

# Kalkaska Memorial Health Center

## Balance Sheet

	January 31, 2025	June 30, 2024
<b>Assets</b>		
<b>Current Assets</b>		
Cash and Cash Equivalents	\$ 20,721,820	\$ 18,320,675
Short-Term Investments	7,413,639	6,515,371
Accounts Receivable	13,917,563	14,119,177
Third Party Settlements	4,939,611	3,853,844
Due from Affiliates	34,754	24,363
Inventory	386,082	484,119
Other Current Assets	326,651	336,864
Total Current Assets	47,740,120	43,654,413
<b>Investments</b>	10,624,082	10,968,237
<b>Capital Assets (net of Accumulated Depreciation)</b>	49,552,970	51,188,437
<b>Land</b>	1,444,948	1,444,948
<b>Construction In Progress</b>	2,668,700	1,303,680
<b>Other Assets</b>		
Restricted Cash	2,897,723	2,444,879
Other Assets	247,491	264,696
Total Other Assets	3,145,214	2,709,575
Total Assets	<b>\$ 115,176,034</b>	<b>\$ 111,269,290</b>
<b>Liabilities and Net Assets</b>		
<b>Current Liabilities</b>		
Current Maturities - Long-Term Debt	\$ 2,387,359	\$ 2,387,359
Trade Accounts Payable	1,164,449	1,871,392
Accrued Compensation	5,077,819	4,521,276
Third Party Liabilities	5,780,552	4,820,845
Due to Affiliates	4,384,743	4,715,160
Other Current Liabilities	1,933,709	1,398,951
Total Current Liabilities	20,728,631	19,714,983
<b>Long-Term Debt - Less Current Maturities</b>	12,986,567	13,715,734
<b>Other Long-Term Liabilities</b>	20,000	20,000
<b>Deferred Liabilities</b>	14,655	9,617
Total Liabilities	33,749,853	33,460,334
<b>Net Assets</b>		
Invested in Capital Assets, net of Related Debt	43,921,697	43,462,977
Unrestricted	37,504,484	34,345,979
Total Net Assets	81,426,181	77,808,956
Total Liabilities and Net Assets	<b>\$ 115,176,034</b>	<b>\$ 111,269,290</b>

