



FY2020 December Operating Results UK HealthCare (UKHC)

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FY2020 December 31, 2019

December FY2020	Monthly Performance and Variance			Year-To-Date (YTD) Performance and Variance		
	Monthly Stat	vs. Budget	vs. Prior Year	YTD Stat	vs. Budget	vs. Prior Year
Discharges	3,632	56	75	21,018	(770)	22
Medical Inpatient	68.54%	-1.43%	0.91%	66.09%	-4.28%	-0.78%
Surgical Inpatient	31.46%	1.43%	-0.91%	33.91%	4.28%	0.78%
Average Discharges per Day	117.16	1.80	2.42	114.22	(4.19)	0.11
Average Daily Census	793.90	(5.22)	8.94	781.15	(7.41)	8.07
Average Length of Stay	6.78	(0.15)	(0.07)	6.84	0.18	0.06
Case Mix Index (CMI)	2.0230	0.02	0.02	2.0252	0.07	0.06
CMI Adjusted Length of Stay	3.35	(0.11)	(0.06)	3.38	(0.02)	(0.07)
CMI Adjusted Patient Days	89,025	2,777	(45)	530,043	27,736	10,720
Patient Days	24,611	(162)	277	143,731	(1,364)	1,485
Observation Cases	538	(115)	(126)	3,871	(505)	(95)
Short Stays	172	45	65	1,277	71	412
Emergency Department Cases	10,507	1,437	1,288	58,261	(681)	2,024
Operating Room Cases	2,863	46	201	18,042	(125)	1,009
Lexington Surgery Center Operating Room Cases	157	3	85	944	17	869
Lexington Surgery Center Endoscopy Cases	78	(33)	78	486	(179)	486
Total Outpatient Cases	189,891	8,760	28,299	1,183,454	96,298	152,102



- Reforecast endorsed at the last University Health Care Committee was incorporated into the budget in November and will be applied throughout the remainder of the Fiscal Year.
- Projected value-based directed payments from July through November were recognized as revenue in the month of November.
- Value-based directed payments have been received from managed care organizations for July, August, September, and January.
 - Remainder of monthly payments projected in February.



Month Ending December 31, 2019

	FY2020 December Actual	FY2020 December Budget	Variance	FY2019 December Actual
OPERATING REVENUES				
Net Inpatient service revenues	\$ 126,460	\$ 112,450	\$ 14,011	\$ 79,609
Net Outpatient service revenues	81,244	90,323	(9,080)	77,465
Sales and services	9,198	9,948	(750)	7,229
Total operating revenues	<u>216,902</u>	<u>212,721</u>	<u>4,181</u>	<u>164,304</u>
OPERATING EXPENSES				
Salaries and wages	81,206	75,497	5,710	69,260
Fringe benefits	19,037	19,270	(234)	16,885
Supplies	45,963	42,687	3,275	33,054
Purchased services	24,843	27,926	(3,083)	15,229
Other expenses	21,504	19,679	1,825	17,552
Depreciation	5,809	6,944	(1,134)	5,792
Total operating expenses	<u>198,363</u>	<u>192,003</u>	<u>6,359</u>	<u>157,771</u>
Net income from continuing operations	<u>18,540</u>	<u>20,718</u>	<u>(2,178)</u>	<u>6,532</u>
	8.5%	9.7%	-1.2%	4.0%
NONOPERATING REVENUES (EXPENSES)				
Gifts and non-exchange grants	432	339	93	382
Investment income (loss)	6,286	191	6,095	(4,427)
Interest expense	(1,862)	(1,862)	1	(1,929)
Other	228	74	153	238
Net nonoperating revenues (expenses)	<u>5,084</u>	<u>(1,258)</u>	<u>6,342</u>	<u>(5,736)</u>
Net income before other revenues, expenses, gains or losses	<u>23,624</u>	<u>19,460</u>	<u>4,164</u>	<u>797</u>
Transfers (to) the University of Kentucky for noncapital purposes	(9,392)	(6,193)	(3,199)	(3,866)
Transfers (to) from the University of Kentucky for capital purposes				(0)
Total other revenues (expenses)	<u>(9,392)</u>	<u>(6,193)</u>	<u>(3,199)</u>	<u>(3,867)</u>
Net Income	\$ 14,231	\$ 13,267	\$ 965	\$ (3,070)
	6.6%	6.2%	0.3%	-1.9%



