

# Kalkaska Memorial Health Center

## Balance Sheet

	December 31, 2024	June 30, 2024
<b>Assets</b>		
<b>Current Assets</b>		
Cash and Cash Equivalents	\$ 21,612,923	\$ 18,320,675
Short-Term Investments	9,974,579	6,515,371
Accounts Receivable	13,977,638	14,119,177
Third Party Settlements	4,113,016	3,853,844
Due from Affiliates	22,278	24,363
Inventory	548,263	484,119
Other Current Assets	402,464	336,864
Total Current Assets	50,651,161	43,654,413
<b>Investments</b>	8,034,804	10,968,237
<b>Capital Assets (net of Accumulated Depreciation)</b>	49,833,798	51,188,437
<b>Land</b>	1,444,948	1,444,948
<b>Construction In Progress</b>	1,927,759	1,303,680
<b>Other Assets</b>		
Restricted Cash	2,406,717	2,444,879
Other Assets	249,991	264,696
Total Other Assets	2,656,708	2,709,575
Total Assets	<b>\$ 114,549,178</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	2,745,760	1,871,392
Accrued Compensation	4,340,822	4,521,276
Third Party Liabilities	5,871,440	4,820,845
Due to Affiliates	2,970,648	4,715,160
Other Current Liabilities	1,884,888	1,398,951
Total Current Liabilities	20,200,917	19,714,983
<b>Long-Term Debt - Less Current Maturities</b>	13,090,734	13,715,734
<b>Other Long-Term Liabilities</b>	20,000	20,000
<b>Deferred Liabilities</b>	15,457	9,617
Total Liabilities	33,327,108	33,460,334
<b>Net Assets</b>		
Invested in Capital Assets, net of Related Debt	43,357,417	43,462,977
Unrestricted	37,864,653	34,345,979
Total Net Assets	81,222,070	77,808,956
Total Liabilities and Net Assets	<b>\$ 114,549,178</b>	<b>\$ 111,269,290</b>