**Kalkaska Memorial Health Center**
**Statement of Operations**

	Month of January 2025				Year to Date Ended January 31, 2025			
	Actual	Budget	Variance	Prior Year	Actual	Budget	Variance	Prior Year
<b>Operating Revenue</b>								
Inpatient	\$ 275,597	\$ 149,203	\$ 126,394	\$ 156,187	\$ 1,349,757	\$ 1,034,930	\$ 314,827	\$ 904,825
Outpatient	9,005,729	8,794,384	211,345	8,467,150	65,173,089	60,670,282	4,502,807	55,826,760
Professional	1,809,046	1,830,068	(21,022)	1,567,325	12,940,852	12,668,792	272,060	10,616,995
Long Term Care	1,292,350	1,308,441	(16,091)	1,002,982	9,357,264	9,075,543	281,721	7,119,016
Dialysis Center	425,397	521,876	(96,479)	441,677	3,187,588	3,621,194	(433,606)	3,562,862
Ambulance	390,720	415,565	(24,845)	356,828	2,744,925	2,881,927	(137,002)	2,707,582
Retail Pharmacy	368,661	221,772	146,889	221,284	2,389,161	1,538,410	850,751	1,435,322
Assisted Living	102,734	98,663	4,071	100,230	712,843	684,317	28,526	655,875
	13,670,234	13,339,972	330,262	12,313,663	97,855,479	92,175,395	5,680,084	82,829,237
Revenue Deductions:								
Contractual Allowances	4,959,354	5,861,685	902,331	5,263,772	43,371,124	40,634,331	(2,736,793)	38,145,724
Provision Charity Care	106,599	29,733	(76,866)	14,898	599,846	206,213	(393,633)	206,201
Provision for Bad Debt	283,289	256,948	(26,341)	240,872	1,879,013	1,781,758	(97,255)	1,375,567
	5,349,242	6,148,366	799,124	5,519,542	45,849,983	42,622,302	(3,227,681)	39,727,492
Net Patient Revenues	8,320,992	7,191,606	1,129,386	6,794,121	52,005,496	49,553,093	2,452,403	43,101,745
Other Operating Revenues	216,814	314,360	(97,546)	408,529	2,011,100	2,059,710	(48,610)	2,569,908
Total Operating Revenue	8,537,806	7,505,966	1,031,840	7,202,650	54,016,596	51,612,803	2,403,793	45,671,653
<b>Operating Expenses</b>								
Salaries and Wages	4,474,488	4,280,603	(193,885)	3,809,380	26,908,109	26,956,795	48,686	23,654,126
Fringe Benefits	1,051,531	902,503	(149,028)	665,388	5,896,720	6,317,521	420,801	5,723,674
Contract Labor	37,000	41,048	4,048	30,200	286,212	287,046	834	196,102
Physician Fees	98,854	78,850	(20,004)	107,192	636,788	551,950	(84,838)	539,735
Purchased Services	585,069	582,587	(2,482)	638,957	4,069,872	4,125,797	55,925	4,293,027
Pharmaceuticals	1,036,543	775,735	(260,808)	638,254	6,024,091	5,298,583	(725,508)	4,766,788
Supplies	501,753	388,663	(113,090)	436,141	3,057,920	2,700,812	(357,108)	2,415,374
Occupancy	96,708	103,079	6,371	89,305	665,943	730,653	64,710	651,237
Equipment, Software & Maintenance	111,854	201,449	89,595	80,786	666,880	808,825	141,945	623,453
Depreciation	352,575	328,208	(24,367)	361,458	2,507,162	2,297,435	(209,727)	1,967,312
Insurance	75,721	81,428	5,707	74,549	580,973	569,996	(10,977)	535,976
Other	35,258	55,845	20,587	44,333	313,058	413,287	100,229	369,445
	8,457,354	7,819,998	(637,356)	6,975,943	51,613,728	51,058,700	(555,028)	45,736,249
Less Shared Services	-	-	-	-	-	-	-	-
Total Operating Expenses	8,457,354	7,819,998	(637,356)	6,975,943	51,613,728	51,058,700	(555,028)	45,736,249
<b>Income from Operations before Grant Revenue from COVID-19</b>	80,452	(314,032)	394,484	226,707	2,402,868	554,103	1,848,765	(64,596)
<b>Grant Revenue COVID-19</b>	-	-	-	-	-	-	-	750,000
<b>Operating Income</b>	80,452	(314,032)	394,484	226,707	2,402,868	554,103	1,848,765	685,404
<b>Non-Operating Income (Expense)</b>								
Reserved for Bond Debt	141,976	128,333	13,643	128,129	993,246	898,331	94,915	896,837
Interest on Debt Related to Capital Assets	(47,964)	(47,964)	-	(54,835)	(342,876)	(342,877)	1	(390,970)
Unrealized Gain/Loss on LT Investments	(80,970)	-	(80,970)	8,834	83,076	-	83,076	176,042
Tax Levy Revenue	801	789	12	783	5,610	5,523	87	5,479
Bond Issuance Cost	-	-	-	-	-	-	-	-
Contributions	-	167	(167)	-	295	1,169	(874)	2,963
Other Income (Loss)	109,817	37,500	72,317	77,422	475,006	262,500	212,506	460,671
Total Non-Operating Income (Expense)	123,660	118,825	4,835	160,333	1,214,357	824,646	389,711	1,151,022
<b>Total Increase (Decrease) in Net Assets</b>	<b>\$ 204,112</b>	<b>\$ (195,207)</b>	<b>\$ 399,319</b>	<b>\$ 387,040</b>	<b>\$ 3,617,225</b>	<b>\$ 1,378,749</b>	<b>\$ 2,238,476</b>	<b>\$ 1,836,426</b>

