



AGENDA

REGULAR MEETING OF THE FINANCE COMMITTEE A COMMITTEE OF THE BOARD OF DIRECTORS

Tuesday, May 30, 2023 – 9:00 AM
Classroom B

600 N. Highland Springs Avenue, Banning, CA 92220

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Administration Office at (951) 769-2101. **Notification 48 hours prior to the meeting** will enable the Hospital to make reasonable arrangement to ensure accessibility to this meeting. [28 CFR 35.02-35.104 ADA Title II].

TAB

- I. Call to Order S. DiBiasi
- II. Public Comment

A five-minute limitation shall apply to each member of the public who wishes to address the Finance Committee of the Hospital Board of Directors on any matter under the subject jurisdiction of the Committee. A thirty-minute time limit is placed on this section. No member of the public shall be permitted to “share” his/her five minutes with any other member of the public. (Usually, any items received under this heading are referred to staff for future study, research, completion and/or future Committee Action.) (PLEASE STATE YOUR NAME AND ADDRESS FOR THE RECORD.)

On behalf of the San Gorgonio Memorial Hospital Board of Directors, we want you to know that the Board/Committee acknowledges the comments or concerns that you direct to this Committee. While the Board/Committee may wish to occasionally respond immediately to questions or comments if appropriate, they often will instruct the CEO, or other Administrative Executive personnel, to do further research and report back to the Board/Committee prior to responding to any issues raised. If you have specific questions, you will receive a response either at the meeting or shortly thereafter. The Board/Committee wants to ensure that it is fully informed before responding, and so if your questions are not addressed during the meeting, this does not indicate a lack of interest on the Board/Committee’s part; a response will be forthcoming.

OLD BUSINESS

- III. * Proposed Action – Approval of Minutes S. DiBiasi
- April 25, 2023, regular meeting A

NEW BUSINESS

TAB A

REGULAR MEETING OF THE
SAN GORGONIO MEMORIAL HOSPITAL
BOARD OF DIRECTORS

FINANCE COMMITTEE
Tuesday, April 25, 2023

The regular meeting of the San Gorgonio Memorial Hospital Board of Directors Finance Committee was held on Tuesday, April 25, 2023, in Classroom B, 600 N. Highland Springs Avenue, Banning, California.

Members Present: Susan DiBiasi, Ron Rader, Steve Rutledge

Members Absent: Darrell Petersen

Required Staff: Steve Barron (CEO), Angela Brady (CNO/COO), Daniel Heckathorne (CFO), Annah Karam (CHRO) Ariel Whitley (Executive Assistant), John Peleuses (VP Support & Ancillary Svs.)

AGENDA ITEM	DISCUSSION	ACTION / FOLLOW-UP
Call To Order	Susan DiBiasi called the meeting to order at 9:04 am.	
Public Comment	No public present.	
OLD BUSINESS		
Proposed Action - Approve Minutes March 28, 2023, regular meeting	Susan DiBiasi asked for any changes or corrections to the minutes of the March 28, 2023, regular meeting. There were none.	The minutes of the March 28, 2023, regular meeting will stand correct as presented.
NEW BUSINESS		
Proposed Action – Recommend Approval to Hospital Board of Directors - Monthly Financial Report (Unaudited) – March 2023	<p>Daniel Heckathorne, CFO, reviewed the Unaudited March 2023 finance report as included in the committee packets.</p> <p>The month of March resulted in positive \$9.02M EBIDA compared to budgeted EBIDA income of \$9.54M.</p> <p>A few adjustments and items of note include:</p> <ul style="list-style-type: none"> • The March Average Daily Census was 17.8 compared to February’s 21.3 (Budget =37.4). • Emergency visits exceeded budget and Surgery cases were slightly below budget. • Labor Costs were under budget by \$468K, mostly reflecting the low patient volumes. 	M.S.C. (Rutledge/Rader), the SGMH Finance Committee voted to recommend approval of the Unaudited March 2023 Financial report to the Hospital Board of Directors.

AGENDA ITEM	DISCUSSION	ACTION / FOLLOW-UP								
	<p>It was noted that approval is recommended to the Hospital Board.</p> <p>ROLL CALL:</p> <table border="1" data-bbox="386 426 1214 495"> <tr> <td>DiBiasi</td> <td>Yes</td> <td>Petersen</td> <td>Absent</td> </tr> <tr> <td>Rader</td> <td>Yes</td> <td>Rutledge</td> <td>Yes`</td> </tr> </table> <p>Motion carried.</p>	DiBiasi	Yes	Petersen	Absent	Rader	Yes	Rutledge	Yes`	
DiBiasi	Yes	Petersen	Absent							
Rader	Yes	Rutledge	Yes`							
<p>Annual Corporate 990 Filing - Review</p>	<p>This item was included as informational for review.</p>									
<p>Proposed Action - Recommend approval to Hospital Board and the Healthcare District Board</p> <ul style="list-style-type: none"> Approval for San Gorgonio Memorial Hospital (Corporation) to establish an IntraFi ICS and CDARS Program with Pacific Premier Bank 	<p>The recent collapse of Silicon Valley Bank on March 10th and Signature Bank just a couple days later and the subsequent takeover of both banks by the Federal Deposit Insurance Corporation (“FDIC”) has prompted staff to reevaluate the safety of the Districts’ and the Corporation’s deposits residing at commercial banking institutions.</p> <p>Please refer to Tab C for a detailed description of the IntraFi ICS and CDARS program.</p> <p>It was noted that approval is recommended to the Hospital Board and the Healthcare District Board.</p> <p>ROLL CALL:</p> <table border="1" data-bbox="386 1129 1214 1199"> <tr> <td>DiBiasi</td> <td>Yes</td> <td>Petersen</td> <td>Absent</td> </tr> <tr> <td>Rader</td> <td>Yes</td> <td>Rutledge</td> <td>Yes`</td> </tr> </table> <p>Motion carried.</p>	DiBiasi	Yes	Petersen	Absent	Rader	Yes	Rutledge	Yes`	<p>M.S.C. (Rader/Rutledge), the SGMH Finance Committee voted to recommend approval for San Gorgonio Memorial Hospital (Corporation) to establish an IntraFi ICS and CDARS Program with Pacific Premier Bank to the Hospital Board of Directors and the Healthcare District Board of Directors.</p>
DiBiasi	Yes	Petersen	Absent							
Rader	Yes	Rutledge	Yes`							

AGENDA ITEM	DISCUSSION	ACTION / FOLLOW-UP								
<p>Proposed Action – Recommend approval to the Hospital Board and the Healthcare District Board</p> <ul style="list-style-type: none"> To enter into an agreement with Sysmex America, Inc. for acquisition of equipment, service, and reagents for the performance of diagnostic urinalysis, including the trade-in of the current equipment. 	<p>The hospital is in need of an updated laboratory instrument to perform routine urinalysis and assist in the determination of urine specimens needing culture and sensitivity. Existing equipment is approaching the end of life. This new equipment will reduce the need for manual microscopic screenings by approximately 50 per cent by Clinical Laboratory Scientists (CLS).</p> <p>It was noted that approval is recommended to the Hospital Board and the Healthcare District Board.</p> <p>ROLL CALL:</p> <table border="1" data-bbox="386 659 1214 730"> <tr> <td>DiBiasi</td> <td>Yes</td> <td>Petersen</td> <td>Absent</td> </tr> <tr> <td>Rader</td> <td>Yes</td> <td>Rutledge</td> <td>Yes`</td> </tr> </table> <p>Motion carried.</p>	DiBiasi	Yes	Petersen	Absent	Rader	Yes	Rutledge	Yes`	<p>M.S.C. (Rutledge/Rader), the SGMH Finance Committee voted to recommend approval to enter into an agreement with Sysmex America, Inc. for acquisition of equipment, service, and reagents for the performance of diagnostic urinalysis, including the trade-in of the current equipment to the Hospital Board of Directors and the Healthcare District Board of Directors.</p>
DiBiasi	Yes	Petersen	Absent							
Rader	Yes	Rutledge	Yes`							
<p>Future Agenda Items</p>	<p>None</p>									
<p>Next Meeting</p>	<p>The next regular Finance Committee meeting will be held on May 30, 2023 @ 9:00 am.</p>									
<p>Adjournment</p>	<p>The meeting was adjourned at 9:52 am.</p>									

In accordance with The Brown Act, *Section 54957.5*, all reports, and handouts discussed during this Open Session meeting are public records and are available for public inspection. These reports and/or handouts are available for review at the Hospital Administration office located at 600 N. Highland Springs Avenue, Banning, CA 92220 during regular business hours, Monday through Friday, 8:00 am - 4:30 pm.