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

	Month of December 2024				Year to Date Ended December 31, 2024			
	Actual	Budget	Variance	Prior Year	Actual	Budget	Variance	Prior Year
<b>Operating Revenue</b>								
Inpatient	\$ 209,649	\$ 149,203	\$ 60,446	\$ 135,720	\$ 1,074,161	\$ 885,727	\$ 188,434	\$ 748,637
Outpatient	9,510,854	8,723,268	787,586	6,730,578	56,167,361	51,875,898	4,291,463	47,359,609
Professional	1,740,480	1,830,068	(89,588)	1,402,683	11,131,806	10,838,724	293,082	9,049,670
Long Term Care	1,273,315	1,308,441	(35,126)	1,007,751	8,064,913	7,767,102	297,811	6,116,034
Dialysis Center	394,654	521,876	(127,222)	443,460	2,762,191	3,099,318	(337,127)	3,121,185
Ambulance	407,891	415,565	(7,674)	357,228	2,354,205	2,466,362	(112,157)	2,350,754
Retail Pharmacy	342,207	221,772	120,435	211,945	2,020,500	1,316,638	703,862	1,214,038
Assisted Living	104,233	98,663	5,570	91,095	610,109	585,654	24,455	555,645
	13,983,283	13,268,856	714,427	10,380,460	84,185,246	78,835,423	5,349,823	70,515,572
Revenue Deductions:								
Contractual Allowances	6,543,508	5,861,685	(681,823)	4,393,422	38,411,770	34,772,646	(3,639,124)	32,881,952
Provision Charity Care	56,325	29,733	(26,592)	16,463	493,246	176,480	(316,766)	191,303
Provision for Bad Debt	275,709	256,948	(18,761)	289,032	1,595,724	1,524,810	(70,914)	1,134,695
	6,875,542	6,148,366	(727,176)	4,698,917	40,500,740	36,473,936	(4,026,804)	34,207,950
Net Patient Revenues	7,107,741	7,120,490	(12,749)	5,681,543	43,684,506	42,361,487	1,323,019	36,307,622
Other Operating Revenues	325,829	314,360	11,469	410,912	1,794,286	1,745,350	48,936	2,161,379
Total Operating Revenue	7,433,570	7,434,850	(1,280)	6,092,455	45,478,792	44,106,837	1,371,955	38,469,001
<b>Operating Expenses</b>								
Salaries and Wages	3,756,690	3,779,292	22,602	3,223,827	22,433,621	22,676,192	242,571	19,844,746
Fringe Benefits	700,267	902,503	202,236	913,500	4,845,189	5,415,018	569,829	5,058,287
Contract Labor	60,987	41,048	(19,939)	32,638	249,212	245,998	(3,214)	165,902
Physician Fees	77,334	78,850	1,516	67,270	537,934	473,100	(64,834)	432,543
Purchased Services	569,071	588,353	19,282	599,708	3,484,803	3,543,210	58,407	3,654,070
Pharmaceuticals	803,172	757,528	(45,644)	559,971	4,987,547	4,522,848	(464,699)	4,128,534
Supplies	394,993	388,046	(6,947)	336,064	2,556,167	2,312,149	(244,018)	1,979,233
Occupancy	90,792	103,179	12,387	88,479	569,234	627,574	58,340	561,933
Equipment, Software & Maintenance	68,831	104,449	35,618	63,360	555,027	607,376	52,349	542,667
Depreciation	366,701	328,207	(38,494)	268,508	2,154,586	1,969,227	(185,359)	1,605,854
Insurance	52,260	81,428	29,168	63,548	505,252	488,568	(16,684)	461,427
Other	45,852	55,845	9,993	49,590	277,802	357,442	79,640	325,111
	6,986,950	7,208,728	221,778	6,266,463	43,156,374	43,238,702	82,328	38,760,307
Less Shared Services	-	-	-	-	-	-	-	-
Total Operating Expenses	6,986,950	7,208,728	221,778	6,266,463	43,156,374	43,238,702	82,328	38,760,307
<b>Income from Operations before Grant Revenue from COVID-19</b>	446,620	226,122	220,498	(174,008)	2,322,418	868,135	1,454,283	(291,306)
<b>Grant Revenue COVID-19</b>	-	-	-	-	-	-	-	750,000
<b>Operating Income</b>	446,620	226,122	220,498	(174,008)	2,322,418	868,135	1,454,283	458,694
<b>Non-Operating Income (Expense)</b>								
Reserved for Bond Debt	141,976	128,333	13,643	128,223	851,270	769,998	81,272	768,708
Interest on Debt Related to Capital Assets	(48,304)	(58,304)	10,000	(55,174)	(294,912)	(294,912)	-	(336,136)
Unrealized Gain/Loss on LT Investments	(11,772)	-	(11,772)	57,344	164,046	-	164,046	167,208
Tax Levy Revenue	801	789	12	783	4,808	4,734	74	4,696
Bond Issuance Cost	-	-	-	-	-	-	-	-
Contributions	621	167	454	2,252	295	1,002	(707)	2,963
Other Income (Loss)	70,550	37,500	33,050	66,399	365,189	225,000	140,189	383,249
Total Non-Operating Income (Expense)	153,872	108,485	45,387	199,827	1,090,696	705,822	384,874	990,688
<b>Total Increase (Decrease) in Net Assets</b>	<b>\$ 600,492</b>	<b>\$ 334,607</b>	<b>\$ 265,885</b>	<b>\$ 25,819</b>	<b>\$ 3,413,114</b>	<b>\$ 1,573,957</b>	<b>\$ 1,839,157</b>	<b>\$ 1,449,382</b>

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**Statement of Cash Flows**

Six Months Ending  
December 31, 2024

**Cash flow from operating activities**

Received from patients and third-party payors	\$ 44,619,553
Payments to employees	(27,459,264)
Payments to suppliers for services and goods	(14,231,089)
Other receipts from operations	1,799,094
Net cash provided by operating activities	4,728,294

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

Acquisition and construction of capital assets	(1,409,026)
Proceeds from sale of capital assets	-
Proceeds from county bond tax levy	851,270
Interest paid on long-term debt	(294,912)
Retirement of long-term debt	-
Issuance costs paid on long-term debt	-
Principal payments on bonds and notes payable	(625,000)
Net cash used in capital and related financing activities	(1,477,668)

