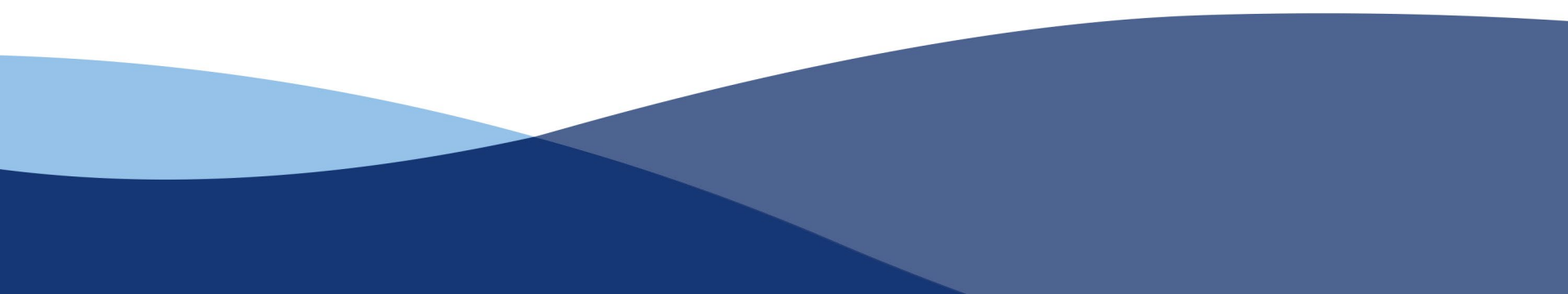
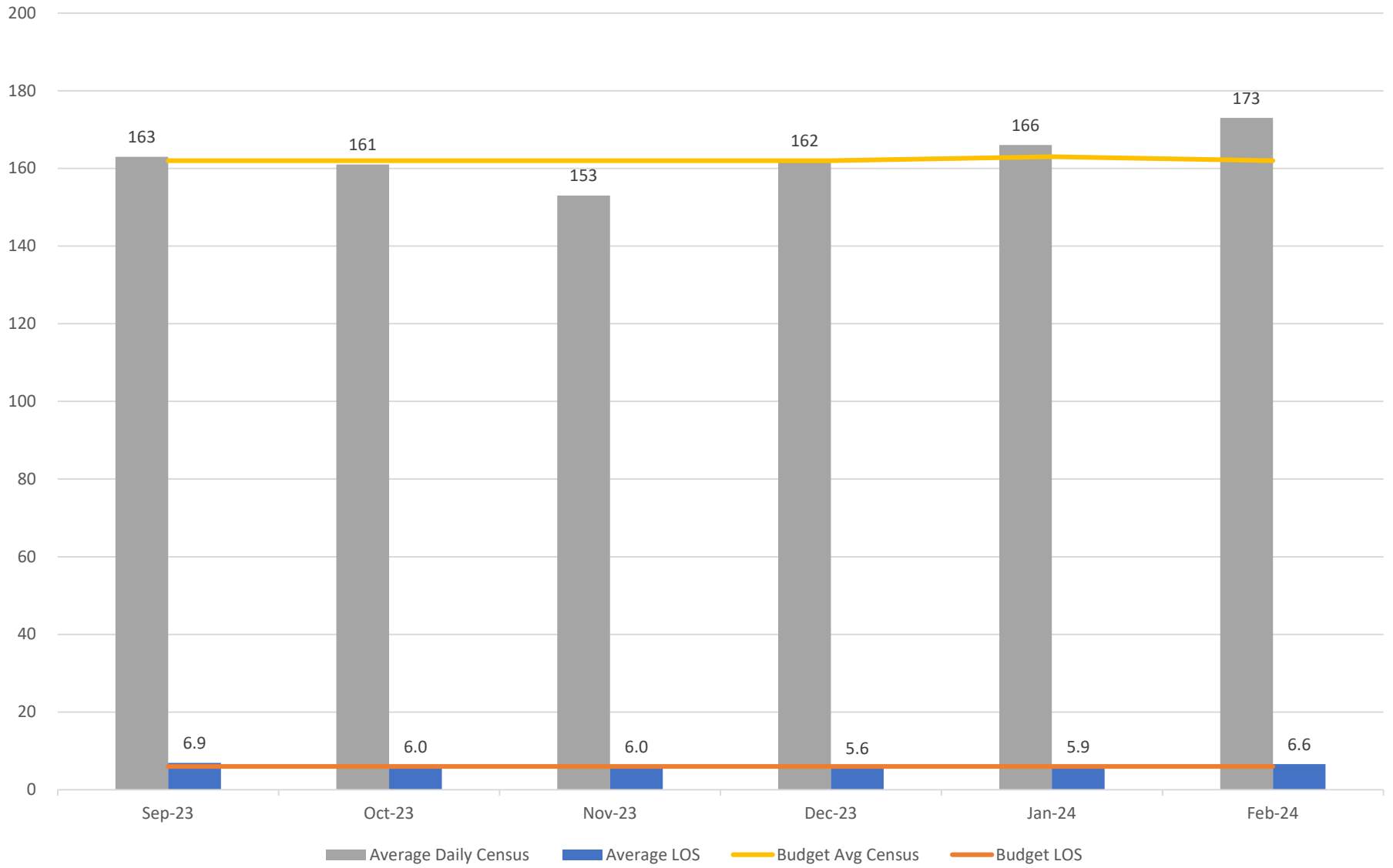




