

Kalkaska Memorial Health Center

Balance Sheet

	September 30, 2024	June 30, 2024
Assets		
Current Assets		
Cash and Cash Equivalents	\$ 20,845,861	\$ 18,320,675
Short-Term Investments	10,692,629	6,515,371
Accounts Receivable	13,835,205	14,119,177
Third Party Settlements	4,254,675	3,853,844
Due from Affiliates	35,476	24,363
Inventory	478,022	484,119
Other Current Assets	345,722	336,864
Total Current Assets	50,487,590	43,654,413
Investments	7,056,253	10,968,237
Capital Assets (net of Accumulated Depreciation)	50,647,817	51,188,437
Land	1,444,948	1,444,948
Construction In Progress	1,327,940	1,303,680
Other Assets		
Restricted Cash	2,450,178	2,444,879
Other Assets	256,870	264,696
Total Other Assets	2,707,048	2,709,575
Total Assets	\$ 113,671,596	\$ 111,269,290
Liabilities and Net Assets		
Current Liabilities		
Current Maturities - Long-Term Debt	\$ 2,387,359	\$ 2,387,359
Trade Accounts Payable	1,007,575	1,871,392
Accrued Compensation	5,472,352	4,521,276
Third Party Liabilities	5,500,979	4,820,845
Due to Affiliates	5,000,536	4,715,160
Other Current Liabilities	1,655,844	1,398,951
Total Current Liabilities	21,024,645	19,714,983
Long-Term Debt - Less Current Maturities	13,403,234	13,715,734
Other Long-Term Liabilities	20,000	20,000
Deferred Liabilities	17,861	9,617
Total Liabilities	34,465,740	33,460,334
Net Assets		
Invested in Capital Assets, net of Related Debt	43,259,117	43,462,977
Unrestricted	35,946,739	34,345,979
Total Net Assets	79,205,856	77,808,956
Total Liabilities and Net Assets	\$ 113,671,596	\$ 111,269,290