**Cash flow from investing activities**

Investment income	529,235
Purchase of short-term investments	(3,459,208)
Net activity of investments internally designated for capital acquisitions	2,933,433
Purchase of Intangibles	-
Net cash provided by investing activities	3,460

Net increase in cash and cash equivalents	3,254,086
Cash and cash equivalents at beginning of year	20,765,554
Cash and cash equivalents at end of period	\$ 24,019,640

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

Operating income	\$ 2,322,418
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	2,139,586
Provision for uncollectible accounts	1,595,724
Amortization	15,000
Operating tax levy	4,808
Net gains and losses on sale of PPE	-
(Increase) decrease in assets:	
Patient accounts receivable	(1,452,100)
Third-party settlements	(259,172)
Inventory	(64,144)
Other current assets	(65,600)
Increase (decrease) in liabilities:	
Trade accounts payable	(870,144)
Accrued Compensation	(180,454)
Third Party Settlements	1,050,595
Other accrued liabilities	491,777
Net cash provided by operating activities	\$ 4,728,294

# Kalkaska Memorial Health Center

## Statement of Changes in Net Assets Six Months Ending December 31, 2024

	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	1,409,026		1,409,026
Depreciation	(2,139,586)		(2,139,586)
Sale of Capital Assets	-		-
Capital Grants	-		-
Net Change in Debt	625,000		625,000
Increase (Decrease) in Net Assets Net of Amounts Invested in Capital Assets		3,518,674	3,518,674
Increase (Decrease) in Net Assets	(105,560)	3,518,674	3,413,114
<b>Net Assets at December 31, 2024</b>	<b>\$ 37,728,412</b>	<b>\$ 43,493,658</b>	<b>\$ 81,222,070</b>

# Kalkaska Memorial Health Center

## Statistical Report

	Month of December 2024				Year to Date Ended December 31, 2024			
	Actual	Budget	Variance	Prior Year	Actual	Budget	Variance	Prior Year
<b>ADMISSIONS:</b>								
Acute Care	19	16	3	12	103	96	7	82
Long Term Care	20	19	1	16	117	112	5	107
Observation	24	14	10	13	139	84	55	91
<b>PATIENT DAYS:</b>								
Acute Care	71	58	13	52	387	344	43	299
Long Term Care-Skilled	217	214	3	187	1,785	1,270	515	1,228
Long Term Care-Basic	2,045	2,242	(197)	2,189	12,400	13,308	(908)	12,995
Observation	46	51	(5)	24	304	302	2	245
<b>AVERAGE LENGTH OF STAY:</b>								
Acute Care	3.7	3.6	0.1	4.3	3.8	3.6	0.2	3.6
<b>DAILY AVERAGE CENSUS:</b>								
Acute Care	2.3	1.9	0.4	1.7	2.1	1.9	0.2	1.6
Long Term Care	73.0	79.2	(6.3)	76.6	77.1	79.2	(2.1)	77.3
<b>PERCENT OF OCCUPANCY:</b>								
Acute Care	28.6%	23.4%	5.2%	21.0%	26.3%	23.4%	2.9%	20.3%
Long Term Care	70.2%	76.2%	-6.0%	73.7%	74.1%	76.2%	-2.1%	74.3%
<b>ANCILLARY DEPARTMENT VOLUME:</b>								
Emergency Room	1,311	1,503	(192)	1,307	8,491	8,922	(431)	8,415
Walk-in Clinic	505	431	74	476	2,971	2,558	413	2,350
Primary Care Physician RVU's	8,719	7,320	1,399	6,520	54,897	43,448	11,449	41,519
Primary Care Physician Encounters	4,425	4,374	51	3,858	28,978	25,962	3,016	24,475
Specialty Clinics	272	432	(160)	373	2,120	2,564	(444)	2,468
KMA Clinic RVU's	8,280	8,587	(307)	7,654	53,147	50,968	2,179	48,270
Total Outpatient Visits	7,029	7,560	(531)	6,790	46,177	44,872	1,305	43,921
Surgical Procedures	154	173	(19)	141	1,018	1,026	(8)	891
Radiology	3,055	3,344	(289)	3,037	19,766	19,850	(84)	19,674
MRI	362	426	(64)	344	2,684	2,528	156	2,222
Laboratory	19,379	20,587	(1,208)	19,011	128,236	122,194	6,042	119,534
Physical Therapy	4,341	4,776	(435)	3,851	29,078	28,350	728	26,004
Chemo Therapy	655	472	183	333	3,493	2,802	691	2,639
Dialysis Treatments	351	458	(107)	395	2,441	2,720	(279)	2,785
Ambulance Transports	246	246	0	218	1,456	1,460	(4)	1,433
Assisted Living Days	990	936	54	882	5,743	5,556	187	5,348
<b>Cost per adjusted IP and LTC day:</b>								
	287.27	297.49	(10.22)	259.22	348.75	350.07	(1.32)	237.65
<b>TOTAL FTE'S:</b>								
	545	524	21	491	532	530	2	488