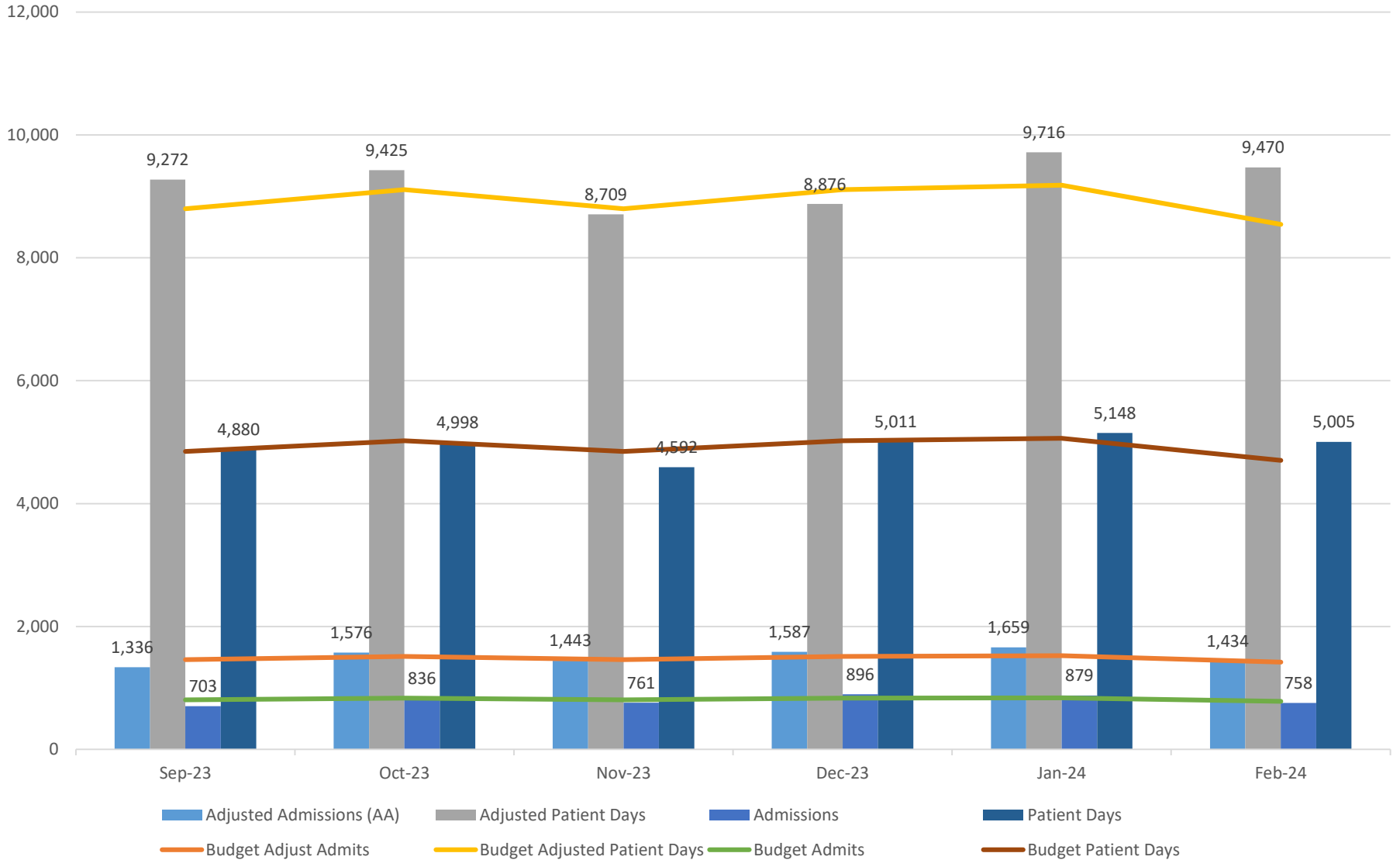
**BOARD OF GOVERNORS' REPORT
KERN MEDICAL – FEBRUARY 2024**



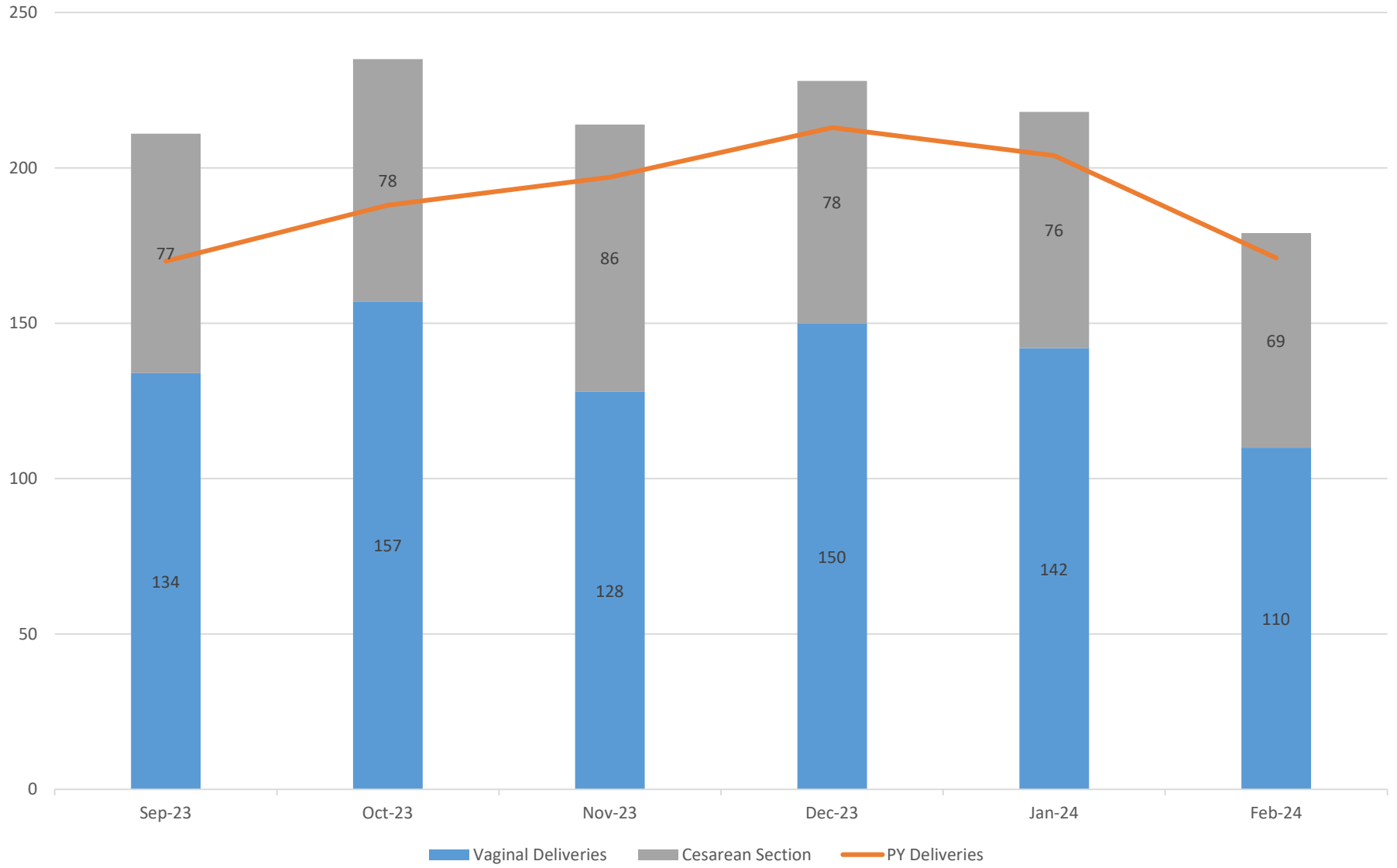
Census & ALOS



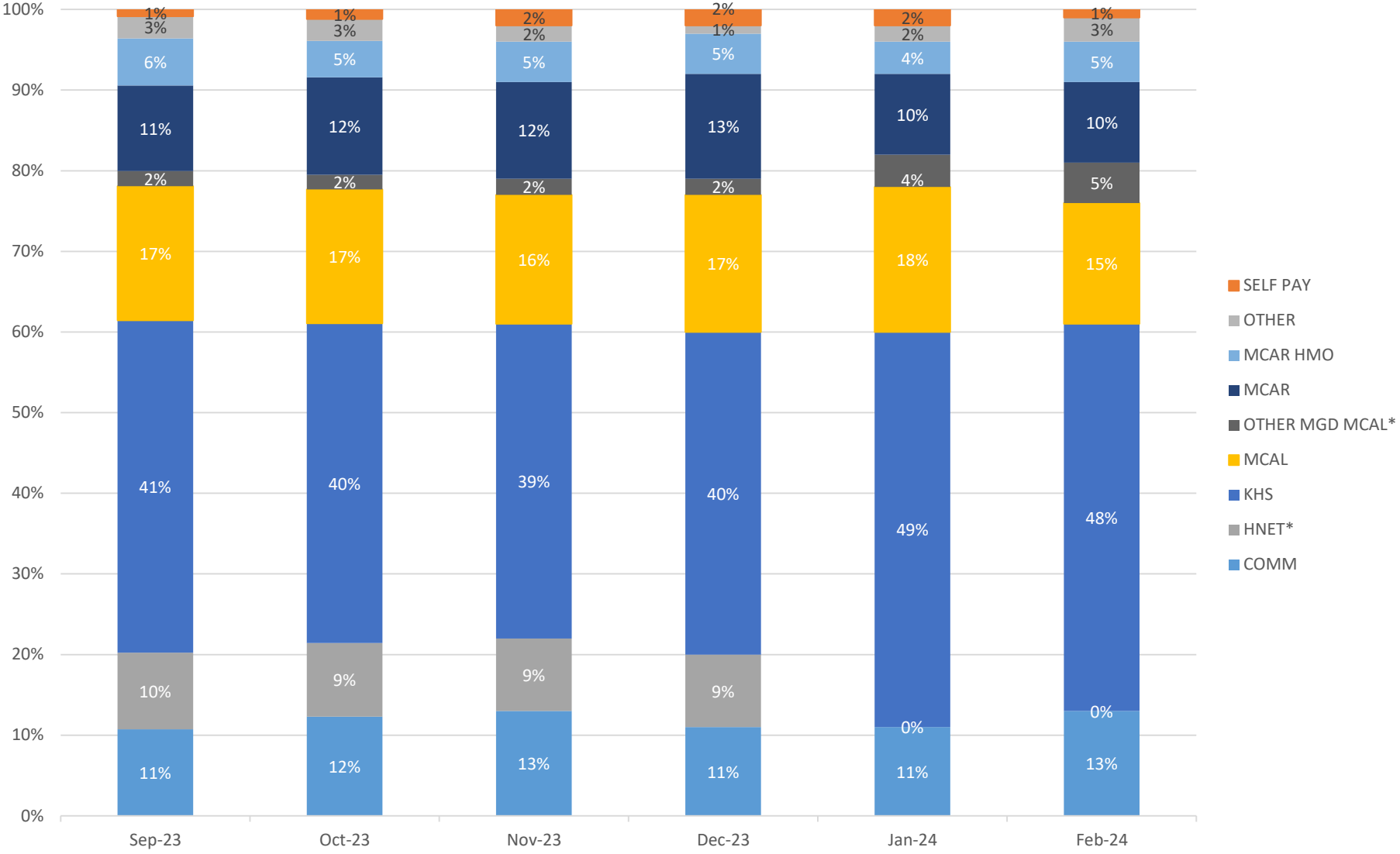