Kalkaska Memorial Health Center
Statement of Operations

	Month of September 2024				Year to Date Ended September 30, 2024			
	Actual	Budget	Variance	Prior Year	Actual	Budget	Variance	Prior Year
Operating Revenue								
Inpatient	\$ 191,885	\$ 145,101	\$ 46,784	\$ 133,257	\$ 506,093	\$ 442,220	\$ 63,873	\$ 315,836
Outpatient	9,390,277	8,420,297	969,980	7,740,466	28,084,549	25,937,949	2,146,600	23,985,038
Professional	1,740,422	1,769,283	(28,861)	1,438,113	5,326,298	5,409,305	(83,007)	4,422,510
Long Term Care	1,327,745	1,266,669	61,076	1,017,204	4,037,752	3,883,551	154,201	3,042,001
Dialysis Center	447,810	505,907	(58,097)	555,820	1,515,047	1,549,659	(34,612)	1,679,958
Ambulance	393,299	402,051	(8,752)	386,545	1,222,034	1,233,181	(11,147)	1,296,519
Retail Pharmacy	366,374	214,775	151,599	180,163	1,025,013	658,319	366,694	580,090
Assisted Living	105,423	95,501	9,922	94,590	310,825	292,827	17,998	288,283
	13,963,235	12,819,584	1,143,651	11,546,158	42,027,611	39,407,011	2,620,600	35,610,235
Revenue Deductions:								
Contractual Allowances	6,883,292	5,672,323	(1,210,969)	5,466,623	19,743,145	17,376,953	(2,366,192)	16,860,937
Provision Charity Care	89,401	28,774	(60,627)	18,274	233,547	88,240	(145,307)	117,245
Provision for Bad Debt	189,517	248,509	58,992	230,266	734,120	762,405	28,285	560,355
	7,162,210	5,949,606	(1,212,604)	5,715,163	20,710,812	18,227,598	(2,483,214)	17,538,537
Net Patient Revenues	6,801,025	6,869,978	(68,953)	5,830,995	21,316,799	21,179,413	137,386	18,071,698
Other Operating Revenues	301,155	311,138	(9,983)	335,745	795,749	805,492	(9,743)	946,670
Total Operating Revenue	7,102,180	7,181,116	(78,936)	6,166,740	22,112,548	21,984,905	127,643	19,018,368
Operating Expenses								
Salaries and Wages	3,575,676	3,622,845	47,169	3,819,209	11,101,787	11,338,096	236,309	10,217,267
Fringe Benefits	537,761	902,503	364,742	749,380	2,276,903	2,707,509	430,606	2,363,860
Contract Labor	35,900	40,903	5,003	7,360	107,427	122,999	15,572	74,343
Physician Fees	83,318	78,850	(4,468)	63,621	276,658	236,550	(40,108)	250,154
Purchased Services	614,792	602,973	(11,819)	623,815	1,731,704	1,782,797	51,093	1,851,031
Pharmaceuticals	842,666	728,161	(114,505)	665,920	2,550,991	2,261,424	(289,567)	2,053,693
Supplies	406,277	376,215	(30,062)	252,876	1,180,787	1,159,228	(21,559)	924,698
Occupancy	94,212	102,229	8,017	90,656	315,839	319,937	4,098	293,064
Equipment, Software & Maintenance	86,192	100,292	14,100	106,158	299,016	301,186	2,170	274,289
Depreciation	349,201	328,204	(20,997)	253,766	1,074,921	984,609	(90,312)	798,391
Insurance	72,372	81,428	9,056	119,422	210,267	244,284	34,017	262,891
Other	45,771	60,332	14,561	65,117	135,475	185,020	49,545	194,936
	6,744,138	7,024,935	280,797	6,817,300	21,261,775	21,643,639	381,864	19,558,617
Less Shared Services	-	-	-	-	-	-	-	-
Total Operating Expenses	6,744,138	7,024,935	280,797	6,817,300	21,261,775	21,643,639	381,864	19,558,617
Income from Operations before Grant Revenue from COVID-19	358,042	156,181	201,861	(650,560)	850,773	341,266	509,507	(540,249)
Grant Revenue COVID-19	-	-	-	750,000	-	-	-	750,000
Operating Income	358,042	156,181	201,861	99,440	850,773	341,266	509,507	209,751
Non-Operating Income (Expense)								
Reserved for Bond Debt	141,976	128,333	13,643	128,054	425,928	384,999	40,929	384,151
Interest on Debt Related to Capital Assets	(49,322)	(49,322)	-	(56,192)	(148,984)	(148,984)	-	(169,595)
Unrealized Gain/Loss on LT Investments	43,826	-	43,826	(4,423)	172,771	-	172,771	42,287
Tax Levy Revenue	801	789	12	783	2,404	2,367	37	2,348
Bond Issuance Cost	-	-	-	-	-	-	-	-
Contributions	(326)	167	(493)	711	(326)	501	(827)	711
Other Income (Loss)	52,298	37,500	14,798	58,592	94,334	112,500	(18,166)	108,163
Total Non-Operating Income (Expense)	189,253	117,467	71,786	127,525	546,127	351,383	194,744	368,065
Total Increase (Decrease) in Net Assets	\$ 547,295	\$ 273,648	\$ 273,647	\$ 226,965	\$ 1,396,900	\$ 692,649	\$ 704,251	\$ 577,816

Statement of Cash Flows

Three Months Ending
September 30, 2024

Cash flow from operating activities

Received from patients and third-party payors	\$ 21,868,961
Payments to employees	(12,427,614)
Payments to suppliers for services and goods	(7,124,229)
Other receipts from operations	798,153
Net cash provided by operating activities	3,115,271

Cash flow from capital and related financing activities

Acquisition and construction of capital assets	(551,061)
Proceeds from sale of capital assets	-
Proceeds from county bond tax levy	425,928
Interest paid on long-term debt	(148,984)
Retirement of long-term debt	-
Issuance costs paid on long-term debt	-
Principal payments on bonds and notes payable	(312,500)
Net cash used in capital and related financing activities	(586,617)