Minutes respectfully submitted by Ariel Whitley, Executive Assistant

TAB B



**SAN GORGONIO MEMORIAL HOSPITAL
BANNING, CALIFORNIA**

Unaudited Financial Statements

for

TEN MONTHS ENDING APRIL 30, 2023

FY 2023

Certification Statement:

To the best of my knowledge, I certify for the hospital that the attached financial statements, except for the uncertainty of IGT revenue accruals, do not contain any untrue statement of a material fact or omit to state a material fact that would make the financial statements misleading. I further certify that the financial statements present in all material respects the financial condition and results of operation of the hospital and all related organizations reported herein.

Note: Because these reports are prepared for internal users only, they do not purport to conform to the principles contained in U.S. GAAP.

Certified by:

Daniel R. Heckathorne

Daniel R. Heckathorne

CFO

San Geronio Memorial Hospital

Financial Report - Executive Summary

For the Month of April, 2023 and Ten Months Ended April 30, 2023 (Unaudited)

Profit/Loss (EBIDA) Summary (MTD) Negative and (YTD) Negative (comparisons to Budget)

The month of April resulted in negative \$1.52M Earnings before Interest, Depreciation and Amortization (EBIDA) compared to budgeted EBIDA income of \$1.71M.

YTD – The YTD April results were a positive \$534K Earnings before Interest, Depreciation and Amortization (EBIDA) compared to budgeted EBIDA gain of \$1.52M.

Month – Adjustments and Items of Note:

- The April Average Daily Census was 20.2 compared to March's 17.8 (Budget = 35.0)
- Emergency visits exceeded budget and Surgery cases were slightly below budget.
- Other Income included \$673K of State contributions toward the Retention Payments made to associates (employees) in December and April. (See attached)
- Total extra Salaries/Benefits expenses of \$1.9M were recorded in April. (See attached)
- Net gains from Supplemental fundings totaled \$2.7M before IGT Expense. (See attached)
- Other Expense adjustments in April totaled \$363K. (See attached)
- Total impact of April's Extraordinary Items is a positive \$794K impact to EBIDA (See attached)

Month – April's inpatient average daily census was 20.2. Adjusted Patient Days were 17% under budget (1,738 vs. 2,090) which includes the Patient Days which were 42% below budget (607 vs. 1,050). Emergency Visits were 10.5% over budget (3,341 vs. 3,023), and Surgeries were slightly under budget by 5.3% (107 vs. 113).

YTD - Inpatient average daily census was 21.7. Adjusted Patient Days were 11.4% under budget (18,040 vs. 20,354) and Patient Days were 35% below budget (6,591 vs. 10,225). Emergency Visits were 6% over budget (34,959 vs. 32,808), and overall Surgeries were 4.2% under budget (1,175 vs. 1,227).

Patient Revenues (MTD) Negative (YTD) Negative

Month - Net Patient Revenues in April were \$1.5M (26%) below budget. This continues to be impacted by the Deductions from Revenues consisting of the higher-than-expected mix of Outpatient Revenues (compared to Inpatient Revenues), which generally pay about 10% of charges compared to Inpatient Revenues which generally pay about 17% of charges. This also directly relates to the much lower-than-expected count of Inpatient Days. The Residency Program recovery was \$41K and is included in the Deductions from Revenues.

YTD – Net Patient Revenues were \$8.52M (15%) below budget. This is markedly impacted by the Deductions from Revenues consisting of the higher-than-expected mix of Outpatient Revenues (compared to Inpatient Revenues), which generally pay about 10% of charges compared to Inpatient Revenues which generally pay about 17% of charges. This also directly relates to the lower-than-expected Inpatient Days. The Deductions are favorably offset by \$451K Residency Program recovery.

Total Operating Revenues (MTD) Negative & (YTD) Negative

Month – Operating Revenue in April was \$1.62M under budget. This is mostly impacted by the Net Patient Revenues being \$1.5M under budget and the Non-Patient Revenues being \$116K under budget.

YTD - Operating Revenue was \$6.60M below budget. This was impacted by the \$8.52M negative variance in

Net Patient Revenues for the ten months and a \$1.92M positive variance in Other Income.

Operating Expenses (MTD) Positive & (YTD) Positive

Month - Operating Expenses in April were \$9.56M and were over budget by \$1.61M. Key items that impacted overall Expenses were as follows: 1) Salaries and Wages, Benefits, and Contract Labor were collectively \$1.45M over budget (see Extraordinary Items); 2) Purchased Services were \$166K below budget which included a) favorable variances in Altera (Allscripts) fees (\$45K), along with favorable variances in I/T and Plant Services; 3) Supplies were under budget by \$62K, which can be attributed to a) lower than expected Inpatient Admissions, and b) no covid surges; All Other Operating Expense was over budget by \$285K which included additional Election expenses of \$57K and Prime Grant Expense closing costs for this year (\$254K).

YTD – Operating Expenses were \$72.7M and were under budget by \$5.6M. Key items that impacted overall Expenses were as follows: 1) Salaries, Benefits, and Contract Labor were a combined \$839K under budget which was impacted by the PTO Flex-Down variance during the summer months along with the much lower than expected Patient Days workloads. Also see the Extraordinary Items report which reflects Employee Retention payments expenses which were largely offset by reimbursement from the State, and a \$530K correction in April for under-accruals to August salaries; 2) Physician fees were \$426K under budget and key variances relate to the Residency Program (\$291K) and Anesthesia (\$96K); 3) Purchased Services showed a favorable variance of \$2.2M due to Allscripts/Navigant (\$843K), I/T (\$311K), Dialysis (\$164K), Plant Operations (\$94K), Human Resources (\$148K), Legal fees (\$328K), and Administration/Accounting (\$68K) along with various other Service Agreements being lower than expected; 4) Supplies were under budget by \$2.70M, which included Drugs (\$1.72M), General Medical Supplies (\$796K), Non-Medical Supplies (\$211K) Prostheses (\$160K), Oxygen (\$69K), all of which can be attributable to a) much lower than expected Inpatient Admissions, b) no covid surges thus far, and c) not experiencing the full impact of inflation; 5) Other Operating Expenses were over budget by \$387K, which was largely driven by the Prime Grant Expense closing costs (\$254K) and Election Fees being much higher than anticipated.

Balance Sheet/Cash Flow

Patient cash collections in April totaled \$4.9M, compared to \$6.07M in March and \$5.64M in February. The Gross A/R Days increased slightly to 65.1 compared to 64.4 in March and 69 in February.

Cash balances were \$8.78M compared to \$15.85M in March. The large influx of cash related to all the Supplemental funding that was received at the end of March and was used to pay down the \$6M balance on the Bank Line of Credit on April 4. The LOC borrowing remains at zero as of this writing, which well exceeds the 30 days requirement. This is partially impacted by receipt of another \$2.88M (net) Rate Range funds received in April. Accounts Payable increased slightly to \$7.68M compared to \$7.19M in March. A liability is in place reflecting \$1.55M payable to Medicare for outliers and sequestration.

Summary

Positive takeaways:

- 1) Supplemental Funding continues to provide a significant portion of Operating Revenues

Negative takeaways:

- 1) Assuming that all the prorated expected Supplemental Pay had been accrued through April, the YTD EBIDA (including allowance for payment of operating/software leases) would be a negative \$2.06M.
- 2) Inpatient Days significantly lagged behind normal April activity.

STATISTICS

Inpatient Admissions/Discharges (Monthly Average)

Represents number of patients admitted/discharged into and out of the hospital.

Patient Days (Monthly Average)

Each day a patient stays in the hospital is counted as a patient day. This count is normally done at midnight.