Hospital Volumes



Deliveries

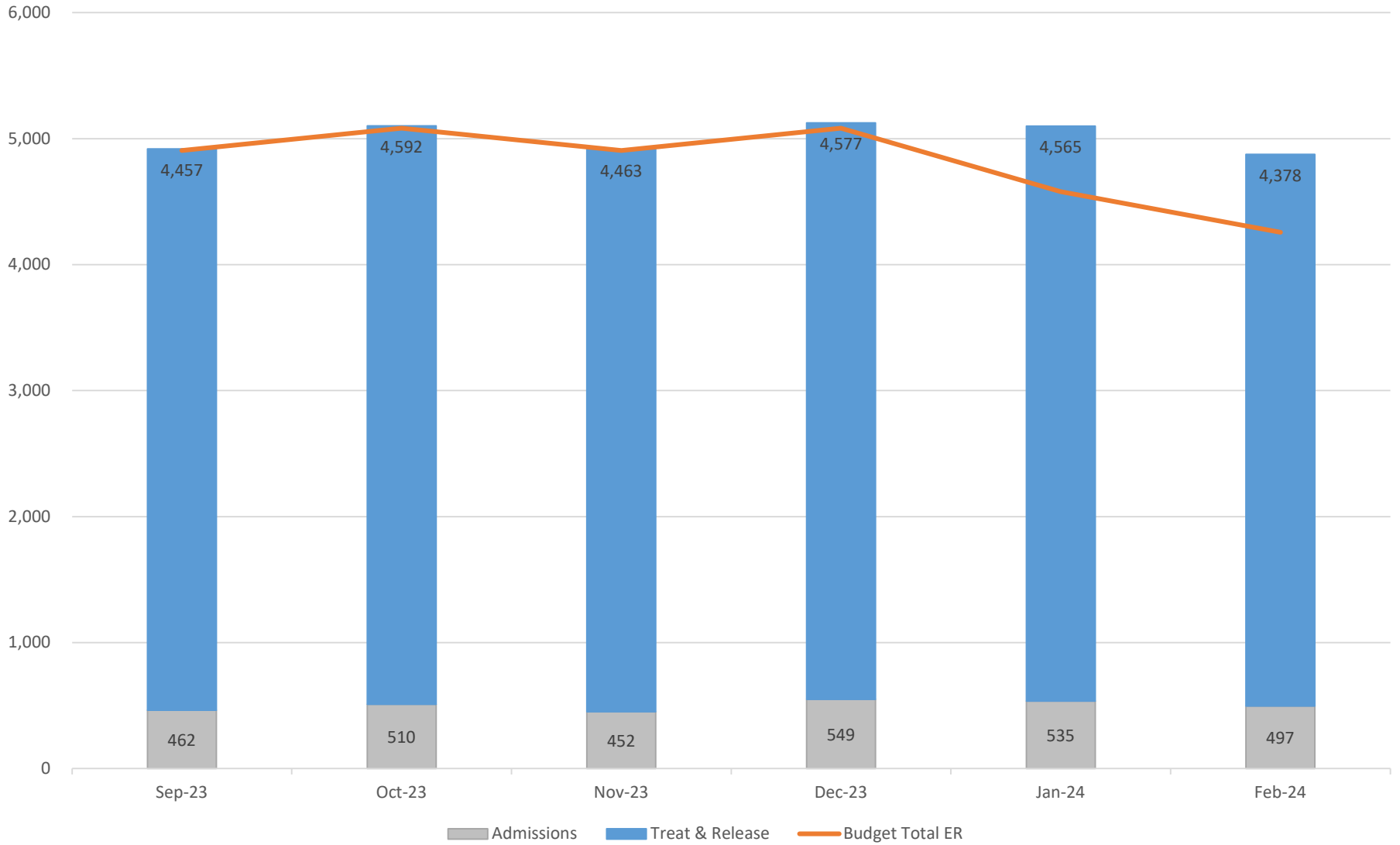


PAYER MIX

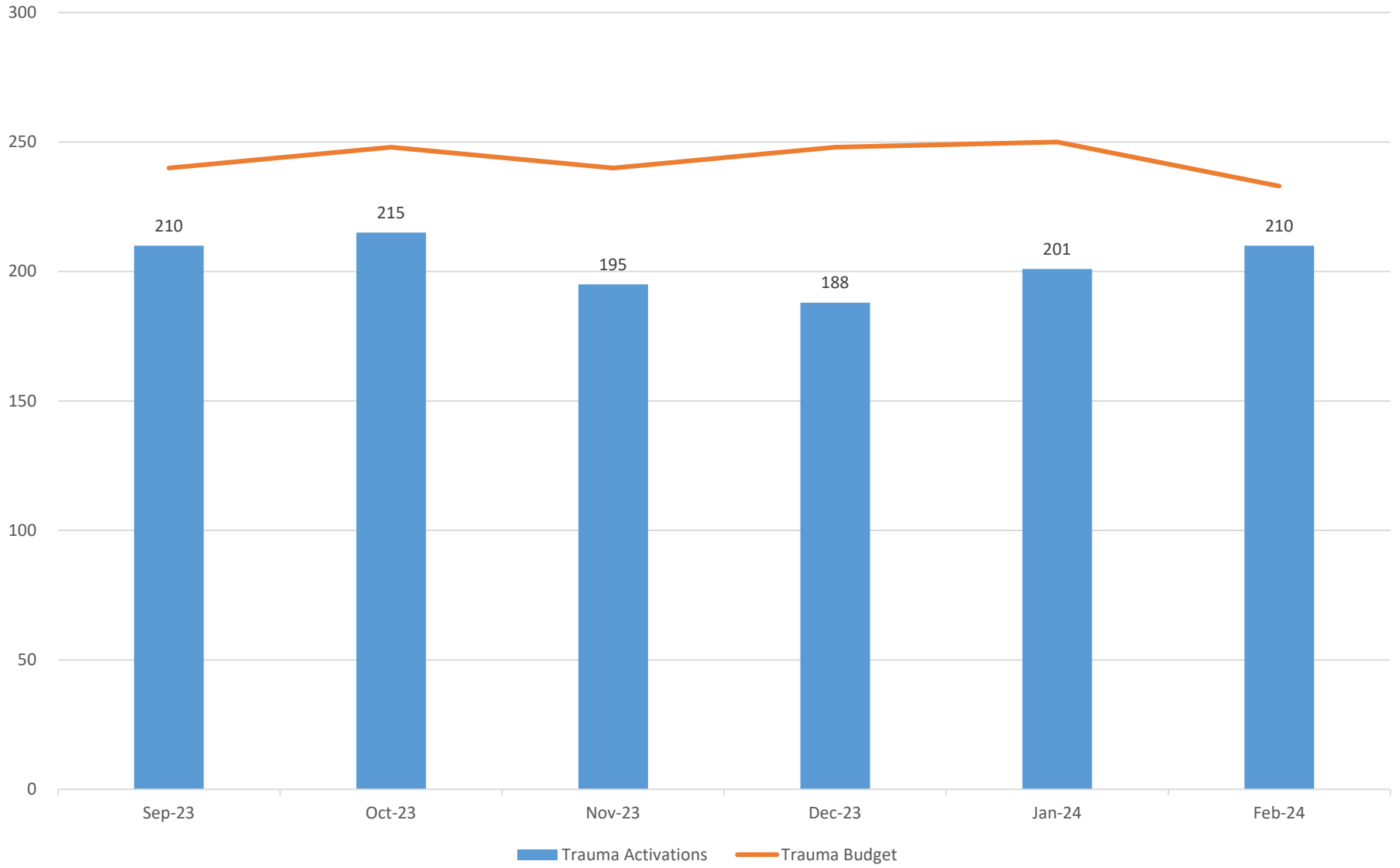


* Indicates change in plans HNET transitioning to Other MGD MCAL starting Jan 1, 2024

