

Kalkaska Memorial Health Center

Balance Sheet

	November 30, 2024	June 30, 2024
Assets		
Current Assets		
Cash and Cash Equivalents	\$ 20,209,790	\$ 18,320,675
Short-Term Investments	9,926,293	6,515,371
Accounts Receivable	14,647,055	14,119,177
Third Party Settlements	3,815,280	3,853,844
Due from Affiliates	28,443	24,363
Inventory	657,807	484,119
Other Current Assets	382,082	336,864
Total Current Assets	49,666,750	43,654,413
Investments	8,024,815	10,968,237
Capital Assets (net of Accumulated Depreciation)	49,829,900	51,188,437
Land	1,444,948	1,444,948
Construction In Progress	1,927,759	1,303,680
Other Assets		
Restricted Cash	2,397,713	2,444,879
Other Assets	251,870	264,696
Total Other Assets	2,649,583	2,709,575
Total Assets	\$ 113,543,755	\$ 111,269,290
Liabilities and Net Assets		
Current Liabilities		
Current Maturities - Long-Term Debt	\$ 2,387,359	\$ 2,387,359
Trade Accounts Payable	836,648	1,871,392
Accrued Compensation	3,976,519	4,521,276
Third Party Liabilities	5,832,836	4,820,845
Due to Affiliates	4,811,910	4,715,160
Other Current Liabilities	1,845,747	1,398,951
Total Current Liabilities	19,691,019	19,714,983
Long-Term Debt - Less Current Maturities	13,194,900	13,715,734
Other Long-Term Liabilities	20,000	20,000
Deferred Liabilities	16,258	9,617
Total Liabilities	32,922,177	33,460,334
Net Assets		
Invested in Capital Assets, net of Related Debt	43,249,353	43,462,977
Unrestricted	37,372,225	34,345,979
Total Net Assets	80,621,578	77,808,956
Total Liabilities and Net Assets	\$ 113,543,755	\$ 111,269,290

