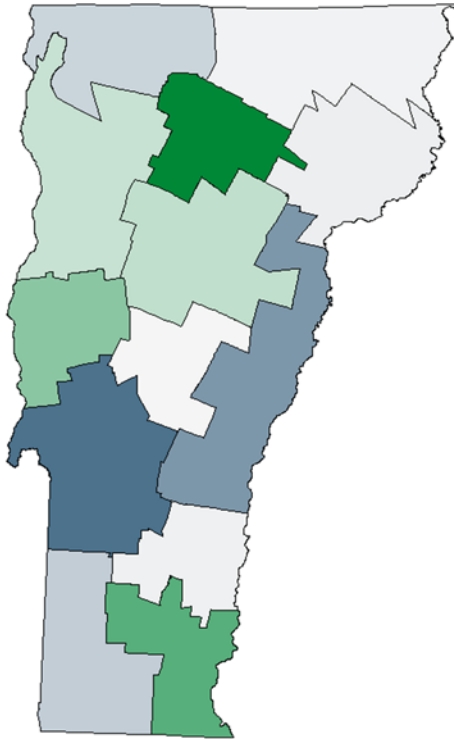


Fiscal Year 2018 Gifford Medical Center

Enforcement Discussion

April 8, 2019



Overview

1. FY18 Actuals
2. FY19 Year-to-Date (as of February 28, 2019)
3. FY19 Forecast
4. 5-Year Results
5. Discussion with Gifford Medical Center

Gifford Medical Center

FY18 and FY19 Budgets Submitted and Approved¹

Net Patient Revenue/Fixed Prospective Payment (NPR/FPP)

FY18			FY19		
Submitted	Approved*	% Change from FY17 Budget	Submitted	Approved	% Change from FY18 Budget
\$59,497,391	\$59,514,010	3.0%	\$55,894,653	\$55,894,653	-6.1%

*Adjusted for DSH

Charge

FY18		FY19	
Submitted	Approved	Submitted	Approved*
4.0%	4.0%	4.0%	2.75%

*Gifford's February 14, 2019 request for a 1.25% charge increase was approved, resulting in an overall 4.0% approved charge (effective March 18, 2019).

Data Sources:

¹ FY18 & FY19 Budget Orders and FY19 Amended Budget Order

Gifford Medical Center

FY18 Actuals²

Budget-to-Actual FY18 % Variance		FY18 Year-End Results As of September 30, 2018		
NPR/FPP % Variance	Operating Expenses % Variance	Operating Margin	Total Margin	Days Cash on Hand
-17.9%	-6.3%	-10.7%	-6.2%	223.9

Actual-to-Actual FY17 to FY18 Comparison				
NPR/FPP % Change	Operating Expenses % Change	Operating Margin % Change (points)	Total Margin % Change (% points)	Days Cash on Hand Change (days)
-10.1%	-2.4%	-9.2%	-6.4%	15

Operating Margin and Total Margin, when expressed as a percentage (%): comparisons between years are represented as a % change in points, not a % change in value. Results represent the difference in % points between the original value and the comparison value.

Data Sources:

² [FY18 Year-End Actuals Report](#)

Gifford Medical Center

FY19 Year-to-Date as of February 28, 2019³

Budget-to-Actual FY19 YTD February			FY19 YTD February As of February 28, 2019		
NPR/FPP % Variance	Operating Expenses % Variance		Operating Margin	Total Margin	Days Cash on Hand
-10.0%	-7.2%		-0.2%	3.8%	227.0

Actual-to-Actual FY18 to FY19 YTD Comparison			FY18 YTD February As of February 28, 2018		
NPR/FPP % Change	Operating Expenses % Change		Operating Margin	Total Margin	Days Cash on Hand*
-1.5%	-11.7%		-11.7%	-6.8%	NA

FY19 Projection					
	NPR/FPP	Operating Expenses	Operating Margin	Total Margin	Days Cash on Hand
Projection (full-year)	\$53,218,265	\$53,835,528	0.6%	3.1%	222.0
Budget-to-Projection Variance (%, points or days)	-4.8%	-2.7%	-1.9% (points)	0.8% (points)	34.9

*Hospitals did not submit Days Cash on Hand as part of FY2018 year-to-date reporting.

Data Sources:

³ FY18 and FY19 year-to-date February submission from hospital

Gifford Medical Center

5-Year Results^{2,4}

NPR/FPP							
	Actuals FY2014	Actuals FY2015	Actuals FY2016	Actuals FY2017	Actuals FY2018	5-Year CAGR	Budget FY2019
(\$)	\$58,282,092	\$53,896,728	\$54,787,886	\$54,307,372	\$48,844,171	-4.3%	\$55,894,651
(% Change)		-7.5%	1.7%	-0.9%	-10.1%		

Operating Expenses							
	Actuals FY2014	Actuals FY2015	Actuals FY2016	Actuals FY2017	Actuals FY2018	5-year CAGR	Budget FY2019
(\$)	\$59,709,720	\$55,368,184	\$54,812,282	\$56,698,140	\$55,321,562	-1.9%	\$55,346,116
(% Change)		-7.3%	-1.0%	3.4%	-2.4%		

Data Sources:

² [FY18 Year-End Actuals Report](#)

⁴ FY19 Hospital Budget Submissions

Gifford Medical Center

5-Year Results^{2,4,5}

Operating Margin						
	Actuals FY2014	Actuals FY2015	Actuals FY2016	Actuals FY2017	Actuals FY2018	Budget FY2019
(\$)	\$2,185,205	\$1,565,435	\$2,209,679	-\$874,293	-\$5,369,446	\$1,415,014
(%)	3.5%	2.7%	3.9%	-1.6%	-10.7%	2.5%

Total Margin						
	Actuals FY2014	Actuals FY2015	Actuals FY2016	Actuals FY2017	Actuals FY2018	Budget FY2019
(\$)	\$4,171,494	\$4,757,558	\$4,644,791	\$158,015	-\$3,213,655	\$2,265,010
(%)	6.5%	7.9%	7.8%	0.3%	-6.2%	3.9%

Data Sources:

² [FY18 Year-End Actuals Report](#)

⁴ FY19 Hospital Budget Submissions

⁵ Adaptive Insights Planning

Gifford Medical Center

- Swearing-in and Oath
- Discussion with Gifford Medical Center