Average Daily Census (Inpatient)

Equals the average number of inpatients in the hospital on any given day or month.

Average Length of Stay (Inpatient)

Represents that average number of days that inpatients stay in the hospital.

Emergency Visits (Monthly Average)

Represents the number of patients who sought services at the emergency room.

Surgery Cases - Excluding G.I. (Monthly Average)

Equals the number of patients who had a surgical procedure(s) performed.

G.I. Cases (Monthly)

Number of patients who had a gastrointestinal exam performed.

Newborn Deliveries (Monthly)

Number of babies delivered.

PRODUCTIVITY

Worked FTEs (includes Registry FTEs)

Represents an equivalency of full-time staff worked. One FTE is equivalent of working 40 hours per week, 80 hours per pay period, 173.3 hours per 30 day month, or 2,080 hours in a 52 week year. This calculation divides the number of hours worked by the number of hours in the respective work period (40, 80, etc.) Example: 340 hours worked in an 80 hour pay period = 4.25 FTE's

Worked FTES per APD

Divides the Total Worked FTE's by the daily average of the Adjusted Patient Days.

Paid FTEs (includes Registry FTEs)

Represents an equivalency of full-time staff paid. One FTE is equivalent of working 40 hours per week, 80 hours per pay period, 173.3 hours per 30 day month, or 2,080 hours in a 52 week year. This calculation divides the number of hours paid (includes all hours paid consisting of worked hours, PTO hours, sick pay, etc.) by the number of hours in the respective work period (40, 80, etc.) Example: 500 hours paid in an 80 hour pay period = 6.25 FTE's.

Paid FTES per APD

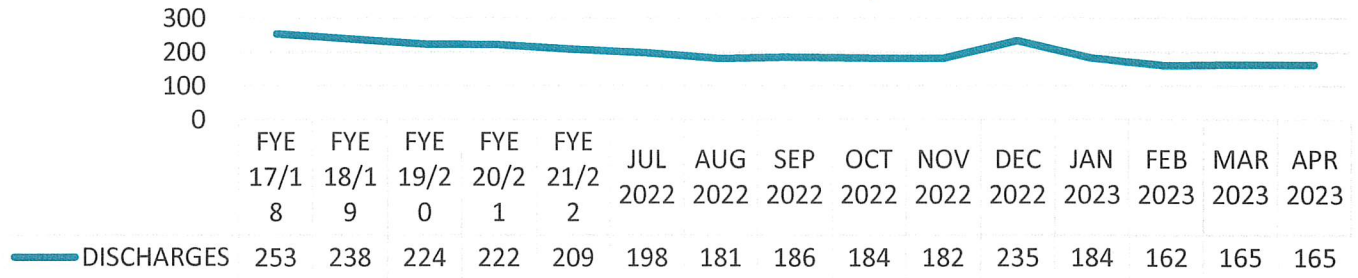
Divides the Total Paid FTE's by the daily average of the Adjusted Patient Days.

ADJUSTED PATIENT DAYS

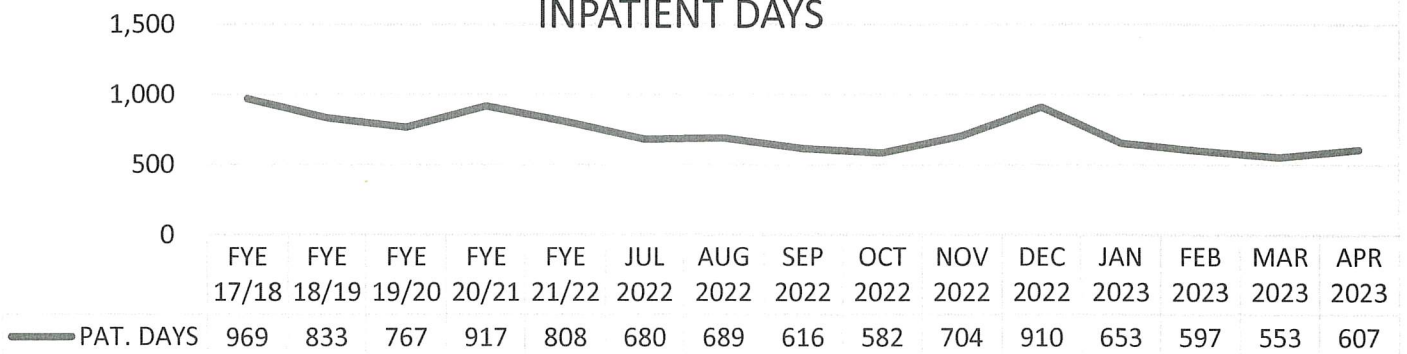
This is a blend of total patient days stayed in the hospital for a month, plus an equivalency factor (based on average inpatient revenue per patient day) applied to the outpatient revenues in order to account for outpatient workloads.