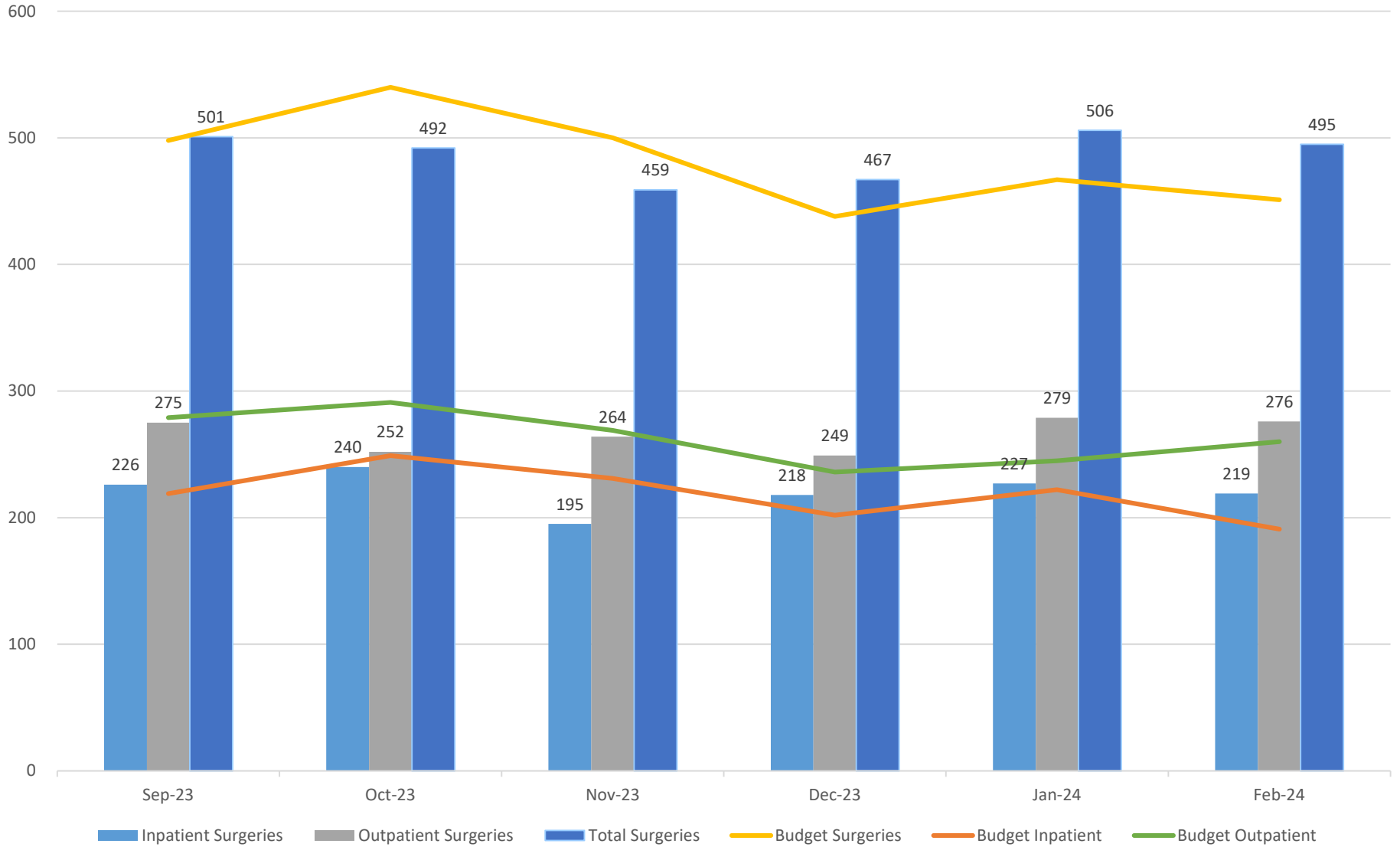
Emergency Room Volume



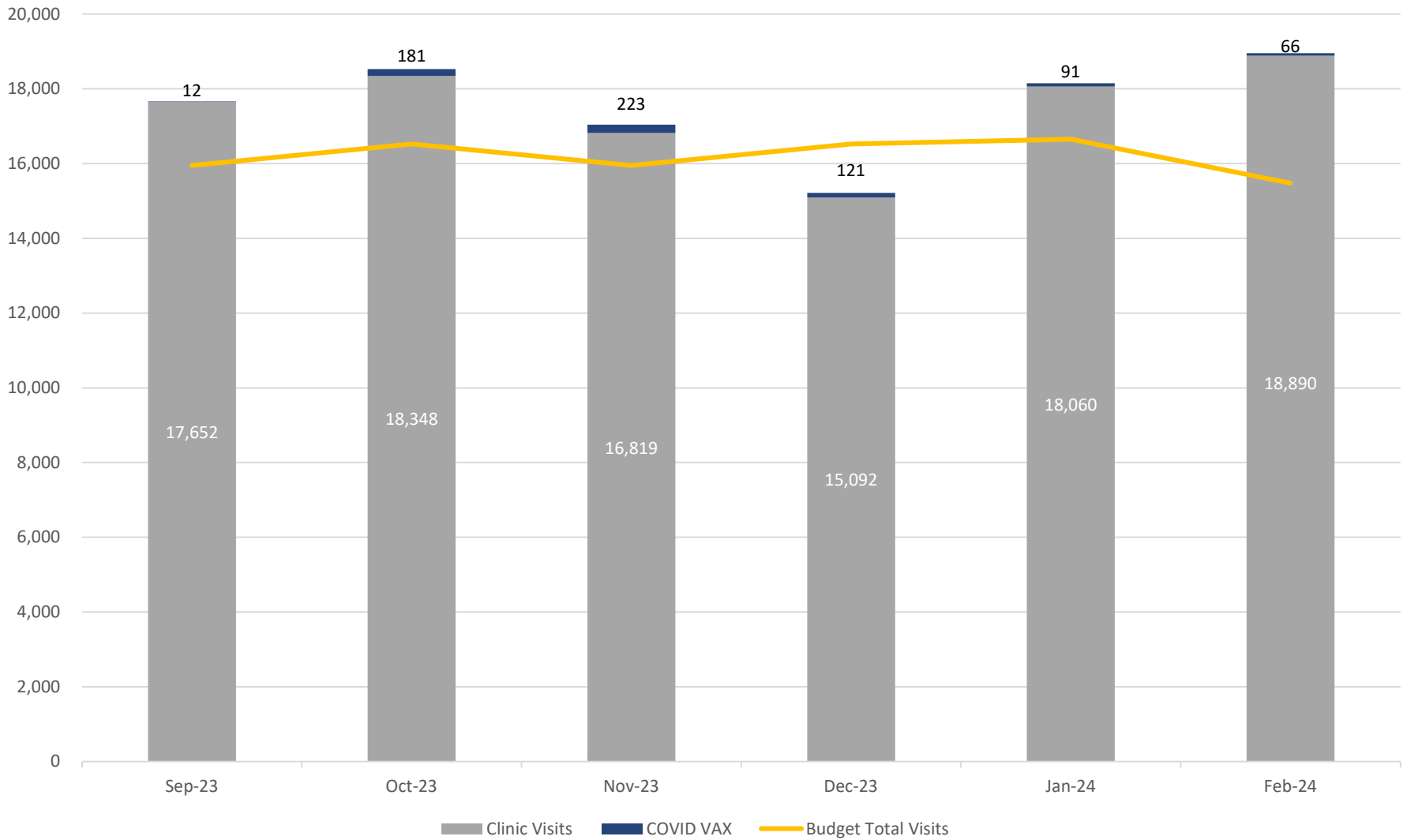
Trauma Activations



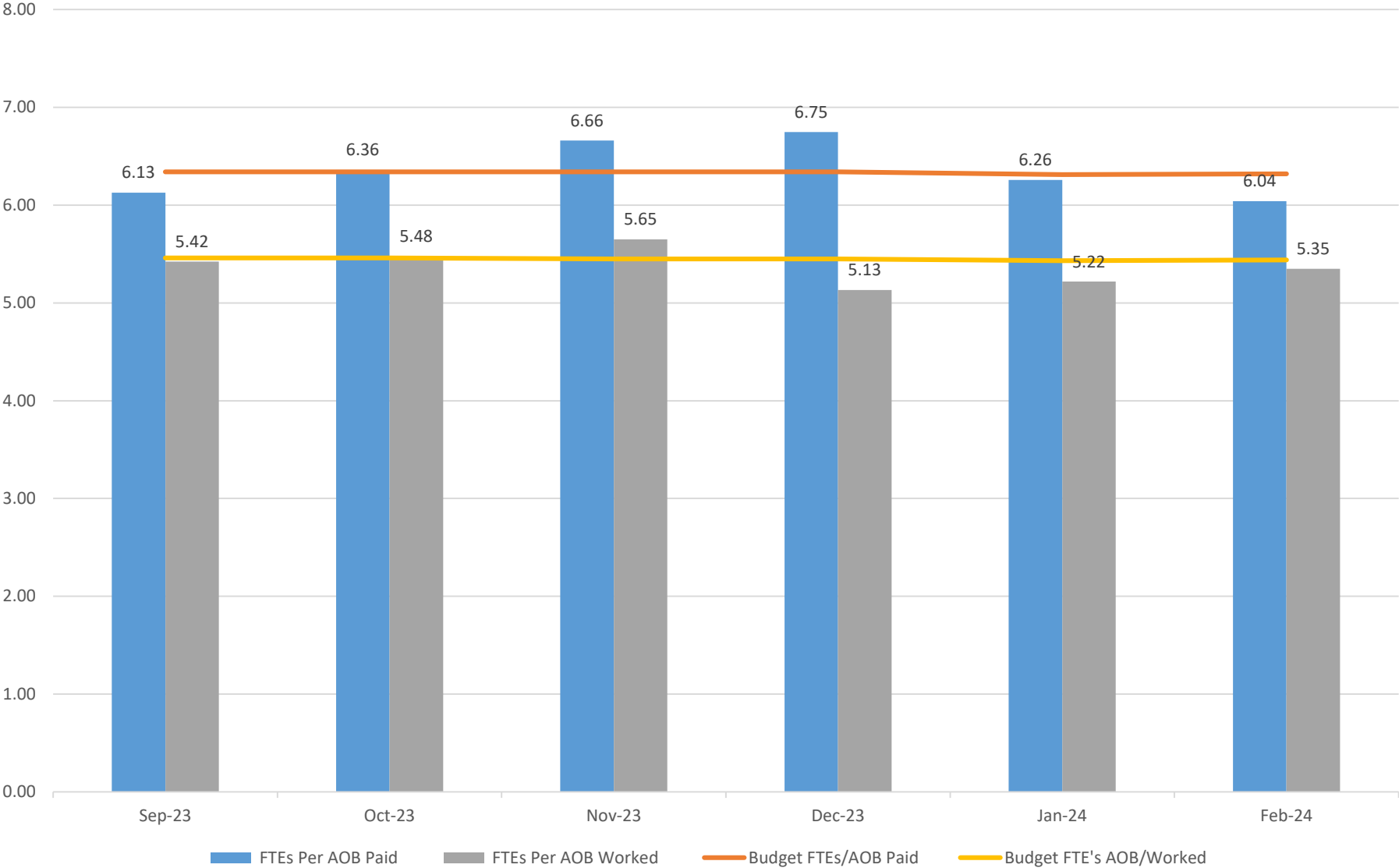
Surgical Volume



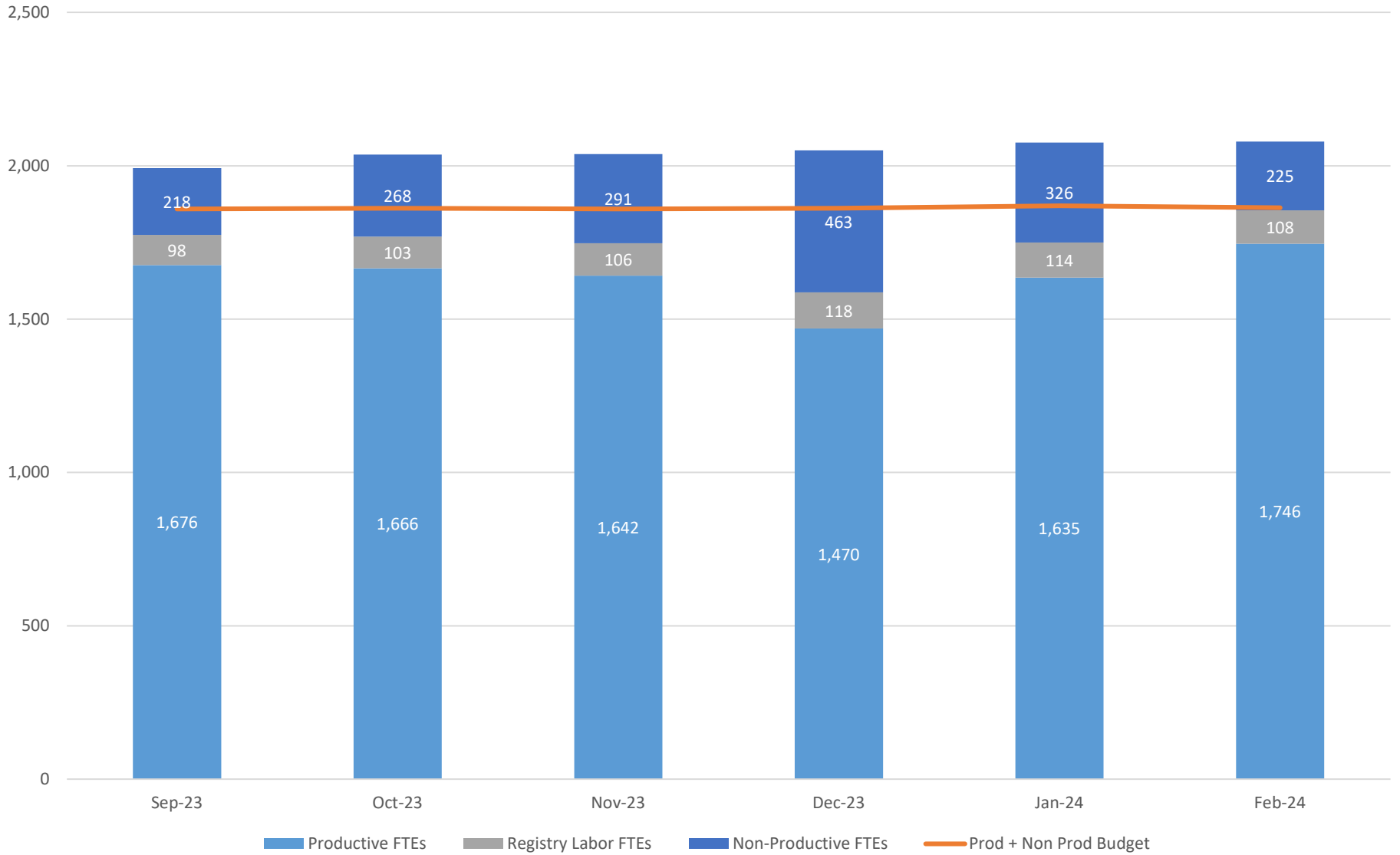
Clinic Visits



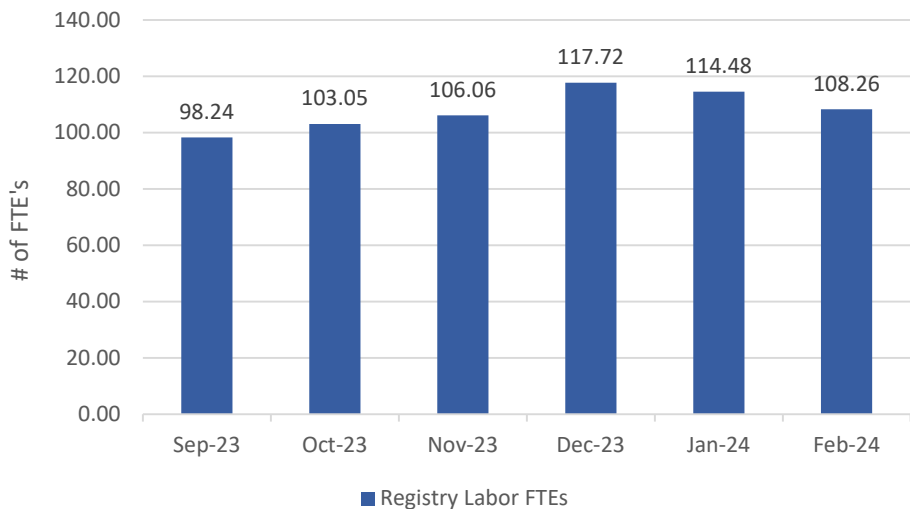
Labor Metrics



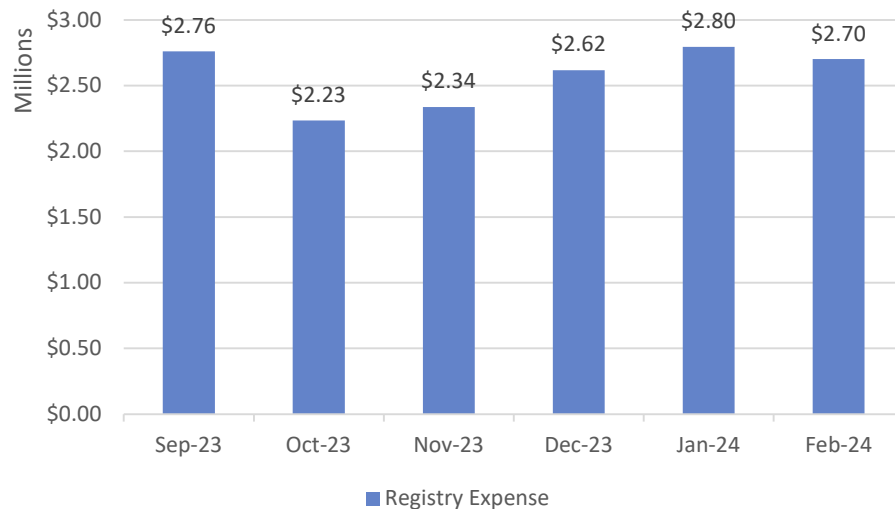
Productivity



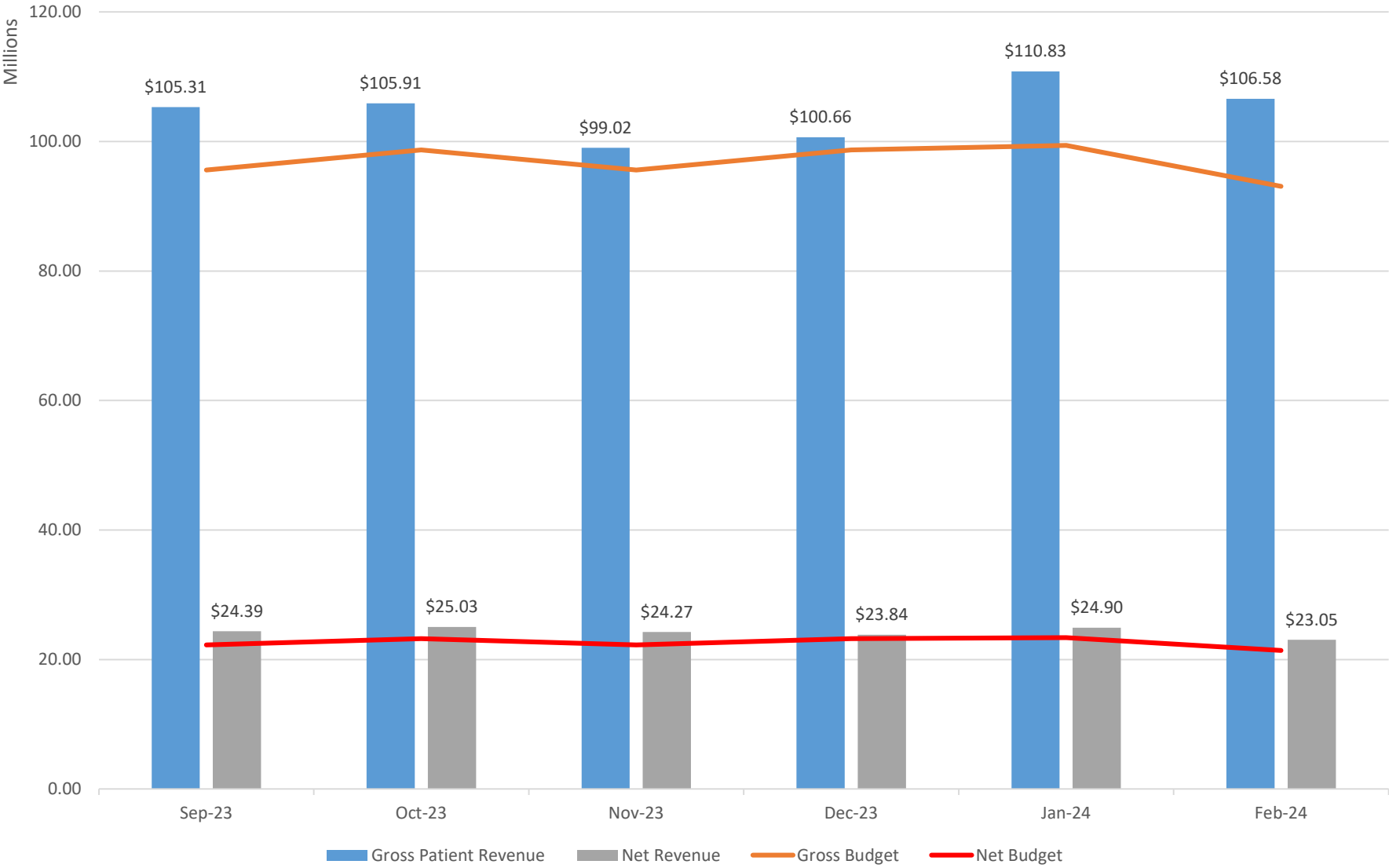
Registry FTE's