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**Statement of Cash Flows**

Seven Months Ending  
January 31, 2025

**Cash flow from operating activities**

Received from patients and third-party payors	\$ 52,070,659
Payments to employees	(32,248,286)
Payments to suppliers for services and goods	(16,691,051)
Other receipts from operations	2,016,710
Net cash provided by operating activities	5,148,032

**Cash flow from capital and related financing activities**

Acquisition and construction of capital assets	(2,219,215)
Proceeds from sale of capital assets	-
Proceeds from county bond tax levy	993,246
Interest paid on long-term debt	(342,876)
Retirement of long-term debt	-
Issuance costs paid on long-term debt	-
Principal payments on bonds and notes payable	(729,167)
Net cash used in capital and related financing activities	(2,298,012)

**Cash flow from investing activities**

Investment income	558,082
Purchase of short-term investments	(898,268)
Net activity of investments internally designated for capital acquisitions	344,155
Purchase of Intangibles	-
Net cash provided by investing activities	3,969

Net increase in cash and cash equivalents	2,853,989
Cash and cash equivalents at beginning of year	20,765,554
Cash and cash equivalents at end of period	\$ 23,619,543

**Reconciliation of operating income to net cash flows  
from operating activities**

Operating income	\$ 2,402,868
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	2,489,662
Provision for uncollectible accounts	1,879,013
Amortization	17,500
Operating tax levy	5,610
Net gains and losses on sale of PPE	-
(Increase) decrease in assets:	
Patient accounts receivable	(1,687,790)
Third-party settlements	(1,085,767)
Inventory	98,037
Other current assets	10,213
Increase (decrease) in liabilities:	
Trade accounts payable	(1,037,360)
Accrued Compensation	556,543
Third Party Settlements	959,707
Other accrued liabilities	539,796
Net cash provided by operating activities	\$ 5,148,032

**Kalkaska Memorial Health Center****Statement of Changes in Net Assets  
Seven Months Ending January 31, 2025**

	Invested in Capital Assets, net of Related Debt	Unrestricted	Total Net Assets
<b>Net Assets at June 30, 2023</b>	\$ 28,202,809	\$ 43,181,354	\$ 71,384,163
Acquisition and construction of capital assets	11,097,151		11,097,151
Depreciation	(3,845,280)		(3,845,280)
Sale of Capital Assets	(10,307)		(10,307)
Net Change in Debt	2,389,599		2,389,599
Increase (Decrease) in Net Assets Net of Amounts Invested in Capital Assets		(3,206,370)	(3,862,284)
Increase (Decrease) in Net Assets	9,631,163	(3,206,370)	5,768,879
<b>Net Assets at June 30, 2024</b>	<b>37,833,972</b>	<b>39,974,984</b>	<b>77,808,956</b>
Acquisition and construction of capital assets	2,219,215		2,219,215
Depreciation	(2,489,662)		(2,489,662)
Sale of Capital Assets	-		-
Capital Grants	-		-
Net Change in Debt	729,167		729,167
Increase (Decrease) in Net Assets Net of Amounts Invested in Capital Assets		3,158,505	3,158,505
Increase (Decrease) in Net Assets	458,720	3,158,505	3,617,225
<b>Net Assets at January 31, 2025</b>	<b>\$ 38,292,692</b>	<b>\$ 43,133,489</b>	<b>\$ 81,426,181</b>