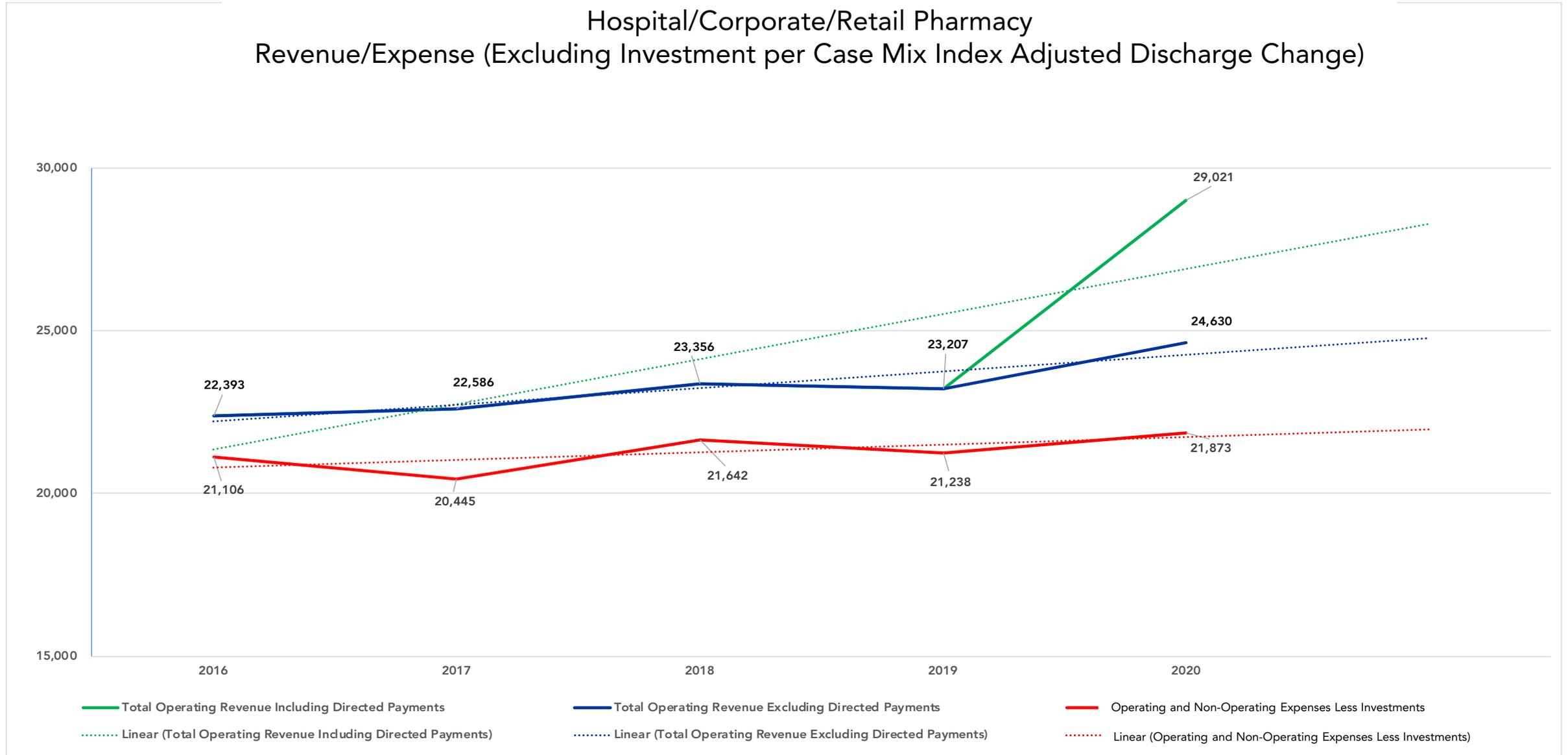
Year-to-Date (YTD) December 31, 2019

	FY2020 December YTD Actual	FY2020 December YTD Budget	Variance	FY2019 December YTD Actual
OPERATING REVENUES				
Net Inpatient service revenues	\$ 738,303	\$ 642,789	\$ 95,515	\$ 482,730
Net Outpatient service revenues	474,724	552,111	(77,387)	470,573
Sales and services	53,736	50,124	3,612	46,562
Total operating revenues	<u>1,266,763</u>	<u>1,245,023</u>	<u>21,740</u>	<u>999,865</u>
OPERATING EXPENSES				
Salaries and wages	443,400	444,117	(717)	410,994
Fringe benefits	106,791	113,395	(6,603)	101,746
Supplies	257,418	237,163	20,256	212,376
Purchased services	97,154	95,686	1,468	77,076
Other expenses	113,726	122,424	(8,698)	103,609
Depreciation	37,490	39,257	(1,767)	35,040
Total operating expenses	<u>1,055,980</u>	<u>1,052,042</u>	<u>3,938</u>	<u>940,841</u>
Net income from continuing operations	<u>210,783</u>	<u>192,982</u>	<u>17,802</u>	<u>59,024</u>
	16.6%	15.5%	1.1%	5.9%
NONOPERATING REVENUES (EXPENSES)				
Gifts and non-exchange grants	2,298	2,602	(304)	1,989
Investment income (loss)	16,163	9,261	6,903	(3,754)
Interest expense	(11,848)	(12,174)	326	(12,306)
Other	1,365	1,220	146	1,425
Net nonoperating revenues (expenses)	<u>7,979</u>	<u>909</u>	<u>7,070</u>	<u>(12,646)</u>
Net income before other revenues, expenses, gains or losses	<u>218,762</u>	<u>193,890</u>	<u>24,872</u>	<u>46,378</u>
Transfers (to) the University of Kentucky for noncapital purposes	(28,805)	(30,380)	1,575	(12,653)
Transfers (to) from the University of Kentucky for capital purposes				(0)
Total other revenues (expenses)	<u>(28,805)</u>	<u>(30,380)</u>	<u>1,575</u>	<u>(12,653)</u>
Net Income	\$ 189,957	\$ 163,510	\$ 26,446	\$ 33,725
	15.0%	13.1%	1.9%	3.4%



Year-to-Date (YTD) December 31, 2019

Hospital/Corporate/Retail Pharmacy Revenue/Expense (Excluding Investment per Case Mix Index Adjusted Discharge Change)



- Total clinical operating revenue is \$21.7 million greater than budget year-to-date.
 - Hospital/pharmacy contributing \$23.2 million positive variance.
- Total clinical operating expenses are \$3.9 million greater than budget year-to-date.
- All non-operating expenses and transfers were \$1.7 million positive to budget year-to-date.
- Investment income is \$6.9 million favorable to budget year-to-date.
- The margin between revenue and expense (excluding value-based directed payments and investment income) has demonstrated a favorable and diverging trend.
- Cash on hand through December is at 172 days.
 - One day is worth approximately \$4.9 million.