Cash flow from investing activities

Investment income	267,105
Purchase of short-term investments	(4,177,258)
Net activity of investments internally designated for capital acquisitions	3,911,984
Purchase of Intangibles	-
Net cash provided by investing activities	1,831

Net increase in cash and cash equivalents	2,530,485
Cash and cash equivalents at beginning of year	20,765,554
Cash and cash equivalents at end of period	\$ 23,296,039

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

Operating income	\$ 850,773
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	1,067,421
Provision for uncollectible accounts	734,120
Amortization	7,500
Operating tax levy	2,404
Net gains and losses on sale of PPE	-
(Increase) decrease in assets:	
Patient accounts receivable	(461,261)
Third-party settlements	(400,831)
Inventory	6,097
Other current assets	(8,858)
Increase (decrease) in liabilities:	
Trade accounts payable	(578,441)
Accrued Compensation	951,076
Third Party Settlements	680,134
Other accrued liabilities	265,137
Net cash provided by operating activities	\$ 3,115,271

Kalkaska Memorial Health Center**Statement of Changes in Net Assets
Three Months Ending September 30, 2024**

	Invested in Capital Assets, net of Related Debt	Unrestricted	Total Net Assets
Net Assets at June 30, 2023	\$ 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
Net Assets at June 30, 2024	37,833,972	39,974,984	77,808,956
Acquisition and construction of capital assets	551,061		551,061
Depreciation	(1,067,421)		(1,067,421)
Sale of Capital Assets	-		-
Capital Grants	-		-
Net Change in Debt	312,500		312,500
Increase (Decrease) in Net Assets Net of Amounts Invested in Capital Assets		1,600,760	1,600,760
Increase (Decrease) in Net Assets	(203,860)	1,600,760	1,396,900
Net Assets at September 30, 2024	\$ 37,630,112	\$ 41,575,744	\$ 79,205,856

Kalkaska Memorial Health Center

Statistical Report

	Month of September 2024				Year to Date Ended September 30, 2024			
	Actual	Budget	Variance	Prior Year	Actual	Budget	Variance	Prior Year
ADMISSIONS:								
Acute Care	17	16	1	10	50	48	2	37
Long Term Care	19	18	1	18	62	56	6	53
Observation	24	14	10	20	73	42	31	57
PATIENT DAYS:								
Acute Care	62	56	6	44	176	172	4	138
Long Term Care-Skilled	292	207	85	222	936	635	301	627
Long Term Care-Basic	2,031	2,170	(139)	2,143	6,253	6,654	(401)	6,471
Observation	47	49	(2)	60	178	151	27	154
AVERAGE LENGTH OF STAY:								
Acute Care	3.6	3.5	0.1	4.4	3.5	3.6	(0.1)	3.7
DAILY AVERAGE CENSUS:								
Acute Care	2.1	1.9	0.2	1.5	1.9	1.9	0.0	1.5
Long Term Care	77.4	79.2	(1.8)	78.8	78.1	79.2	(1.1)	77.2
PERCENT OF OCCUPANCY:								
Acute Care	25.8%	23.3%	2.5%	18.3%	23.9%	23.4%	0.5%	18.8%
Long Term Care	74.5%	76.2%	-1.7%	75.8%	75.1%	76.2%	-1.0%	74.2%
ANCILLARY DEPARTMENT VOLUME:								
Emergency Room	1,357	1,455	(98)	1,413	4,473	4,461	12	4,612
Walk-in Clinic	430	417	13	375	1,379	1,279	100	1,017
Primary Care Physician RVU's	11,380	7,084	4,296	5,838	26,639	21,724	4,915	19,345
Primary Care Physician Encounters	4,808	4,233	575	3,245	14,283	12,981	1,302	11,362
Specialty Clinics	257	418	(161)	340	1,094	1,282	(188)	1,309
KMA Clinic RVU's	8,708	8,310	398	7,890	25,939	25,484	455	23,701
Total Outpatient Visits	7,578	7,316	262	7,218	23,245	22,436	809	22,483
Surgical Procedures	149	167	(18)	120	498	513	(15)	442
Radiology	3,161	3,237	(76)	3,244	10,133	9,925	208	10,025
MRI	426	412	14	335	1,425	1,264	573	1,114
Laboratory	20,336	19,923	413	20,582	64,683	61,097	3,586	61,937
Physical Therapy	4,793	4,623	170	4,385	14,773	14,175	598	13,208
Chemo Therapy	705	457	248	470	1,702	1,401	301	1,388
Dialysis Treatments	386	444	(58)	488	1,340	1,360	(20)	1,517
Ambulance Transports	242	238	4	242	774	730	44	788
Assisted Living Days	955	906	49	902	2,886	2,778	108	2,771
Cost per adjusted IP and LTC day:								
	280.14	290.09	(9.95)	261.64	283.97	291.95	(7.99)	236.28
TOTAL FTE'S:								
	518	517	1	478	525	530	(5)	486