SAN GORGONIO MEMORIAL HOSPITAL

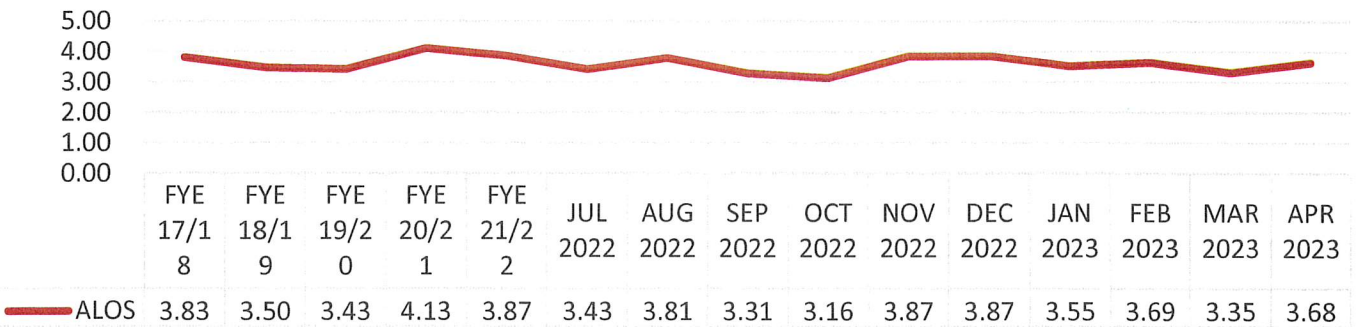
INPATIENT DISCHARGES



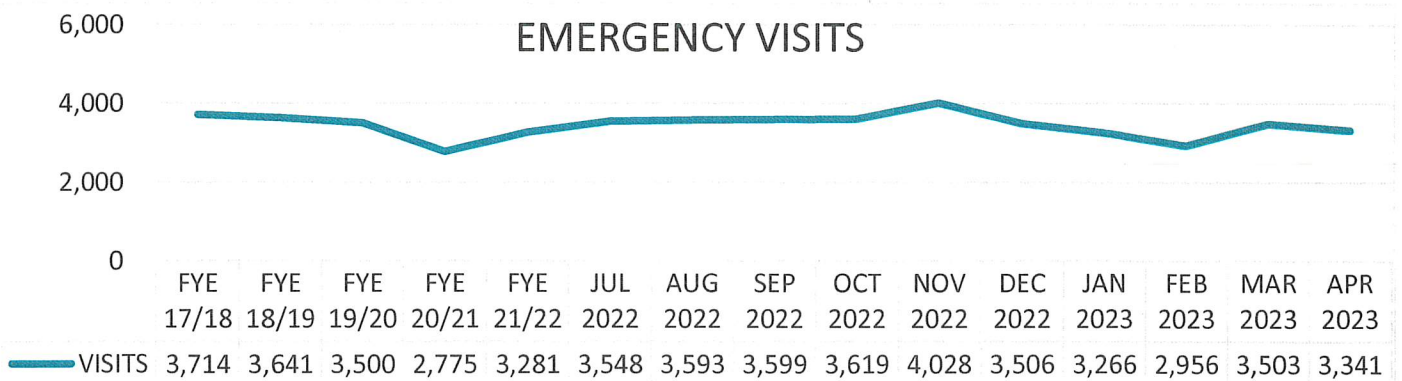
INPATIENT DAYS



AVERAGE LENGTH OF STAY

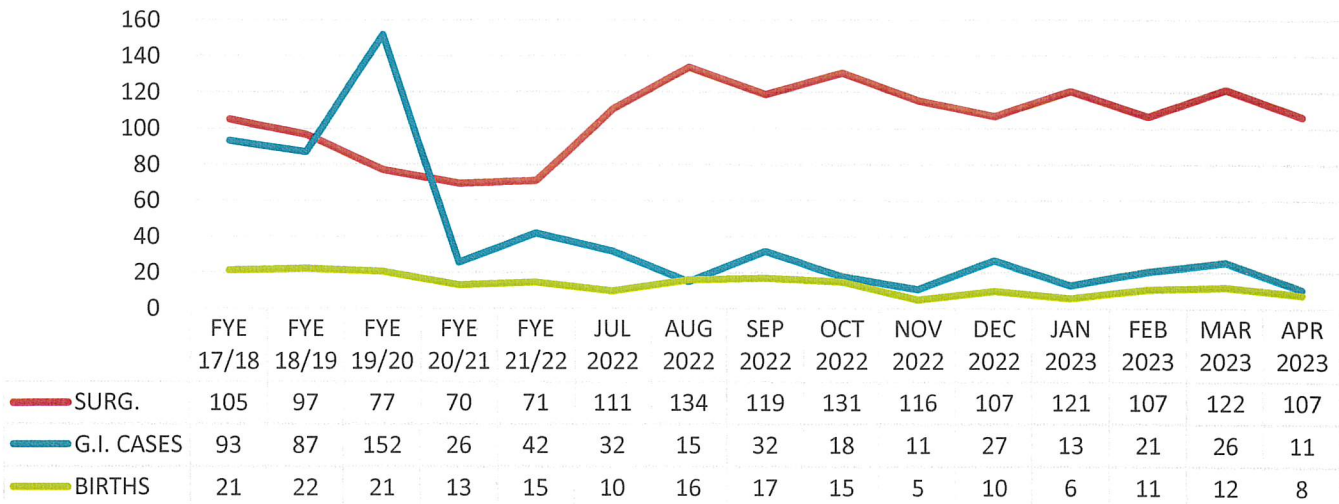


EMERGENCY VISITS

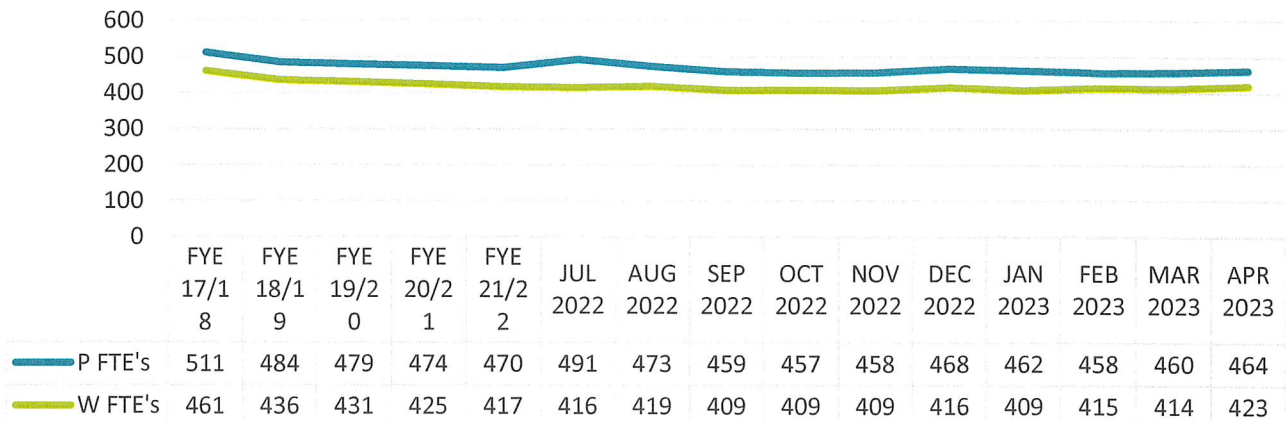


SAN GORGONIO MEMORIAL HOSPITAL

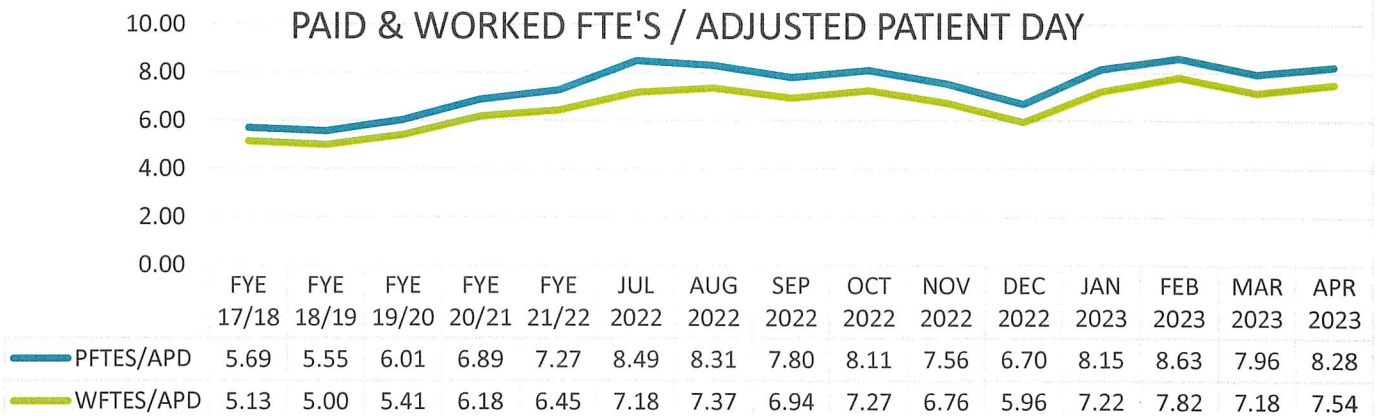
SURGERY CASES, G.I. CASES, N/B DELIVERIES