# Kalkaska Memorial Health Center

## Statistical Report

	Month of January 2025				Year to Date Ended January 31, 2025			
	Actual	Budget	Variance	Prior Year	Actual	Budget	Variance	Prior Year
<b>ADMISSIONS:</b>								
Acute Care	34	16	18	17	137	112	25	99
Long Term Care	21	19	2	16	138	131	7	123
Observation	24	14	10	20	163	98	65	111
<b>PATIENT DAYS:</b>								
Acute Care	109	58	51	58	496	402	94	357
Long Term Care-Skilled	293	214	79	198	2,078	1,484	594	1,426
Long Term Care-Basic	1,997	2,242	(245)	2,197	14,397	15,550	(1,153)	15,192
Observation	36	51	(15)	56	340	353	(13)	301
<b>AVERAGE LENGTH OF STAY:</b>								
Acute Care	3.2	3.6	(0.4)	3.4	3.6	3.6	0.0	3.6
<b>DAILY AVERAGE CENSUS:</b>								
Acute Care	3.5	1.9	1.6	1.9	2.3	1.9	0.4	1.7
Long Term Care	73.9	79.2	(5.4)	77.3	76.6	79.2	(2.6)	77.3
<b>PERCENT OF OCCUPANCY:</b>								
Acute Care	44.0%	23.4%	20.6%	23.4%	28.8%	23.4%	5.5%	20.8%
Long Term Care	71.0%	76.2%	-5.1%	74.3%	73.7%	76.2%	-2.5%	74.3%
<b>ANCILLARY DEPARTMENT VOLUME:</b>								
Emergency Room	1,393	1,503	(110)	1,266	9,884	10,425	(541)	9,681
Walk-in Clinic	489	431	58	471	3,460	2,989	471	2,821
Primary Care Physician RVU's	9,438	7,320	2,118	7,565	64,335	50,768	13,567	49,084
Primary Care Physician Encounters	5,030	4,374	656	4,478	34,008	30,336	3,672	28,953
Specialty Clinics	298	432	(134)	361	2,418	2,996	(578)	2,829
KMA Clinic RVU's	8,982	8,587	395	8,897	62,129	59,555	2,574	57,166
Total Outpatient Visits	9,085	7,560	1,525	7,374	55,262	52,432	2,830	51,295
Surgical Procedures	151	173	(22)	190	1,169	1,199	(30)	1,081
Radiology	3,270	3,344	(74)	3,002	23,036	23,194	(158)	22,676
MRI	452	426	26	467	3,136	2,954	182	2,689
Laboratory	22,028	20,587	1,441	19,583	150,264	142,781	7,483	139,117
Physical Therapy	4,901	4,776	125	4,358	33,979	33,126	853	30,362
Chemo Therapy	527	472	55	473	4,020	3,274	746	3,112
Dialysis Treatments	381	458	(77)	392	2,822	3,178	(356)	3,177
Ambulance Transports	246	246	0	219	1,702	1,706	(4)	1,652
Assisted Living Days	976	936	40	930	6,719	6,492	227	6,278
<b>Cost per adjusted IP and LTC day:</b>								
	384.65	311.80	72.85	240.21	353.93	343.64	10.29	238.04
<b>TOTAL FTE'S:</b>								
	534	548	(14)	476	532	532	0	486

## Kalkaska Memorial Health Center

### Additional Financial Information

	January 31, 2025
MTD % increase in net revenue vs. prior year	22.47%
MTD % increase in expense vs. prior year	21.24%
	1.24%
YTD % increase in net revenue vs. prior year	20.66%
YTD % increase in expense vs. prior year	12.85%
	7.81%
LTC Expense per Critical Unit - MTD	\$ 387.73
LTC Expense per Critical Unit - YTD	\$ 329.62
Ambulance Days in AR YTD	67.01
Dialysis number of patients - MTD	57
Dialysis net income - MTD	\$ (28,556)
Dialysis net income - YTD	\$ (131,654)
Assisted Living net income - MTD	\$ (44,133)
Assisted Living net income - YTD	(314,815)
Average Age of Plant (as of 1/31/25)	9.82
Debt to Capitalization Ratio	0.16

### Net Revenue Analysis

	Month of January 2025		
Service Line Revenue % of Total	Actual	Budget	Variance
Inpatient	2.0%	1.1%	0.9%
Outpatient	65.9%	65.9%	0.0%
Professional	13.2%	13.7%	-0.5%
Long-Term Care	9.5%	9.8%	-0.4%
Dialysis Center	3.1%	3.9%	-0.8%
Ambulance	2.9%	3.1%	-0.3%
Retail Pharmacy	2.7%	1.7%	1.0%
Assisted Living	0.8%	0.7%	0.0%
	100.0%	100.0%	0.0%