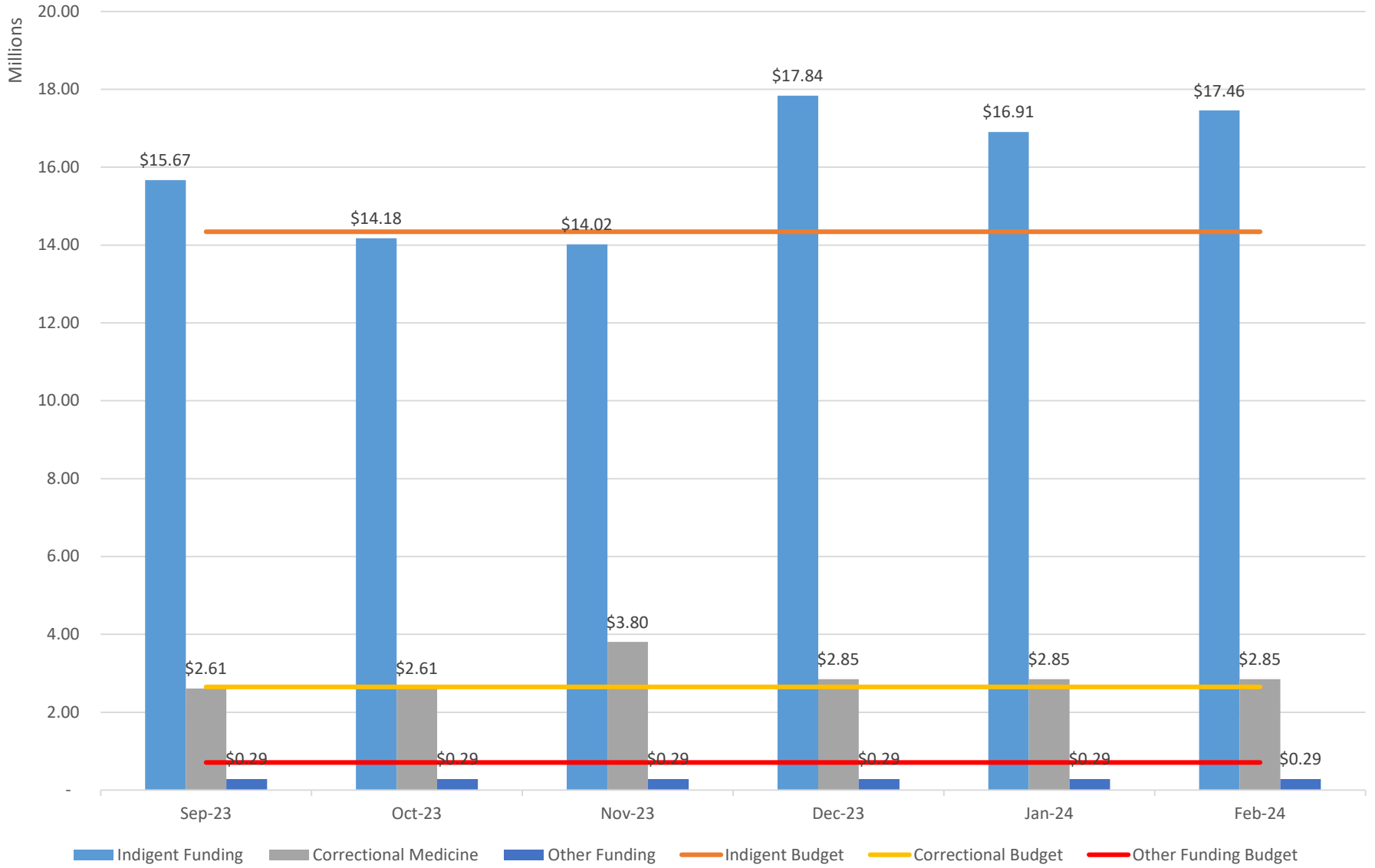
Registry Expense



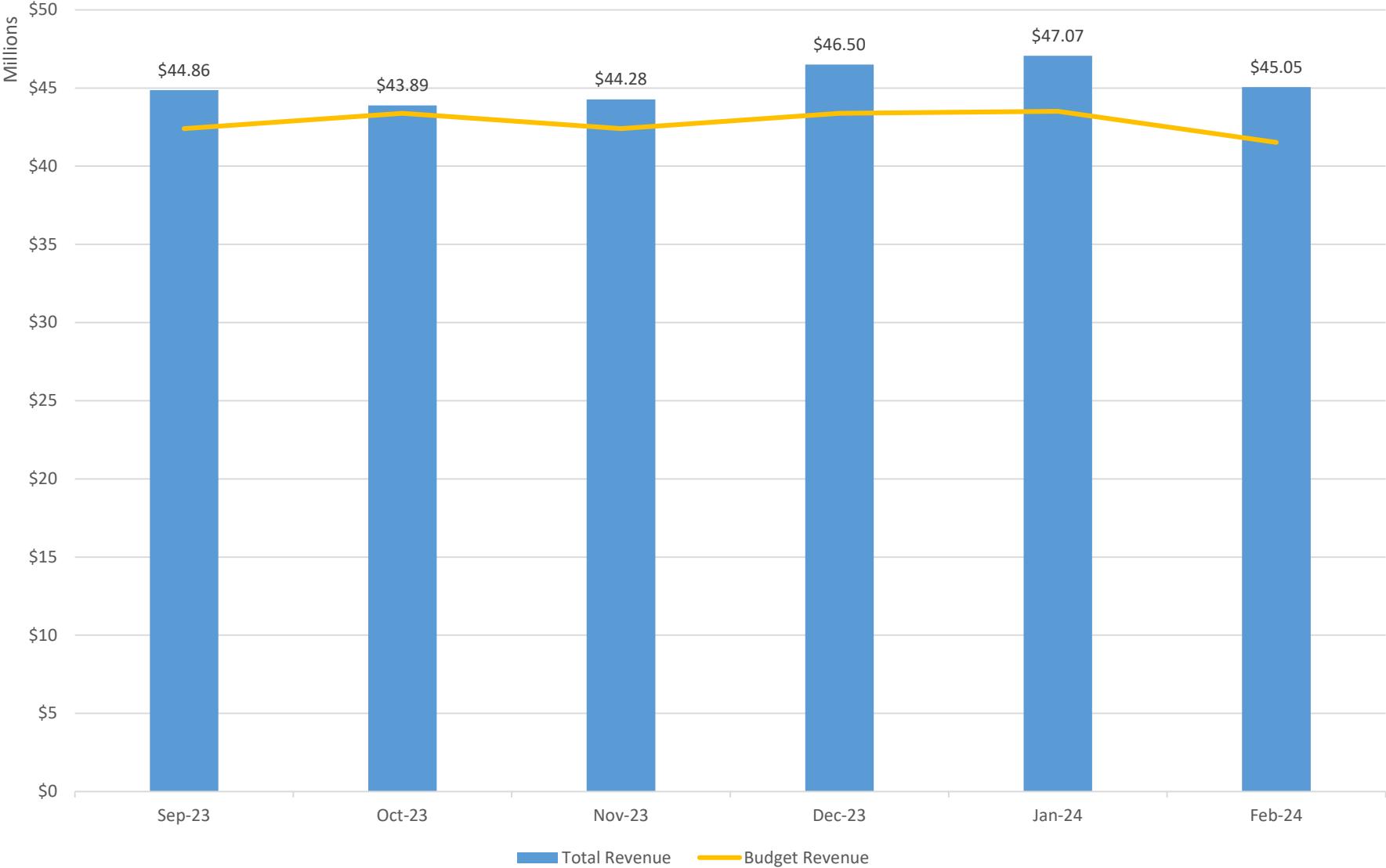
Patient Revenue



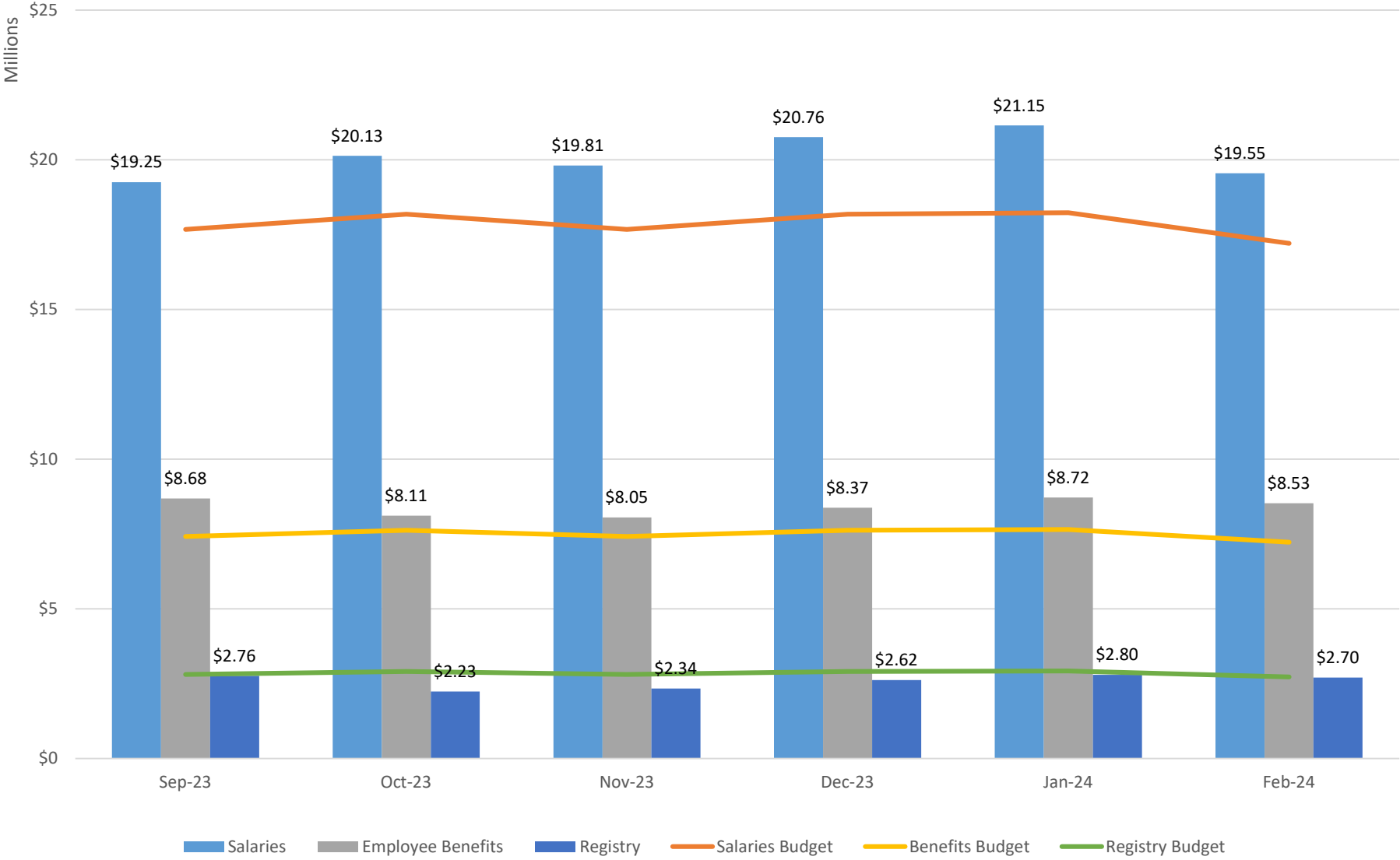
Indigent & Correctional Revenue



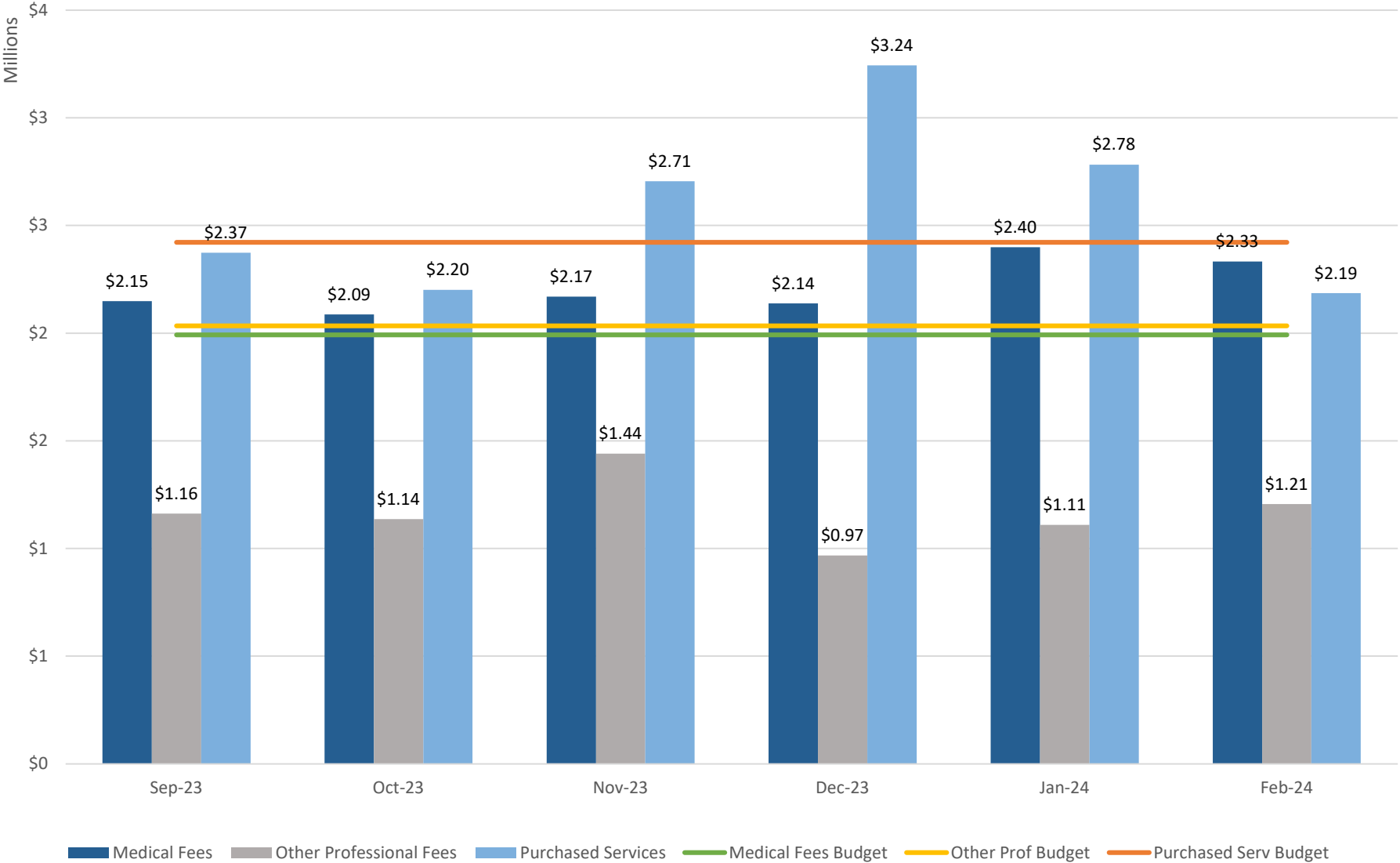
Total Revenue



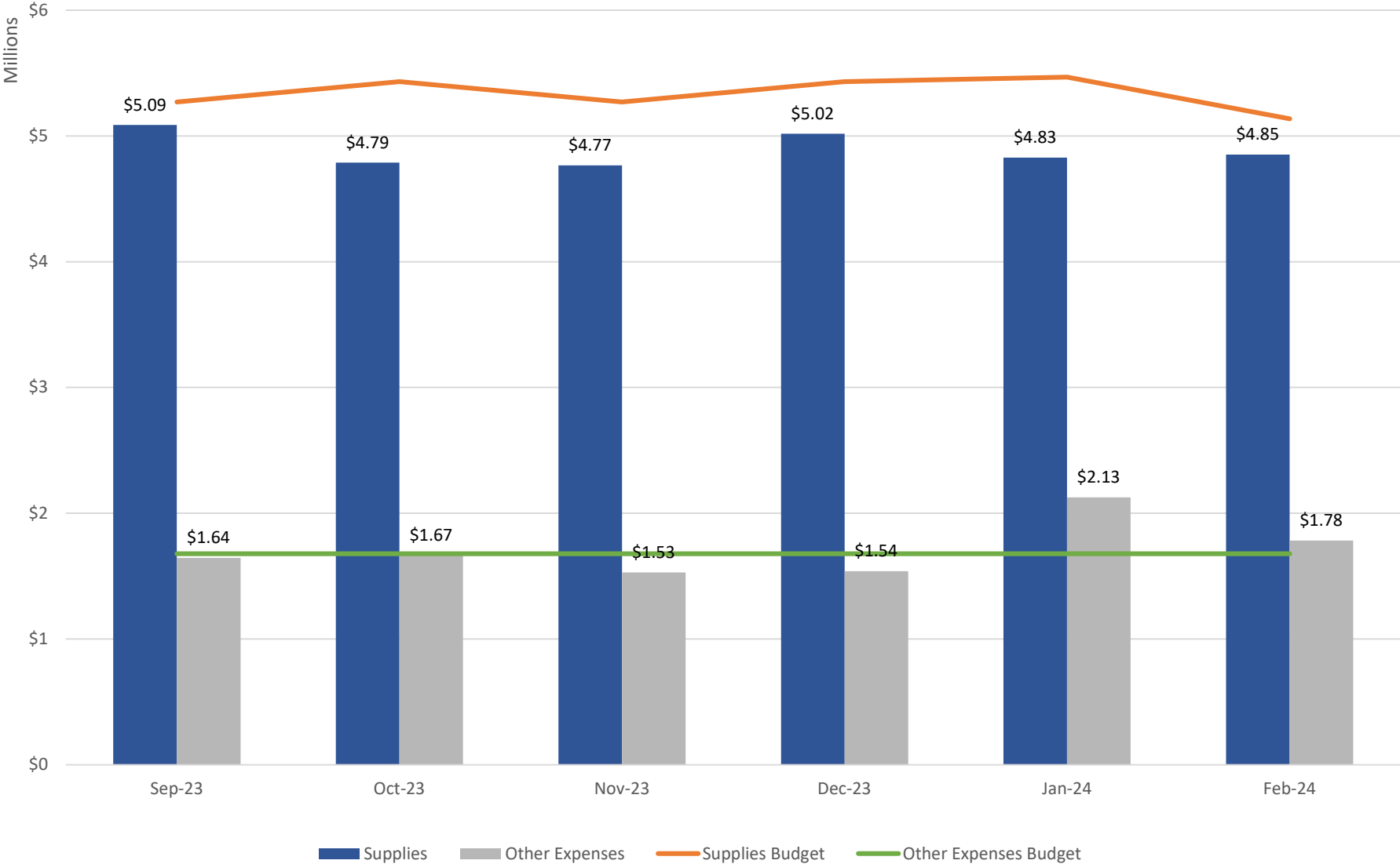
Expenses



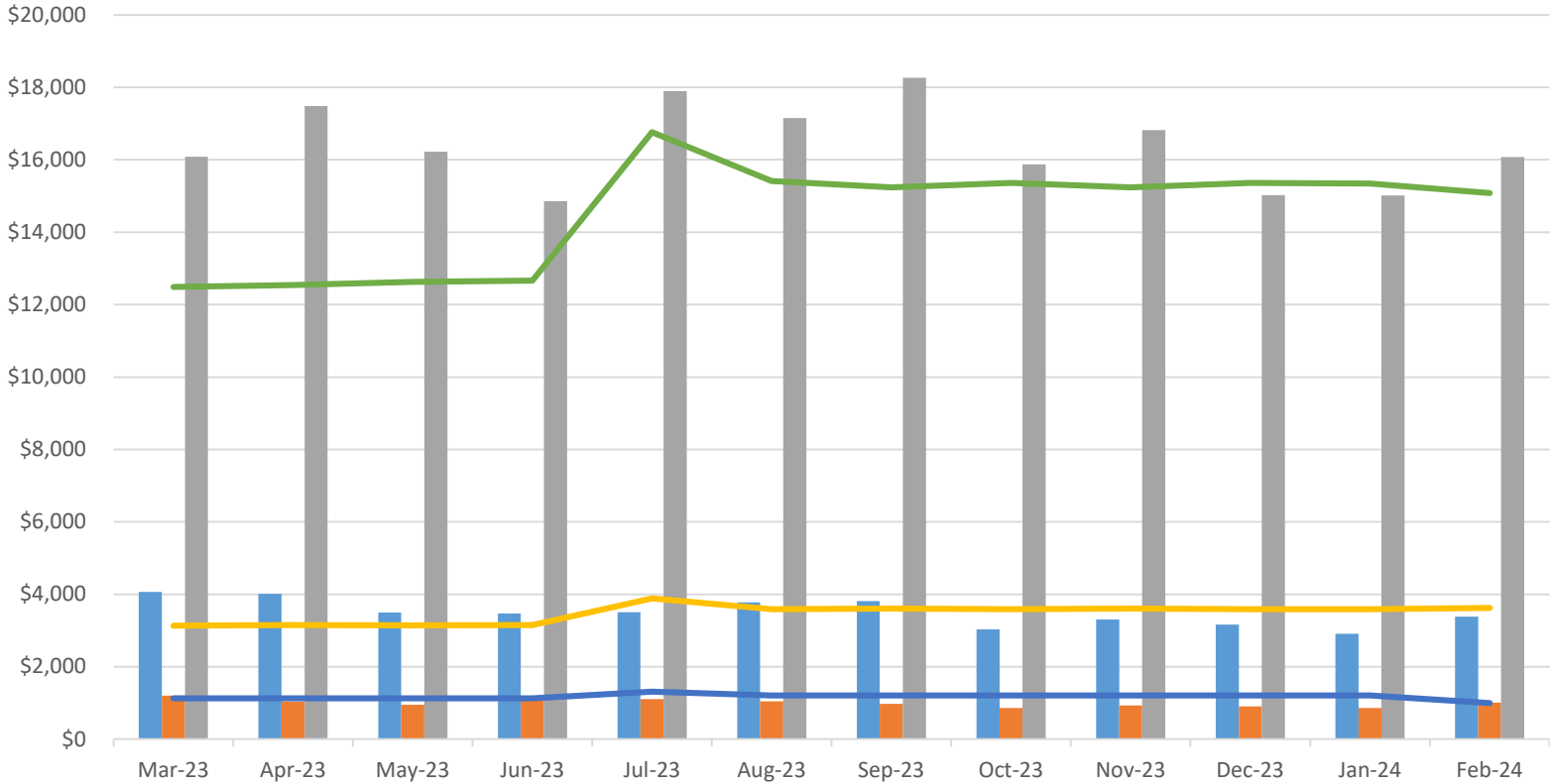
Expenses



Expenses

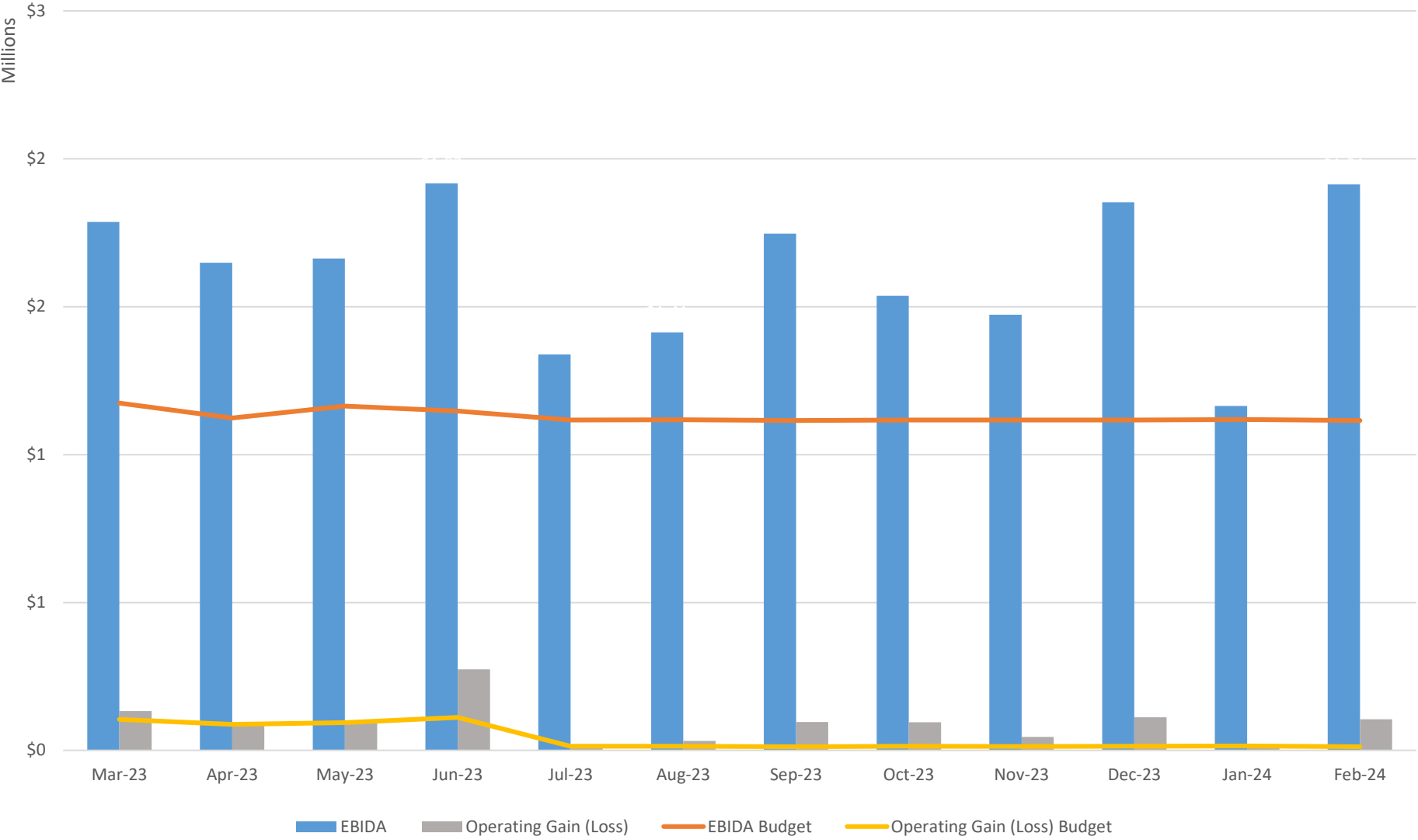