Kalkaska Memorial Health Center
Statement of Operations

	Month of November 2024				Year to Date Ended November 30, 2024			
	Actual	Budget	Variance	Prior Year	Actual	Budget	Variance	Prior Year
Operating Revenue								
Inpatient	\$ 164,957	\$ 145,101	\$ 19,856	\$ 121,055	\$ 864,512	\$ 736,524	\$ 127,988	\$ 612,917
Outpatient	9,453,773	8,420,297	1,033,476	7,927,666	46,656,507	43,152,630	3,503,877	40,629,031
Professional	1,876,063	1,769,283	106,780	1,604,352	9,391,327	9,008,656	382,671	7,646,987
Long Term Care	1,366,998	1,266,669	100,329	1,023,293	6,791,598	6,458,661	332,937	5,108,283
Dialysis Center	408,797	505,907	(97,110)	470,011	2,367,537	2,577,442	(209,905)	2,677,725
Ambulance	362,977	402,051	(39,074)	341,199	1,946,314	2,050,797	(104,483)	1,993,526
Retail Pharmacy	318,100	214,775	103,325	229,066	1,678,293	1,094,866	583,427	1,002,093
Assisted Living	95,160	95,501	(341)	85,532	505,876	486,991	18,885	464,550
	14,046,825	12,819,584	1,227,241	11,802,174	70,201,964	65,566,567	4,635,397	60,135,112
Revenue Deductions:								
Contractual Allowances	6,273,659	5,672,323	(601,336)	5,592,682	31,868,261	28,910,961	(2,957,300)	28,488,530
Provision Charity Care	117,885	28,774	(89,111)	44,825	436,922	146,747	(290,175)	174,840
Provision for Bad Debt	354,677	248,509	(106,168)	130,965	1,320,016	1,267,862	(52,154)	845,663
	6,746,221	5,949,606	(796,615)	5,768,472	33,625,199	30,325,570	(3,299,629)	29,509,033
Net Patient Revenues	7,300,604	6,869,978	430,626	6,033,702	36,576,765	35,240,997	1,335,768	30,626,079
Other Operating Revenues	353,942	311,138	42,804	431,907	1,468,458	1,430,990	37,468	1,750,467
Total Operating Revenue	7,654,546	7,181,116	473,430	6,465,609	38,045,223	36,671,987	1,373,236	32,376,546
Operating Expenses								
Salaries and Wages	3,483,939	3,622,845	138,906	3,059,985	18,676,932	18,896,900	219,968	16,620,919
Fringe Benefits	1,042,355	902,503	(139,852)	847,707	4,144,922	4,512,515	367,593	4,144,787
Contract Labor	-	40,903	40,903	30,183	188,225	204,950	16,725	133,264
Physician Fees	94,281	78,850	(15,431)	74,358	460,600	394,250	(66,350)	365,273
Purchased Services	526,836	580,973	54,137	555,363	2,915,732	2,954,857	39,125	3,054,362
Pharmaceuticals	703,111	728,161	25,050	695,685	4,184,376	3,765,320	(419,056)	3,568,563
Supplies	436,264	376,212	(60,052)	348,418	2,161,174	1,924,103	(237,071)	1,643,169
Occupancy	83,626	102,229	18,603	89,464	478,443	524,395	45,952	473,454
Equipment, Software & Maintenance	123,135	100,292	(22,843)	63,442	486,196	502,927	16,731	479,306
Depreciation	362,987	328,206	(34,781)	268,601	1,787,886	1,641,020	(146,866)	1,337,346
Insurance	138,089	81,428	(56,661)	63,940	452,992	407,140	(45,852)	397,880
Other	43,217	56,332	13,115	43,759	231,946	301,597	69,651	275,521
	7,037,840	6,998,934	(38,906)	6,140,905	36,169,424	36,029,974	(139,450)	32,493,844
Less Shared Services	-	-	-	-	-	-	-	-
Total Operating Expenses	7,037,840	6,998,934	(38,906)	6,140,905	36,169,424	36,029,974	(139,450)	32,493,844
Income from Operations before Grant Revenue from COVID-19	616,706	182,182	434,524	324,704	1,875,799	642,013	1,233,786	(117,298)
Grant Revenue COVID-19	-	-	-	-	-	-	-	750,000
Operating Income	616,706	182,182	434,524	324,704	1,875,799	642,013	1,233,786	632,702
Non-Operating Income (Expense)								
Reserved for Bond Debt	141,976	128,333	13,643	128,223	709,294	641,665	67,629	640,485
Interest on Debt Related to Capital Assets	(48,643)	(48,643)	-	(55,514)	(246,609)	(246,609)	-	(280,962)
Unrealized Gain/Loss on LT Investments	19,817	-	19,817	55,120	175,818	-	175,818	109,864
Tax Levy Revenue	801	789	12	783	4,007	3,945	62	3,913
Bond Issuance Cost	-	-	-	-	-	-	-	-
Contributions	-	167	(167)	-	(326)	835	(1,161)	711
Other Income (Loss)	164,278	37,500	126,778	173,571	294,639	187,500	107,139	316,850
Total Non-Operating Income (Expense)	278,229	118,146	160,083	302,183	936,823	587,336	349,487	790,861
Total Increase (Decrease) in Net Assets	\$ 894,935	\$ 300,328	\$ 594,607	\$ 626,887	\$ 2,812,622	\$ 1,229,349	\$ 1,583,273	\$ 1,423,563

Statement of Cash Flows

Five Months Ending
November 30, 2024

Cash flow from operating activities

Received from patients and third-party payors	\$ 37,095,362
Payments to employees	(23,366,611)
Payments to suppliers for services and goods	(12,263,147)
Other receipts from operations	1,472,465
Net cash provided by operating activities	2,938,069

Cash flow from capital and related financing activities

Acquisition and construction of capital assets	(1,040,928)
Proceeds from sale of capital assets	-
Proceeds from county bond tax levy	709,294
Interest paid on long-term debt	(246,609)
Retirement of long-term debt	-
Issuance costs paid on long-term debt	-
Principal payments on bonds and notes payable	(520,834)
Net cash used in capital and related financing activities	(1,099,077)