PAID & WORKED FTE'S



PAID & WORKED FTE'S / ADJUSTED PATIENT DAY



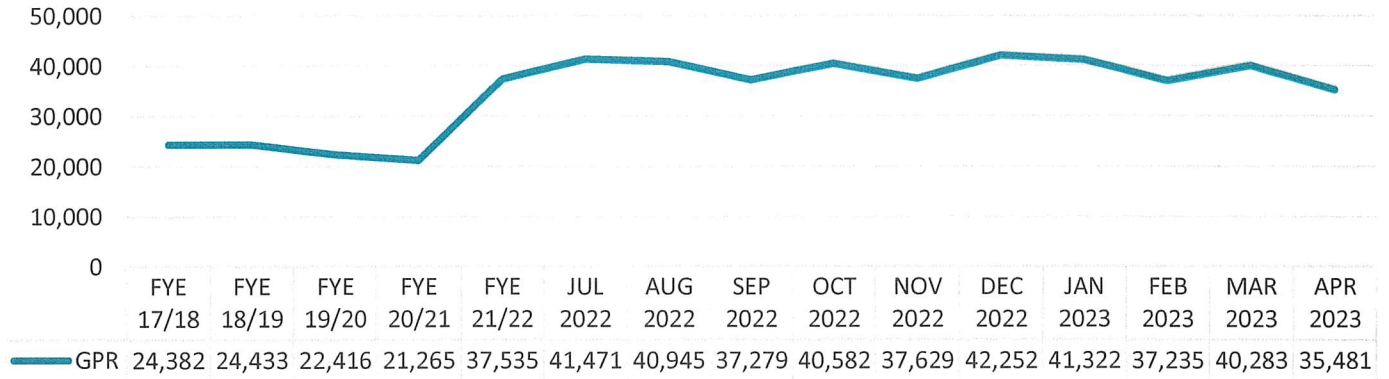
INCOME STATEMENT

Gross Patient Revenue (000's) (Monthly Ave.)	Represents total charges (before discounts and allowances) made for all patient services provided.
Net Patient Revenue (NPR) (000's) (Monthly Ave.)	Equals the sum of all (patient) charges for services provided that are due to the hospital, less estimated adjustments for discounts and other contractual disallowances for which the patients may be entitled.
NPR as % of Gross	Reflects the percentage of Gross Patient Revenues (charges) that are expected to be collected. Calculated by dividing Net Patient Revenue by the Gross Patient Revenue.
Total Operating Revenue (000's) (Monthly Ave.)	This reflects all Revenues available for payment of Operating Expenses. This includes Net Patient Revenue plus all other forms of miscellaneous Revenues.
Salaries, Wages, Benefits & Contract Labor (000's) (Monthly Ave.)	Represents the total staffing expenses of the Hospital
SWB + Contract Labor as % of Total Operating Revenue	Identifies what portion the Operating Revenues are spent on staffing costs.
Total Operating Expense (TOE) (000's)(Monthly Ave.)	Operating Expense reflects all costs needed to fund the Hospital's business operations.
TOE as % of Total Operating Revenue	Identifies the relationship that Operating Expenses have to the Total Operating Revenues.
EBIDA (000's)(Monthly Average)	Earnings Before Interest, Depreciation, and Amortization. This reflects the difference between Net Operating Revenues and Total Operating Expense. This is a quick measurement of the Hospital's ability to meet its financial obligations and have additional funds for equipment replacement and future growth of the organization.
EBIDA as % of NPR	This measurement is a gauge of the surplus (or deficit) of funds available for operations and future growth.
Net Patient Revenue vs. Total Labor Expense	This measurement illustrates that Net Patient Revenues basically only cover Total Labor Expense, and that all of the Other Revenues and Supplemental Incomes are necessary to cover the remaining operational Expenses and EBIDA required to operate the Hospital.
Operating Revenues (Normalized), Expenses, Staffing Expenses, and EBIDA (Normalized)	This graph illustrates the "normalization" of Operating Revenues and EBIDA, by reallocating proportionate Supplemental Revenues and related Expenses into the current month and YTD results.

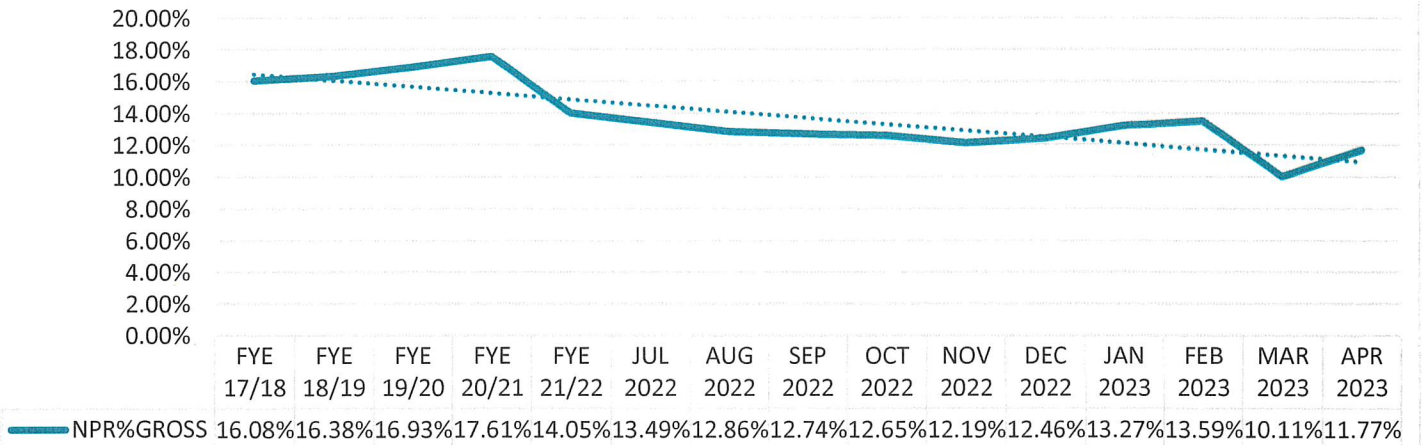
3-D

SAN GORGONIO MEMORIAL HOSPITAL

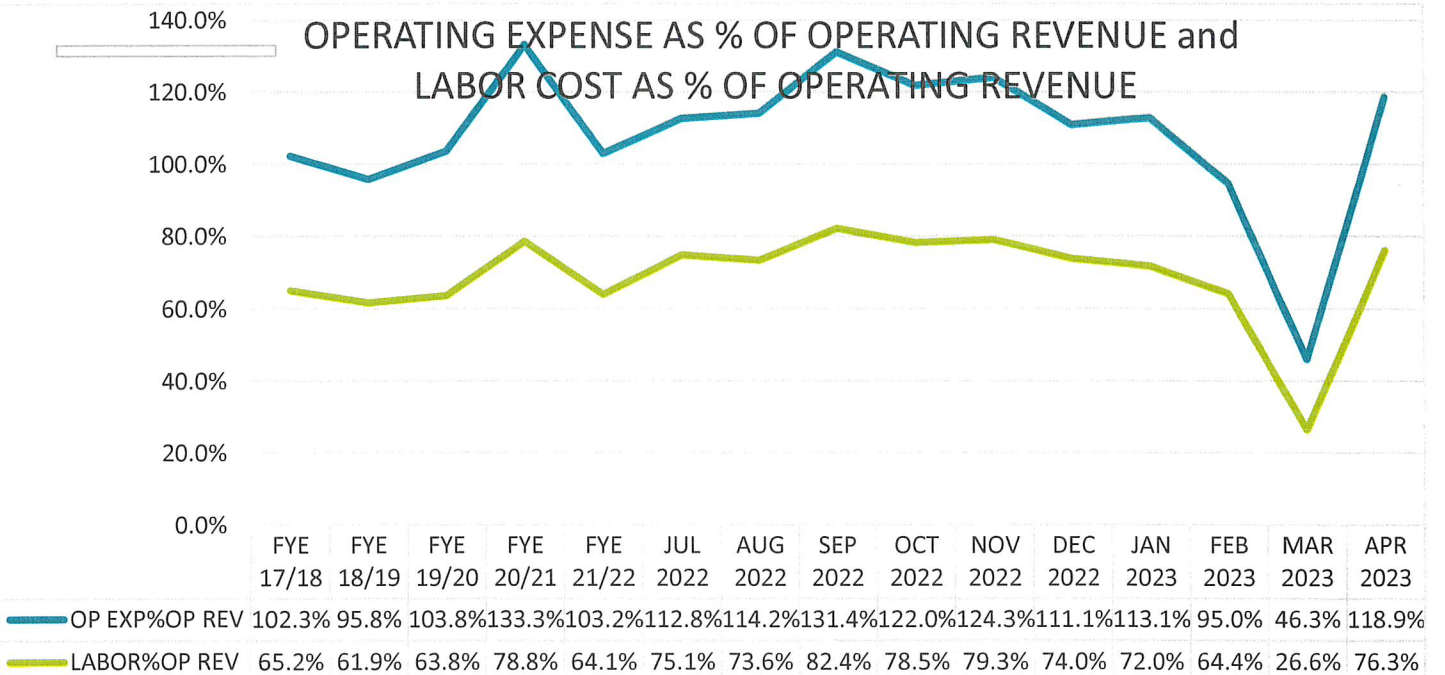
GROSS PATIENT REVENUE (000's)