Kalkaska Memorial Health Center

Additional Financial Information

	September 30, 2024
MTD % increase in net revenue vs. prior year	16.64%
MTD % increase in expense vs. prior year	-1.07%
	17.71%
YTD % increase in net revenue vs. prior year	17.96%
YTD % increase in expense vs. prior year	8.71%
	9.25%
LTC Expense per Critical Unit - MTD	\$ 289.70
LTC Expense per Critical Unit - YTD	\$ 294.94
Ambulance Days in AR YTD	59.65
Dialysis number of patients - MTD	57
Dialysis net income - MTD	\$ (31,731)
Dialysis net income - YTD	\$ (43,982)
Assisted Living net income - MTD	\$ (25,096)
Assisted Living net income - YTD	(146,582)
Average Age of Plant (as of 9/30/24)	9.57
Debt to Capitalization Ratio	0.17

Net Revenue Analysis

	Month of September 2024		
Service Line Revenue % of Total	Actual	Budget	Variance
Inpatient	1.4%	1.1%	0.2%
Outpatient	67.3%	65.7%	1.6%
Professional	12.5%	13.8%	-1.3%
Long-Term Care	9.5%	9.9%	-0.4%
Dialysis Center	3.2%	3.9%	-0.7%
Ambulance	2.8%	3.1%	-0.3%
Retail Pharmacy	2.6%	1.7%	0.9%
Assisted Living	0.8%	0.7%	0.0%
	100.0%	100.0%	0.0%

Revenue Deductions as % of Gross Revenue			
Contractual Allowances	49.3%	44.2%	-5.0%
Charity Care	0.6%	0.2%	-0.4%
Bad Debt	1.4%	1.9%	0.6%
Total Revenue Deductions	51.3%	46.4%	-4.9%

	Year to Date Ended September 30, 2024		
Service Line Revenue % of Total	Actual	Budget	Variance
Inpatient	1.2%	1.1%	0.1%
Outpatient	66.8%	65.8%	1.0%
Professional	12.7%	13.7%	-1.1%
Long-Term Care	9.6%	9.9%	-0.2%
Dialysis Center	3.6%	3.9%	-0.3%
Ambulance	2.9%	3.1%	-0.2%
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	47.0%	44.1%	-2.9%
Charity Care	0.6%	0.2%	-0.3%
Bad Debt	1.7%	1.9%	0.2%
Total Revenue Deductions	49.3%	46.3%	-3.0%

Kalkaska Memorial Health Center

Payor Mix Schedule

YTD 2025 Revenue %	MCare	MCareHMO	Medicaid	Medicaid Adv	BC	Comm	Priority	Private	Total
Acute including EMS	21.71%	30.97%	0.12%	16.81%	12.10%	8.97%	6.29%	3.04%	100.00%
LTC	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
ER	14.95%	21.11%	0.00%	26.19%	15.81%	8.25%	7.19%	6.49%	100.00%
OR	16.35%	26.30%	0.00%	19.12%	16.52%	10.64%	8.84%	2.23%	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%