Cash flow from investing activities

Investment income	470,457
Purchase of short-term investments	(3,410,922)
Net activity of investments internally designated for capital acquisitions	2,943,422
Purchase of Intangibles	-
Net cash provided by investing activities	2,957

Net increase in cash and cash equivalents	1,841,949
Cash and cash equivalents at beginning of year	20,765,554
Cash and cash equivalents at end of period	\$ 22,607,503

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

Operating income	\$ 1,875,799
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	1,775,386
Provision for uncollectible accounts	1,320,016
Amortization	12,500
Operating tax levy	4,007
Net gains and losses on sale of PPE	-
(Increase) decrease in assets:	
Patient accounts receivable	(1,851,974)
Third-party settlements	38,564
Inventory	(173,688)
Other current assets	(45,218)
Increase (decrease) in liabilities:	
Trade accounts payable	(937,994)
Accrued Compensation	(544,757)
Third Party Settlements	1,011,991
Other accrued liabilities	453,437
Net cash provided by operating activities	\$ 2,938,069

Kalkaska Memorial Health Center**Statement of Changes in Net Assets
Five Months Ending November 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	1,040,928		1,040,928
Depreciation	(1,775,386)		(1,775,386)
Sale of Capital Assets	-		-
Capital Grants	-		-
Net Change in Debt	520,834		520,834
Increase (Decrease) in Net Assets Net of Amounts Invested in Capital Assets		3,026,246	3,026,246
Increase (Decrease) in Net Assets	(213,624)	3,026,246	2,812,622
Net Assets at November 30, 2024	\$ 37,620,348	\$ 43,001,230	\$ 80,621,578

Kalkaska Memorial Health Center

Statistical Report

	Month of November 2024				Year to Date Ended November 30, 2024			
	Actual	Budget	Variance	Prior Year	Actual	Budget	Variance	Prior Year
ADMISSIONS:								
Acute Care	19	16	3	16	84	80	4	70
Long Term Care	12	18	(6)	16	97	93	4	91
Observation	15	14	1	12	115	70	45	78
PATIENT DAYS:								
Acute Care	67	56	11	48	316	286	30	247
Long Term Care-Skilled	300	207	93	206	1,568	1,056	512	1,041
Long Term Care-Basic	1,991	2,170	(179)	2,100	10,355	11,066	(711)	10,806
Observation	30	49	(19)	26	258	251	7	221
AVERAGE LENGTH OF STAY:								
Acute Care	3.5	3.5	0.0	3.0	3.8	3.6	0.2	3.5
DAILY AVERAGE CENSUS:								
Acute Care	2.2	1.9	0.4	1.6	2.1	1.9	0.2	1.6
Long Term Care	76.4	79.2	(2.9)	76.9	77.9	79.2	(1.3)	77.4
PERCENT OF OCCUPANCY:								
Acute Care	27.9%	23.3%	4.6%	20.0%	25.8%	23.4%	2.5%	20.2%
Long Term Care	73.4%	76.2%	-2.8%	73.9%	74.9%	76.2%	-1.3%	74.5%
ANCILLARY DEPARTMENT VOLUME:								
Emergency Room	1,324	1,455	(131)	1,192	7,180	7,419	(239)	7,108
Walk-in Clinic	560	417	143	415	2,466	2,127	339	1,874
Primary Care Physician RVU's	8,701	7,084	1,617	7,127	46,178	36,128	10,050	34,999
Primary Care Physician Encounters	4,900	4,233	667	4,243	24,553	21,588	2,965	20,617
Specialty Clinics	356	418	(62)	372	1,848	2,132	(284)	2,094
KMA Clinic RVU's	8,764	8,310	454	8,283	44,868	42,381	2,487	40,616
Total Outpatient Visits	7,349	7,316	33	6,992	39,148	37,312	1,836	37,131
Surgical Procedures	158	167	(9)	119	864	853	11	750
Radiology	3,072	3,237	(165)	3,246	16,711	16,506	205	16,637
MRI	434	412	22	341	2,322	2,102	220	1,878
Laboratory	20,609	19,923	686	18,362	108,857	101,607	7,250	100,523
Physical Therapy	4,743	4,623	120	4,208	24,737	23,574	1,163	22,153
Chemo Therapy	719	457	262	385	2,838	2,330	508	2,306
Dialysis Treatments	359	444	(85)	423	2,090	2,262	(172)	2,390
Ambulance Transports	218	238	(20)	199	1,210	1,214	(4)	1,215
Assisted Living Days	928	906	22	810	4,753	4,620	133	4,466
Cost per adjusted IP and LTC day:								
	297.30	288.97	8.33	230.78	293.90	291.74	2.16	233.89
TOTAL FTE'S:								
	542	517	25	489	530	531	(1)	487