Revenue Deductions as % of Gross Revenue			
Contractual Allowances	36.3%	43.9%	7.7%
Charity Care	0.8%	0.2%	-0.6%
Bad Debt	2.1%	1.9%	-0.1%
Total Revenue Deductions	39.1%	46.1%	7.0%

	Year to Date Ended January 31, 2025		
Service Line Revenue % of Total	Actual	Budget	Variance
Inpatient	1.4%	1.1%	0.3%
Outpatient	66.6%	65.8%	0.8%
Professional	13.2%	13.7%	-0.5%
Long-Term Care	9.6%	9.8%	-0.3%
Dialysis Center	3.3%	3.9%	-0.7%
Ambulance	2.8%	3.1%	-0.3%
Retail Pharmacy	2.4%	1.7%	0.8%
Assisted Living	0.7%	0.7%	0.0%
	100.0%	100.0%	0.0%

Revenue Deductions as % of Gross Revenue			
Contractual Allowances	44.3%	44.1%	-0.2%
Charity Care	0.6%	0.2%	-0.4%
Bad Debt	1.9%	1.9%	0.0%
Total Revenue Deductions	46.9%	46.2%	-0.6%

# Kalkaska Memorial Health Center

## Payor Mix Schedule

YTD 2025 Revenue %	MCare	MCareHMO	Medicaid	Medicaid Adv	BC	Comm	Priority	Private	Total
Acute including EMS	22.96%	30.14%	0.06%	16.44%	12.87%	8.09%	6.75%	2.68%	100.00%
LTC	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
ER	14.59%	19.97%	0.00%	27.82%	15.78%	7.90%	7.86%	6.09%	100.00%
OR	17.38%	26.41%	0.00%	19.54%	18.41%	7.15%	9.99%	1.11%	100.00%
YTD 2024 Revenue %	MCare	MCareHMO	Medicaid	Medicaid Adv	BC	Comm	Priority	Private	Total
Acute including EMS	22.33%	26.91%	0.03%	19.99%	14.39%	8.14%	6.36%	1.85%	100.00%
LTC	9.43%	14.84%	53.55%	0.00%	0.34%	8.07%	0.00%	13.76%	100.00%
ER	15.00%	17.82%	0.00%	33.20%	15.72%	7.12%	6.97%	4.18%	100.00%
OR	19.42%	27.18%	0.00%	19.24%	18.56%	6.16%	8.01%	1.44%	100.00%
YTD 2023 Revenue %	MCare	MCareHMO	Medicaid	Medicaid Adv	BC	Comm	Priority	Private	Total
Acute including EMS	25.25%	24.14%	0.04%	19.91%	14.01%	6.06%	8.92%	1.68%	100.00%
LTC	7.28%	11.20%	58.48%	0.00%	0.07%	9.15%	0.00%	13.82%	100.00%
ER	17.14%	17.03%	0.00%	34.33%	14.75%	6.07%	7.65%	3.03%	100.00%
OR	21.33%	23.12%	0.00%	16.23%	21.26%	5.71%	11.70%	0.64%	100.00%
YTD 2022 Revenue %	MCare	MCareHMO	Medicaid	Medicaid Adv	BC	Comm	Priority	Private	Total
Acute including EMS	26.04%	22.85%	0.10%	20.11%	13.85%	6.29%	8.83%	1.93%	100.00%
LTC	13.03%	14.23%	55.03%	0.00%	0.00%	5.07%	0.00%	12.65%	100.00%
ER	18.60%	16.15%	0.00%	32.30%	14.86%	6.58%	8.22%	3.29%	100.00%
OR	20.68%	28.47%	0.00%	15.15%	17.74%	6.79%	10.48%	0.69%	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%