NET PATIENT REVENUE AS % OF GROSS

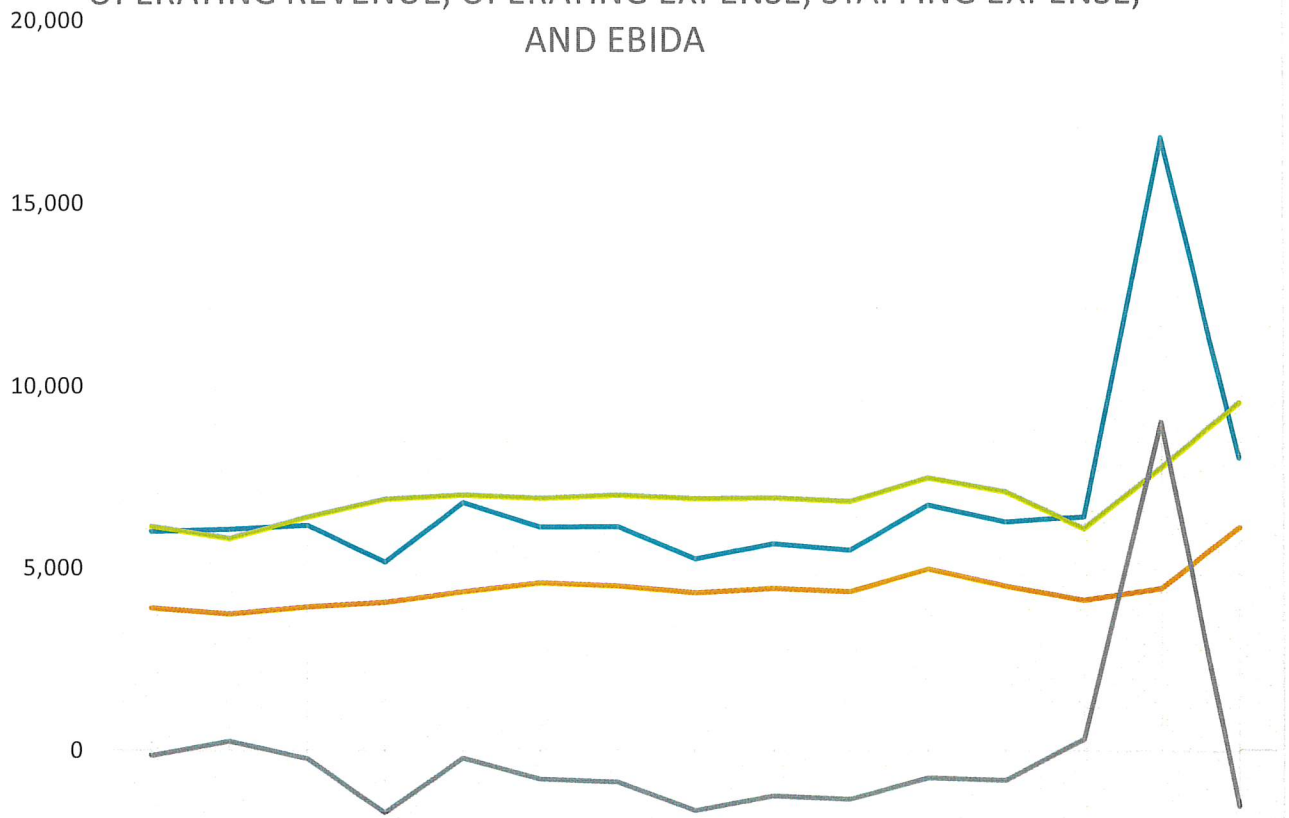


OPERATING EXPENSE AS % OF OPERATING REVENUE and LABOR COST AS % OF OPERATING REVENUE



SAN GORGONIO MEMORIAL HOSPITAL

OPERATING REVENUE, OPERATING EXPENSE, STAFFING EXPENSE, AND EBIDA

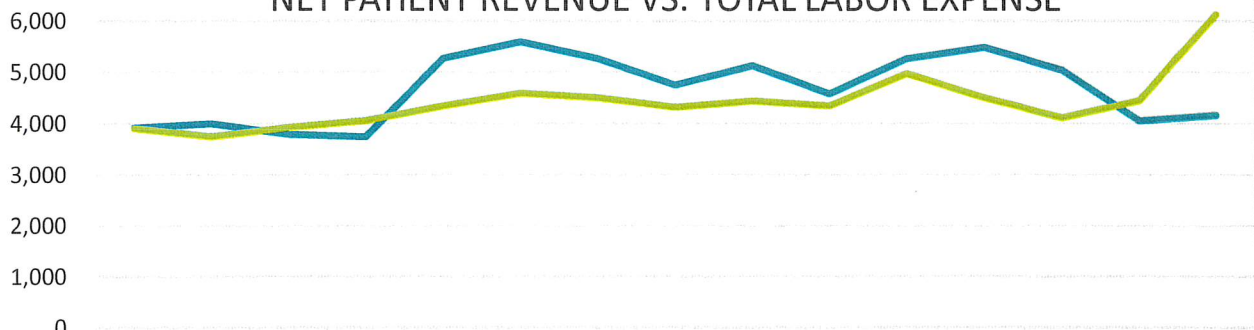


(5,000)

	FYE 17/18	FYE 18/19	FYE 19/20	FYE 20/21	FYE 21/22	JUL 2022	AUG 2022	SEP 2022	OCT 2022	NOV 2022	DEC 2022	JAN 2023	FEB 2023	MAR 2023	APR 2023
OP REV	6,006	6,069	6,165	5,160	6,791	6,132	6,137	5,246	5,674	5,499	6,728	6,269	6,413	16,788	8,041
OP EXP	6,147	5,817	6,398	6,878	7,007	6,920	7,010	6,893	6,923	6,834	7,475	7,091	6,094	7,771	9,557
STAFF EXP	3,915	3,755	3,932	4,065	4,354	4,604	4,515	4,322	4,452	4,359	4,980	4,513	4,129	4,462	6,136
EBIDA	(141)	252	(233)	(1,719)	(216)	(788)	(873)	(1,648)	(1,249)	(1,335)	(747)	(822)	319	9,017	(1,516)

7,000

NET PATIENT REVENUE VS. TOTAL LABOR EXPENSE



0

	FYE 17/18	FYE 18/19	FYE 19/20	FYE 20/21	FYE 21/22	JUL 2022	AUG 2022	SEP 2022	OCT 2022	NOV 2022	DEC 2022	JAN 2023	FEB 2023	MAR 2023	APR 2023
NET PAT REV	3,921	4,003	3,795	3,744	5,275	5,594	5,267	4,751	5,134	4,585	5,266	5,485	5,060	4,071	4,176
LABOR EXP	3,915	3,755	3,932	4,065	4,354	4,604	4,515	4,322	4,452	4,359	4,980	4,513	4,129	4,462	6,136

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SAN GORGONIO MEMORIAL HOSPITAL

OPERATING REVENUE (NORMALIZED), OPERATING EXPENSE, STAFFING EXPENSE, AND EBIDA (NORMALIZED) (000's)

12,000
10,000
8,000
6,000
4,000
2,000
0
(2,000)
(4,000)

	FYE 17/18	FYE 18/19	FYE 19/20	FYE 20/21	FYE 21/22	JUL 2022	AUG 2022	SEP 2022	OCT 2022	NOV 2022	DEC 2022	JAN 2023	FEB 2023	MAR 2023	APR 2023
REV NORMAL	6,006	6,069	6,165	5,160	6,569	7,453	7,458	6,567	6,995	6,399	8,049	7,591	7,307	7,133	6,106
OP EXP	6,147	5,817	6,398	6,878	7,007	6,920	7,010	6,893	6,923	6,834	7,475	7,091	6,094	7,771	9,557
LABOR EXP	3,915	3,755	3,932	4,065	4,354	4,604	4,515	4,322	4,452	4,359	4,980	4,513	4,129	4,462	6,136
EBIDA NORMAL	(141)	252	(233)	(1,719)	(438)	533	448	(326)	175	72	(435)	574	499	1,214	(1,437)

SAN GORGONIO HEALTHCARE DISTRICT & HOSPITAL - BANNING, CA
Month-to Month FYE June 30, 2023