Operating Metrics

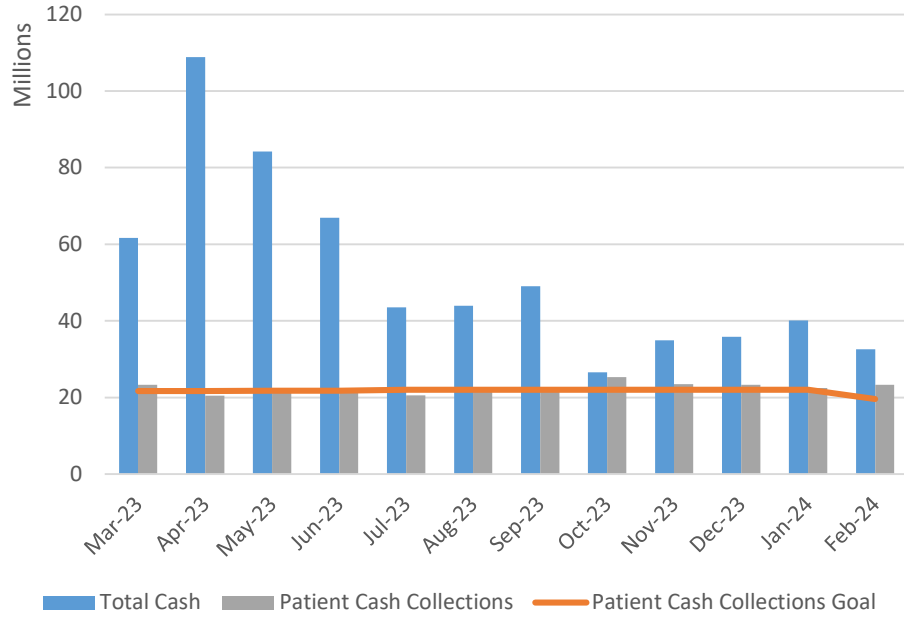


	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24
Supply Expense per AA	\$4,065	\$4,016	\$3,497	\$3,473	\$3,502	\$3,775	\$3,809	\$3,038	\$3,303	\$3,161	\$2,910	\$3,383
Pharm Cost per AA	\$1,199	\$1,037	\$948	\$1,115	\$1,104	\$1,047	\$978	\$866	\$932	\$904	\$865	\$1,011
Net Revenue Per AA	\$16,078	\$17,486	\$16,224	\$14,857	\$17,893	\$17,150	\$18,258	\$15,875	\$16,817	\$15,020	\$15,012	\$16,073
Budget Supp/AA	\$3,133	\$3,151	\$3,145	\$3,153	\$3,891	\$3,590	\$3,606	\$3,589	\$3,606	\$3,589	\$3,589	\$3,621
Budget Pharm/AA	\$1,128	\$1,127	\$1,126	\$1,127	\$1,310	\$1,210	\$1,210	\$1,210	\$1,210	\$1,210	\$1,211	\$999
Budget Net Rev/AA	\$12,483	\$12,539	\$12,624	\$12,661	\$16,765	\$15,413	\$15,234	\$15,361	\$15,235	\$15,361	\$15,341	\$15,077