## Kalkaska Memorial Health Center

### Additional Financial Information

	December 31, 2024
MTD % increase in net revenue vs. prior year	25.10%
MTD % increase in expense vs. prior year	<u>11.50%</u>
	13.60%
YTD % increase in net revenue vs. prior year	20.32%
YTD % increase in expense vs. prior year	<u>11.34%</u>
	8.98%
LTC Expense per Critical Unit - MTD	\$ 322.95
LTC Expense per Critical Unit - YTD	\$ 320.24
Ambulance Days in AR YTD	62.58
Dialysis number of patients - MTD	57
Dialysis net income - MTD	\$ (5,955)
Dialysis net income - YTD	\$ (103,098)
Assisted Living net income - MTD	\$ (43,658)
Assisted Living net income - YTD	(270,682)
Average Age of Plant (as of 12/31/24)	9.36
Debt to Capitalization Ratio	0.16

### Net Revenue Analysis

	Month of December 2024		
Service Line Revenue % of Total	Actual	Budget	Variance
Inpatient	1.5%	1.1%	0.4%
Outpatient	68.0%	65.7%	2.3%
Professional	12.4%	13.8%	-1.3%
Long-Term Care	9.1%	9.9%	-0.8%
Dialysis Center	2.8%	3.9%	-1.1%
Ambulance	2.9%	3.1%	-0.2%
Retail Pharmacy	2.4%	1.7%	0.8%
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	46.8%	44.2%	-2.6%
Charity Care	0.4%	0.2%	-0.2%
Bad Debt	2.0%	1.9%	0.0%
Total Revenue Deductions	<u>49.2%</u>	<u>46.3%</u>	<u>-2.8%</u>

	Year to Date Ended December 31, 2024		
Service Line Revenue % of Total	Actual	Budget	Variance
Inpatient	1.3%	1.1%	0.2%
Outpatient	66.7%	65.8%	0.9%
Professional	13.2%	13.7%	-0.5%
Long-Term Care	9.6%	9.9%	-0.3%
Dialysis Center	3.3%	3.9%	-0.7%
Ambulance	2.8%	3.1%	-0.3%
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	45.6%	44.1%	-1.5%
Charity Care	0.6%	0.2%	-0.4%
Bad Debt	1.9%	1.9%	0.0%
Total Revenue Deductions	<u>48.1%</u>	<u>46.3%</u>	<u>-1.8%</u>

# Kalkaska Memorial Health Center

## Payor Mix Schedule

YTD 2025 Revenue %	MCare	MCareHMO	Medicaid	Medicaid Adv	BC	Comm	Priority	Private	Total
Acute including EMS	22.77%	31.30%	0.06%	16.29%	12.63%	8.10%	6.38%	2.47%	100.00%
LTC	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
ER	14.75%	19.78%	0.00%	27.71%	15.67%	7.77%	7.78%	6.52%	100.00%
OR	17.27%	25.97%	0.00%	19.62%	17.38%	7.62%	10.81%	1.34%	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%