Statement of Revenue and Expense

	FYE17/18	FYE18/19	FYE19/20	FYE 20/21	FYE 22/23	FYE 22/23	FYE 22/23	FYE 22/23	FYE 22/23	FYE 22/23	FYE 22/23	FYE 22/23	FYE 22/23	FYE 22/23	FYE 22/23
	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.
Gross Patient Revenue	\$ 8,652,325	\$ 7,667,893	\$ 7,401,282	\$ 9,331,371	\$ 16,603,390	\$ 14,492,708	\$ 13,463,161	\$ 13,156,157	\$ 13,207,417	\$ 14,560,451	\$ 17,905,552	\$ 15,327,216	\$ 13,691,246	\$ 12,451,953	\$ 12,872,356
Inpatient Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Outpatient Revenue	15,730,069	16,765,365	15,067,104	11,933,682	20,932,075	24,949,142	25,684,830	27,481,674	27,374,507	23,068,968	24,746,141	25,994,869	23,543,943	27,831,252	22,609,141
Home Health Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Gross Patient Revenue	24,382,394	24,433,247	22,468,386	21,265,053	37,535,465	39,441,850	41,471,174	40,944,835	37,279,918	40,581,924	42,251,693	41,322,085	37,235,189	40,283,214	35,481,497
Discounts and Allowances	(19,635,639)	(19,588,148)	(17,845,734)	(16,635,734)	(33,557,312)	(34,866,578)	(34,797,135)	(30,986,845)	(32,035,399)	(35,904,405)	(30,914,713)	(30,914,713)	(35,779,812)	(30,383,694)	(33,573,121)
Bad Debt Expense	(806,002)	(858,023)	(653,280)	(653,280)	(1,045,570)	(826,617)	(883,157)	(813,947)	(734,463)	(971,962)	(1,015,237)	(935,938)	(1,246,067)	(334,016)	(799,841)
GI HMO Discounts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Charity Care	(60,410)	(56,168)	(86,517)	(41,362)	(136,947)	(86,358)	(28,117)	(66,596)	(427,769)	(29,952)	(36,715)	(14,815)	(14,782)	(57,399)	(121,864)
Total Deductions From Revenue	(20,522,051)	(20,592,238)	(18,595,527)	(17,801,480)	(32,448,666)	(34,470,288)	(35,677,331)	(35,677,679)	(32,598,120)	(33,044,076)	(30,986,188)	(30,914,713)	(36,171,227)	(31,305,399)	(34,402,879)
Net Patient Revenue	3,860,343	3,930,908	3,862,859	3,763,563	5,086,799	4,971,562	5,893,843	5,267,156	4,750,898	5,134,222	4,585,343	5,484,928	5,099,628	4,111,967	4,176,098
Non-Patient Revenues	1,530,975	1,485,337	1,157,326	869,707	501,407	1,127,360	0	0	0	0	0	0	0	0	0
IGT/DSH Revenues	193,807	205,590	750,434	505,190	725,066	817,994	136,873	468,018	93,358	512,304	1,059,520	383,032	951,722	4,151,470	285,071
Grants & Other Op Revenues	20,066	22,382	15,743	0	0	0	0	0	0	0	0	0	0	0	0
Clinic Net Revenues	174,832	196,524	199,469	209,744	229,405	246,994	246,994	246,994	246,994	246,994	246,994	246,994	246,994	246,994	246,994
Tax Subsidies Measure D	105,276	115,388	114,061	142,552	154,500	154,500	154,500	154,500	154,500	154,500	154,500	154,500	154,500	154,500	154,500
Tax Subsidies Prop. 13	16,858	16,159	9,064	16,163	25,561	2,769	0	0	0	0	0	0	0	0	0
Tax Subsidies County Supplmtl Funds	2,041,851	2,041,351	2,246,097	1,743,355	1,627,542	2,349,617	539,367	869,512	491,852	913,798	1,461,014	784,526	1,353,216	12,676,224	3,864,596
Non-Patient Revenues	5,902,018	5,972,289	6,128,956	5,906,919	6,713,341	7,321,179	6,132,210	6,136,668	5,245,751	5,674,284	6,727,509	6,269,454	6,412,844	16,788,211	8,040,693
Total Operating Revenue	3,000,485	2,941,226	3,104,224	3,125,159	3,420,974	3,613,512	3,566,637	3,581,670	3,344,149	3,505,628	3,976,933	3,077,122	3,403,893	4,883,009	36,135,117
Operating Expenses	764,204	702,477	752,708	856,889	830,599	898,552	868,467	904,958	926,984	926,984	926,984	909,630	983,304	1,136,954	9,899,286
Salaries and Wages	211,630	206,628	59,516	114,886	99,977	96,572	64,443	79,561	72,561	72,561	81,713	191,814	141,964	115,720	965,716
Contract Labor	581,239	513,857	691,337	331,858	330,633	322,564	327,921	277,979	293,569	308,777	352,579	329,986	329,986	329,986	3,225,840
Physicians Fees	695,167	685,916	751,025	903,883	895,446	863,132	898,214	888,903	802,604	890,157	746,115	797,016	476,515	849,809	7,953,905
Purchased Services	74,205	75,471	60,860	92,287	111,192	114,603	104,925	113,807	93,363	120,651	115,611	96,716	105,867	98,949	6,331,323
Utilities	86,837	85,267	59,592	139,774	139,774	139,774	139,774	139,774	139,774	139,774	139,774	139,774	139,774	139,774	1,148,033
Repairs and Maintenance	68,153	70,922	160,745	109,484	109,484	109,484	109,484	109,484	109,484	109,484	109,484	109,484	109,484	109,484	899,689
Insurance Expense	217,449	58,743	79,233	79,233	79,233	79,233	79,233	79,233	79,233	79,233	79,233	79,233	79,233	79,233	1,205,353
All Other Operating Expenses	57,907	98,810	84,628	34,096	0	0	0	0	0	0	0	0	0	0	1,390,595
IGT Expense	6,045,802	5,720,023	6,377,306	7,010,605	7,267,732	7,267,732	6,920,067	6,833,839	6,893,407	6,923,449	7,474,599	7,091,173	6,093,690	7,770,997	9,097,940
Leases and Rentals	(143,485)	252,266	(248,351)	(1,394,337)	(297,264)	53,447	(787,858)	(873,012)	(1,647,656)	(1,248,165)	(747,090)	(821,719)	319,154	9,017,214	(1,516,179)
Total Operating Expenses	512,468	497,808	506,497	494,721	472,317	547,266	550,044	406,450	406,450	446,560	426,319	646,669	661,981	626,682	627,615
Depreciation and Amortization	432,890	418,193	422,094	447,994	391,606	478,349	427,682	571,834	409,754	394,794	419,794	625,830	491,596	467,039	550,064
Interest Expense	944,956	916,000	928,591	942,715	863,923	1,025,616	977,726	876,283	816,433	841,374	846,112	1,274,500	1,153,577	1,093,721	1,177,679
Total Interest, Depr. & Amort.	14,354	7,745	27,759	7,121	25,068	179,032	1,387,913	2,599	3,065	3,065	3,065	3,065	3,065	3,065	5,682
Non-Operating Revenue:	652,487	692,457	666,966	596,410	616,059	627,353	627,353	627,353	627,353	627,353	627,353	627,353	627,353	627,353	627,353
Tax Subsidies for GO Bonds - M-A	685,841	700,202	694,725	695,531	641,127	806,385	2,015,266	629,952	630,418	629,421	935,307	578,728	629,228	630,931	8,063,847
Total Non Operating Revenue/Expense	(421,999)	36,467	(482,217)	(1,731,521)	(620,060)	(165,784)	249,682	(1,451,118)	(1,066,263)	(1,396,726)	(136,905)	8,554,425	(2,060,822)	(1,657,844)	
Total Net Surplus/(Loss)	3,860,343	3,930,908	3,862,859	3,763,563	5,086,799	4,971,562	5,893,843	5,267,156	4,750,898	5,134,222	4,585,343	5,484,928	5,099,628	4,111,967	4,176,098
Change in Interest in Foundation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Extra-ordinary Loss	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Increase/(Decrease in Unrestricted Net)	3,860,343	3,930,908	3,862,859	3,763,563	5,086,799	4,971,562	5,893,843	5,267,156	4,750,898	5,134,222	4,585,343	5,484,928	5,099,628	4,111,967	4,176,098
Total Profit Margin	7.1%	0.6%	-7.9%	-31.4%	-7.7%	-2.3%	4.1%	-19.9%	-35.0%	-28.2%	-16.1%	-22.3%	-2.1%	51.0%	-25.6%
EBIDA %	-2.4%	4.2%	-4.1%	-25.3%	-4.4%	0.7%	-12.8%	-14.2%	-31.4%	-22.0%	-11.1%	-13.1%	5.0%	-18.9%	0.7%

Note: Variances in the FYE 2023 monthly columns are explained in the respective monthly financial reports.