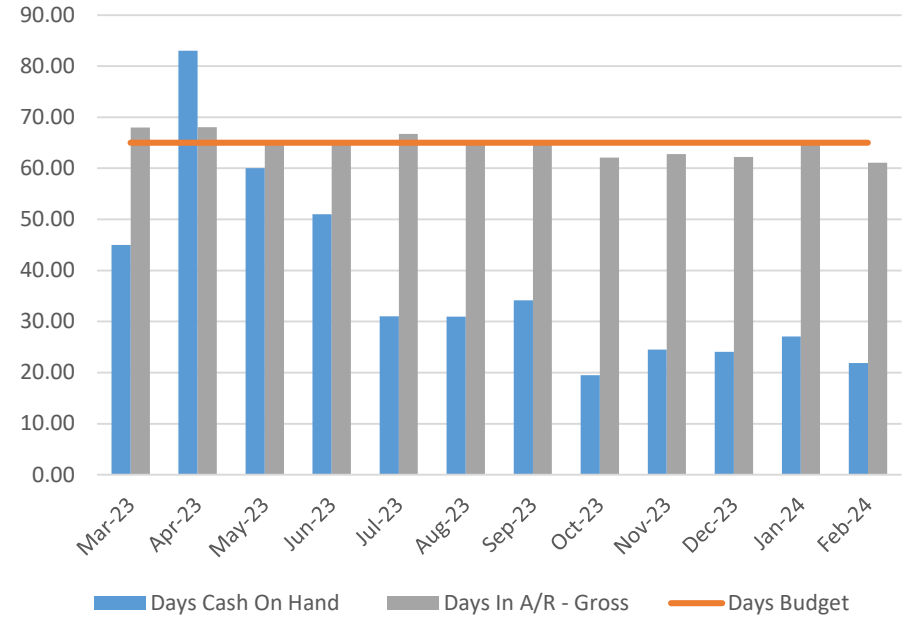
EBIDA Rolling Year



Cash Rolling Year



AR Days Rolling Year



KERN MEDICAL
3-Month Trend Analysis: Revenue & Expense
February 29, 2024

	DECEMBER	JANUARY	FEBRUARY	BUDGET FEBRUARY	VARIANCE POS (NEG)	PY FEBRUARY
Gross Patient Revenue	\$ 100,659,341	\$ 110,832,224	\$ 106,581,614	\$ 93,062,194	15%	\$ 84,259,605
Contractual Deductions	(76,820,725)	(85,927,788)	(83,529,937)	(71,674,488)	17%	(65,769,295)
Net Revenue	23,838,615	24,904,435	23,051,677	21,387,707	8%	18,490,310
Indigent Funding	17,837,788	16,905,758	17,455,758	14,338,567	22%	10,793,007
Correctional Medicine	2,847,714	2,847,714	2,847,714	2,651,620	7%	2,608,481
County Contribution	285,211	285,211	285,211	282,447	1%	285,211
Incentive Funding	0	0	0	425,000	(100%)	0
Net Patient Revenue	44,809,328	44,943,117	43,640,360	39,085,341	12%	32,177,008
Other Operating Revenue	1,682,211	2,112,152	1,397,777	2,428,863	(42%)	6,657,022
Other Non-Operating Revenue	12,619	11,005	11,379	13,060	(13%)	13,485
Total Revenue	46,504,158	47,066,274	45,049,515	41,527,264	8%	38,847,514
Expenses						
Salaries	20,757,137	21,146,166	19,547,347	17,209,730	14%	16,309,458
Employee Benefits	8,371,474	8,716,414	8,529,071	7,219,528	18%	5,449,938
Registry	2,617,740	2,795,394	2,701,171	2,719,949	(1%)	2,684,308
Medical Fees	2,137,776	2,398,660	2,333,226	1,991,696	17%	2,250,226
Other Professional Fees	967,283	1,109,150	1,206,164	2,033,569	(41%)	2,080,624
Supplies	5,017,216	4,827,803	4,851,734	5,136,587	(6%)	4,141,300
Purchased Services	3,243,412	2,782,623	2,185,515	2,422,027	(10%)	2,224,590
Other Expenses	1,539,075	2,125,895	1,781,942	1,678,508	6%	1,960,342
Operating Expenses	44,651,113	45,902,105	43,136,171	40,411,594	6.7%	37,100,785
Earnings Before Interest, Depreciation, and Amortization (EBIDA)	\$ 1,853,045	\$ 1,164,168	\$ 1,913,344	\$ 1,115,670	71%	\$ 1,746,729
EBIDA Margin	4%	2%	4%	3%	58%	4%
Interest	224,182	182,576	384,252	117,423	227%	439,404
Depreciation	885,041	673,318	725,583	699,368	4%	857,633
Amortization	631,692	287,963	697,970	286,579	144%	1,296,366
Total Expenses	46,392,028	47,045,963	44,943,976	41,514,963	8%	39,694,188
Operating Gain (Loss)	\$ 112,130	\$ 20,311	\$ 105,539	\$ 12,301	758%	\$ (846,674)
Operating Margin	0.24%	0.04%	0.23%	0.03%	690.9%	(2.2%)

KERN MEDICAL
Year to Date Analysis: Revenue & Expense
February 29, 2024

	ACTUAL	BUDGET	VARIANCE	PY	PY VARIANCE
	FYTD	FYTD	POS (NEG)	FYTD	POS (NEG)
Gross Patient Revenue	\$ 842,036,832	\$ 777,617,275	8%	\$ 755,795,101	11%
Contractual Deductions	(647,944,728)	(595,305,904)	9%	(577,944,247)	12%
Net Revenue	194,092,104	182,311,371	6%	177,850,854	
Indigent Funding	128,236,315	114,708,537	11.8%	109,946,224	17%
Correctional Medicine	22,781,709	21,212,958	7%	20,582,172	11%
County Contribution	2,281,687	2,259,578	1%	2,281,687	0%
Incentive Funding	0	3,400,000	(100%)	1,404,200	0%
Net Patient Revenue	347,391,816	323,892,444	7%	312,065,137	11%
Other Operating Revenue	14,225,995	19,430,907	(27%)	22,730,937	(37%)
Other Non-Operating Revenue	157,424	104,480	51%	105,799	49%
Total Revenue	361,775,235	343,427,832	5%	334,901,873	8%
Expenses					
Salaries	159,213,337	143,444,666	11.0%	137,064,233	16%
Employee Benefits	66,557,808	60,175,227	10.6%	55,651,623	20%
Registry	20,194,263	22,841,094	(12%)	23,919,092	(16%)
Medical Fees	17,571,094	15,933,567	10%	16,677,152	5%
Other Professional Fees	12,046,395	16,268,551	(26%)	16,490,391	(27%)
Supplies	39,459,707	42,824,831	(8%)	39,893,409	(1%)
Purchased Services	20,664,050	19,575,774	6%	19,615,524	5%
Other Expenses	13,630,084	13,428,061	2%	14,159,596	(4%)
Operating Expenses	349,336,738	334,491,769	4%	323,471,021	8%
Earnings Before Interest, Depreciation, and Amortization (EBIDA)	\$ 12,438,497	\$ 8,936,062	39%	\$ 11,430,852	9%
EBIDA Margin	3%	3%	32%	3%	1%
Interest	1,932,654	939,385	106%	1,269,408	52%
Depreciation	5,647,556	5,594,942	1%	5,801,109	(3%)
Amortization	4,330,327	2,292,631	89%	3,322,047	30%
Total Expenses	361,247,275	343,318,727	5%	333,863,585	8%
Operating Gain (Loss)	\$ 527,960	\$ 109,105	384%	\$ 1,038,288	(49%)
Operating Margin	0.1%	0.0%	359.4%	0.3%	(53%)

**KERN MEDICAL
BALANCE SHEET**

	FEBRUARY 2024	FEBRUARY 2023
ASSETS:		
<i>Total Cash</i>	\$ 32,581,160	\$ 23,132,348
Patient Receivables Subtotal	239,730,471	249,168,767
Contractual Subtotal	(186,131,122)	(191,976,444)
<i>Net Patient Receivable</i>	53,599,348	57,192,323
Total Indigent Receivable	262,297,647	285,442,902
Total Other Receivable	14,996,514	7,714,721
Total Prepaid Expenses	6,853,069	7,216,236
Total Inventory	5,618,750	5,154,081
<i>Total Current Assets</i>	375,946,488	385,852,611
Deferred Outflows of Resources	112,536,013	105,241,458
Total Land, Equipment, Buildings and Intangibles	266,756,718	241,329,209
Total Construction in Progress	7,724,789	9,946,439
<i>Total Property, Plant & Equipment</i>	274,481,507	251,275,648
Total Accumulated Depr & Amortization	(164,427,859)	(149,681,932)
<i>Net Property, Plant, and Equipment</i>	110,053,648	101,593,716
<i>Total Long Term Assets</i>	112,536,013	105,241,458
<i>Total Assets</i>	\$ 598,536,149	\$ 592,687,785

**KERN MEDICAL
BALANCE SHEET**

	FEBRUARY 2024	FEBRUARY 2023
LIABILITIES & EQUITY:		
Total Accounts Payable	\$ 18,142,570	\$ 23,301,236
Total Accrued Compensation	30,827,444	25,454,098
Total Due Government Agencies	3,386,308	14,318,339
Total Other Accrued Liabilities	51,758,112	48,059,153
<i>Total Current Liabilities</i>	104,114,434	111,132,826
Unfunded Pension Liability	345,399,109	284,243,193
Other Long-Term Liabilities	81,830,738	130,099,694
<i>Total Long-Term Liabilities</i>	427,229,847	414,342,887
<i>Total Liabilities</i>	531,344,281	525,475,713
Fund Balance	36,714,022	36,714,022
Retained Earnings	30,477,846	30,498,050
<i>Total Fund Balance</i>	67,191,868	67,212,071
<i>Total Liabilities and Fund Balance</i>	\$ 598,536,149	\$ 592,687,785

**KERN MEDICAL
STATEMENT OF CASH FLOWS**

	Fiscal Year-to-Date February 2024	Fiscal Year-End June 2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received for patient/current services	\$ 193,908,400	\$ 264,388,064
Cash received for other operations	92,062,101	236,708,950
Cash paid for salaries and benefits	(215,635,602)	(202,912,375)
Cash paid for services and supplies	(113,820,011)	(292,069,170)
Net cash (used in) provided by operating activities	(43,485,113)	6,115,469
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Cash (provided to) received from various County funds	-	2,070,094
Interest paid - pension obligation bond	-	(365,334)
Principal paid - pension obligation bond	-	(2,938,587)
Interest paid - line of credit	-	(262,368)
Line of credit payment	20,000,000	-
Net cash provided by (used in) noncapital financing activities	20,000,000	(1,496,195)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition or construction of capital assets	(15,519,506)	(12,141,601)
Payments on right-of-usage lease liability	4,878,594	(3,034,901)
Interest paid - right-of-usage lease liability	34,177	
Payments on SBITA liability	(250,717)	(782,410)
Interest paid - SBITA	2,422	-
Net cash used by capital and related financing activities	(10,855,030)	(15,958,912)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest on bank deposits and investments	-	181,109
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(34,340,143)	(11,158,529)
CASH AND CASH EQUIVALENTS, beginning of year	66,921,303	78,079,832
CASH AND CASH EQUIVALENTS, year-to-date	\$ 32,581,160	\$ 66,921,303