT LIABILITIES	14,414,580	15,100,162	(685,582)	-4.54%	20,842,658	(6,428,078)	-30.84%
43.00								
44.00	LONG-TERM LIABILITIES							
45.00	Long-Term Debt, Net of Current Portion	13,759,147	13,763,964	(4,817)	-0.03%	15,426,208	(1,667,061)	-10.81%
46.00	Long-Term Portion of Accounts Payable	277,888	308,349	(30,461)	-9.88%	277,888	no ÷ 0	
47.00	TOTAL LONG-TERM LIABILITIES	14,037,035	14,072,313	(35,278)	-0.25%	15,426,208	(1,389,173)	-9.01%
48.00								
49.00	TOTAL LIABILITIES (Sum Row 38, 43)	28,451,615	29,172,475	(720,860)	-2.47%	36,268,866	(7,817,251)	-21.55%
50.00								
51.00	DEFERRED INFLOWS OF RESOURCES - PROPERTY TAXES	3,115,979	3,115,979	0	0.00%	3,120,340	(4,361)	-0.14%
52.00								
53.00	NET POSITION							
54.00	Net Investment in Capital Assets	17,239,581	17,239,581	0	0.00%	18,261,460	(1,021,879)	-5.60%
55.00	Restricted, Expendable	3,915,919	3,915,919	0	0.00%	1,412,536	2,503,383	177.23%
56.00	Unrestricted	20,118,999	20,051,665	67,334	0.34%	18,011,545	2,107,454	11.70%
57.00	TOTAL NET POSITION	41,274,499	41,207,164	67,334	0.16%	37,685,541	3,588,958	9.52%
58.00								
59.00	TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION	72,842,093	73,495,618	(653,526)	-0.89%	77,074,747	(4,232,654)	-5.49%

ESTES PARK HEALTH
Statements of Cash Flows (Unaudited)
YTD Ending July 31, 2021

Row	2021 Jul	Dec 2020	
	Actual	As-filed	
5.00			
6.00			
7.00	CASH FLOWS FROM OPERATING ACTIVITIES		
8.00	Receipts from and on Behalf of Patients and Residents	26,804,138	50,960,878
9.00	Payments to Suppliers and Contractors	(13,686,997)	(22,641,734)
10.00	Payments for Employee Salaries and Benefits	(16,402,361)	(30,272,390)
11.00	Other Receipts and Payments	372,021	488,326
12.00	NET CASH USED BY OPERATING ACTIVITIES	(2,913,199)	(1,464,920)
13.00			
14.00	CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
15.00	Property Taxes Supporting Operations	3,035,700	3,256,863
16.00	Issuance of Long-Term Debt	(4,800,000)	4,800,000
17.00	HHS Provider Relief Fund	-	5,370,111
18.00	Noncapital Grants and Contributions	24,735	26,206
19.00	NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	(1,739,565)	13,453,180
20.00			
21.00	CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
22.00	Purchase and Construction of Capital Assets	(623,591)	(3,959,139)
23.00	Proceeds from Disposal of Capital Assets	-	-
24.00	Issuance of Long-Term Debt	269,973	2,500,000
25.00	Principal Payments on Long-Term Debt	(82,115)	(1,085,000)
26.00	Interest Paid on Long-Term Debt	(244,837)	(417,841)
27.00	Capital Contributions	55,888	523,770
28.00	NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	(624,682)	(2,438,210)
29.00			
30.00	CASH FLOWS FROM INVESTING ACTIVITIES		
31.00	Sales (Purchases) of Investments	2,468,348	(12,364,836)
32.00	Investment Income and Other	5,327,766	210,618
33.00	NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	7,796,114	(12,154,218)
34.00			
35.00	NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (Sum Rows 12, 19, 28, 33)	2,518,668	(2,604,168)
36.00			
37.00	Cash and Cash Equivalents - Beginning of Year	17,511,735	20,115,903
38.00			
39.00	CASH AND CASH EQUIVALENTS - END OF YEAR (Sum Rows 35 and 37)	20,030,403	17,511,735
40.00			
41.00	RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENTS OF NET POSITION		
42.00	Cash and Cash Equivalents	16,112,457	13,595,816
43.00	Restricted Cash Under Debt Agreement	3,919,320	3,915,919
44.00	TOTAL CASH AND CASH EQUIVALENTS	20,031,777	17,511,735
45.00			
46.00	RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES		
47.00	Operating Loss	(4,606,745)	(7,085,820)
48.00	Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities		
49.00	Depreciation	1,885,189	3,150,456
50.00	Provision for Bad Debts	274,464	650,166
51.00	(Increase) Decrease in Assets		
52.00	Patient and Resident Receivables	(247,919)	(129,425)
53.00	Other Receivables	(56,192)	21,923
54.00	Supplies	(16,249)	(180,421)
55.00	Prepaid Expenses	246,267	114,395
56.00	Long-Term Prepaid Lease	-	285,184
57.00	Increase (Decrease in Liabilities)		
58.00	Accounts Payable	(614,767)	(191,801)
59.00	Estimated Third-Party Payor Settlements	218,895	(1,674,000)
60.00	Deferred Revenue	(604,164)	4,371,888
61.00	Accrued Salaries, Compensated Absences, and Other	608,022	(797,465)
62.00	NET CASH USED BY OPERATING ACTIVITIES (Sum Rows 47 to 61)	(2,913,199)	(1,464,920)
63.00			
64.00	SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
65.00	Capital Assets Included in Accounts Payable	605,212	842,789

2021 FORECAST

These are the changes I'm aware of for the last five months of 2021:

Cost savings on equipment preventative maintenance contract (3 months)	\$75,000
Cost of employee payments to those who received COVID shot(s)	\$(65,000)
Raises and compensation adjustments in July (from Tim's May report) (5 months)	\$(375,000)
Meditech dual computer system eliminated (5 months)	\$165,000
Estimated contractual allowances on the above items	\$125,000
Estimated fire evacuation insurance claim for business interruption	\$800,000
Estimated amounts due us for cost report reopenings	\$200,000
NET TOTAL	\$925,000

With the recently announced 60 day extension (until 11.30.21) to file the Provider Relief Fund reports, I excluded the \$2,700,000 estimated forgiveness I had in the June report.