Kalkaska Memorial Health Center

Additional Financial Information

	November 30, 2024
MTD % increase in net revenue vs. prior year	21.00%
MTD % increase in expense vs. prior year	<u>14.61%</u>
	6.39%
YTD % increase in net revenue vs. prior year	19.43%
YTD % increase in expense vs. prior year	<u>11.31%</u>
	8.12%
LTC Expense per Critical Unit - MTD	\$ 293.40
LTC Expense per Critical Unit - YTD	\$ 319.73
Ambulance Days in AR YTD	62.94
Dialysis number of patients - MTD	57
Dialysis net income - MTD	\$ (39,244)
Dialysis net income - YTD	\$ (97,143)
Assisted Living net income - MTD	\$ (42,716)
Assisted Living net income - YTD	(227,024)
Average Age of Plant (as of 11/30/24)	9.37
Debt to Capitalization Ratio	0.16

Net Revenue Analysis

	Month of November 2024		
Service Line Revenue % of Total	Actual	Budget	Variance
Inpatient	1.2%	1.1%	0.0%
Outpatient	67.3%	65.7%	1.6%
Professional	13.4%	13.8%	-0.4%
Long-Term Care	9.7%	9.9%	-0.1%
Dialysis Center	2.9%	3.9%	-1.0%
Ambulance	2.6%	3.1%	-0.6%
Retail Pharmacy	2.3%	1.7%	0.6%
Assisted Living	0.7%	0.7%	-0.1%
	<u>100.0%</u>	<u>100.0%</u>	<u>0.0%</u>

Revenue Deductions as % of Gross Revenue			
Contractual Allowances	44.7%	44.2%	-0.4%
Charity Care	0.8%	0.2%	-0.6%
Bad Debt	2.5%	1.9%	-0.6%
Total Revenue Deductions	<u>48.0%</u>	<u>46.4%</u>	<u>-1.6%</u>

	Year to Date Ended November 30, 2024		
Service Line Revenue % of Total	Actual	Budget	Variance
Inpatient	1.2%	1.1%	0.1%
Outpatient	66.5%	65.8%	0.6%
Professional	13.4%	13.7%	-0.4%
Long-Term Care	9.7%	9.9%	-0.2%
Dialysis Center	3.4%	3.9%	-0.6%
Ambulance	2.8%	3.1%	-0.4%
Retail Pharmacy	2.4%	1.7%	0.7%
Assisted Living	0.7%	0.7%	0.0%
	<u>100.0%</u>	<u>100.0%</u>	<u>0.0%</u>

Revenue Deductions as % of Gross Revenue			
Contractual Allowances	45.4%	44.1%	-1.3%
Charity Care	0.6%	0.2%	-0.4%
Bad Debt	1.9%	1.9%	0.1%
Total Revenue Deductions	<u>47.9%</u>	<u>46.3%</u>	<u>-1.6%</u>

Kalkaska Memorial Health Center

Payor Mix Schedule

YTD 2025 Revenue %	MCare	MCareHMO	Medicaid	Medicaid Adv	BC	Comm	Priority	Private	Total
Acute including EMS	22.95%	30.38%	0.09%	16.44%	12.74%	8.31%	6.33%	2.75%	100.00%
LTC	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
ER	14.51%	19.73%	0.00%	27.57%	15.58%	7.80%	8.03%	6.78%	100.00%
OR	17.00%	24.00%	0.00%	21.37%	17.19%	8.23%	10.10%	2.09%	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%