Note: The calculations below are adjusted to account for the cash-flow impact of re-classifying Operating Leases and Software Leases from "EBIDA related Operating Expenses" to Interest and Depreciation Expenses. Estimated Value of Supplemental Accruals (Updated 05/24/23)
 Estimated EBIDA If Supplementals were Accrued Monthly (Updated 05/24/23)
 YTD Monthly Average Estimated EBIDA If Supplementals were Accrued Monthly (Updated 05/24/23)

3-H

SAN GORGONIO HEALTHCARE DISTRICT & HOSPITAL - BANNING, CA
5 Year Monthly Averages and 12 Rolling Months Ended 04/30/2023

	FYE17/18	FYE18/19	FYE19/20	FYE 20/21	FYE 21/22	FYE 21/22	FYE 22/23	FYE 22/23	FYE 22/23	FYE 22/23	FYE 22/23	FYE 22/23	FYE 22/23	FYE 22/23	FYE 22/23
	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.
Gross Patient Revenue	\$ 8,652,325	\$ 7,667,883	\$ 7,401,282	\$ 9,331,371	\$ 16,603,390	\$ 12,699,299	\$ 13,219,644	\$ 13,156,157	\$ 14,560,451	\$ 17,505,552	\$ 15,327,216	\$ 13,691,246	\$ 12,451,963	\$ 12,872,356	\$ 12,872,356
Inpatient Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Inpatient Psych/Rehab Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Outpatient Revenue	15,730,069	16,765,365	15,067,104	11,833,682	20,932,075	21,153,874	23,646,823	24,753,736	24,122,862	27,374,507	23,068,968	23,543,943	27,831,252	22,609,141	22,609,141
Long Term Care Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Home Health Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Gross Patient Revenue	24,382,394	24,433,247	22,468,386	21,265,053	37,535,465	33,853,172	36,866,167	40,994,836	37,629,419	42,251,693	41,322,085	37,235,189	40,283,214	35,481,497	35,481,497
Deductions From Revenue	(19,635,639)	(19,588,148)	(17,845,730)	(16,635,734)	(31,267,149)	(26,569,751)	(36,229,684)	(34,797,135)	(30,986,845)	(34,683,266)	(32,035,399)	(35,904,405)	(35,468,343)	(30,914,713)	(30,914,713)
Discounts and Allowances	(806,002)	(858,023)	(653,280)	(824,395)	(1,045,570)	(1,104,595)	2,536,474	(883,157)	(1,113,485)	(734,463)	(971,962)	(1,015,237)	(353,998)	(1,246,067)	(1,246,067)
Bad Debt Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
GI HMO Discounts	(80,410)	(56,168)	(66,517)	(41,362)	(136,947)	(887,352)	(59,144)	(66,596)	(427,789)	(29,952)	(36,715)	(65,655)	(14,815)	(14,782)	(14,782)
Charity Care	(20,522,051)	(20,502,339)	(19,595,527)	(17,501,490)	(32,449,666)	(28,561,688)	(33,752,355)	(35,877,331)	(32,528,120)	(35,447,702)	(33,044,076)	(36,985,196)	(35,837,155)	(32,175,562)	(32,175,562)
Total Deductions From Revenue	3,860,343	3,930,908	3,892,859	3,763,363	5,085,799	5,291,484	3,113,812	5,587,972	4,750,899	5,134,222	4,866,343	5,266,495	5,484,928	5,059,627	5,059,627
Net Patient Revenue	1,530,975	1,485,337	1,157,326	869,707	501,407	2,657,264	136,873	468,018	93,358	1,059,520	383,032	951,722	299,312	285,071	285,071
Non-Patient Revenues	193,507	205,590	750,434	505,190	725,065	1,221,031	2,657,264	468,018	93,358	1,059,520	383,032	951,722	299,312	285,071	285,071
IGT/DSH Revenues	20,106	22,382	15,743	0	0	0	0	0	0	0	0	0	0	0	0
Grants & Other Op Revenues	174,852	196,524	199,469	209,744	229,405	233,333	186,194	246,994	246,994	246,994	246,994	246,994	246,994	246,994	246,994
Tax Subsidies Measure D	103,376	115,368	114,061	142,552	146,104	150,000	103,245	154,500	154,500	154,500	154,500	154,500	154,500	154,500	154,500
Tax Subsidies Prop 13	16,898	16,159	9,064	16,163	25,951	306,727	306,727	306,727	306,727	306,727	306,727	306,727	306,727	306,727	306,727
Tax Subsidies County Supplmtl Funds	2,041,675	2,041,381	2,246,097	1,743,355	1,627,542	1,604,364	3,253,430	538,367	494,852	540,062	913,798	1,461,014	784,526	1,353,216	1,353,216
Total Non-Patient Revenues	5,902,018	5,972,289	6,128,956	5,506,919	6,713,341	6,895,848	6,367,242	6,186,669	5,245,751	5,674,264	6,269,454	6,412,844	16,788,211	8,040,693	8,040,693
Total Operating Revenue	3,000,485	2,941,226	3,104,224	3,125,159	3,420,974	3,522,753	3,245,290	3,566,637	3,344,149	3,505,628	3,406,624	3,976,933	3,389,453	3,077,122	3,077,122
Operating Expenses	784,204	702,477	762,708	856,889	830,599	755,019	790,636	898,552	904,958	895,221	926,984	921,667	923,548	909,630	909,630
Salaries and Wages	130,625	106,628	95,616	114,686	99,677	110,898	110,898	138,575	64,443	72,561	25,244	81,713	189,814	141,964	141,964
Contract Labor	211,630	331,858	310,858	350,783	330,533	199,777	792,287	829,621	848,417	829,621	890,157	746,115	359,584	476,515	476,515
Physicians Fees	581,239	513,857	513,857	513,857	513,857	513,857	513,857	513,857	513,857	513,857	513,857	513,857	513,857	513,857	513,857
Purchased Services	699,167	751,025	751,025	803,883	995,446	683,784	1,026,266	898,214	823,019	898,214	735,602	839,353	723,243	988,949	988,949
Supply Expense	74,205	75,471	88,592	139,712	111,192	114,902	104,295	97,819	97,819	97,819	120,651	115,611	96,716	105,867	105,867
Utilities	53,574	58,325	58,592	139,712	77,524	73,948	114,902	104,295	97,819	97,819	120,651	115,611	96,716	105,867	105,867
Repairs and Maintenance	86,157	85,267	103,277	110,683	112,745	29,026	120,427	137,478	137,478	137,478	119,141	122,505	114,116	117,116	117,116
Insurance Expense	68,163	68,163	68,163	68,163	68,163	68,163	68,163	68,163	68,163	68,163	68,163	68,163	68,163	68,163	68,163
All Other Operating Expenses	217,249	58,743	109,484	172,366	101,142	194,597	208,464	97,102	47,279	84,177	183,078	143,484	139,122	48,806	48,806
IGT Expense	57,507	76,150	79,233	79,424	37,952	112,625	(408,504)	101,241	106,555	51,072	58,251	80,559	765	61,844	61,844
Leases and Rentals	80,927	98,810	94,628	34,096	0	0	0	0	0	0	0	0	0	0	0
1206 (b) CLINIC	6,045,502	5,720,023	6,377,306	6,901,255	7,070,605	6,518,763	6,307,616	6,920,067	7,009,680	6,893,407	6,833,839	7,474,599	7,091,173	6,093,690	7,770,997
Total Operating Expenses	(143,485)	252,266	(248,351)	(1,394,337)	(297,264)	277,085	59,626	(793,729)	(823,011)	(1,647,656)	(1,334,698)	(747,090)	(821,719)	319,154	9,017,214
EBIDA	512,466	497,808	506,497	494,721	472,317	504,865	114,286	550,044	406,450	446,580	426,319	648,669	661,981	660,120	626,682
Interest, Depreciation, and Amortization	432,490	418,193	422,094	447,994	391,606	452,092	159,730	427,682	409,794	394,794	419,794	426,530	491,596	426,067	457,039
Depreciation and Amortization	944,956	916,000	928,591	942,715	863,923	956,957	274,016	977,726	976,283	814,374	846,112	1,274,500	1,153,577	1,085,187	1,093,721
Total Interest, Depr. & Amort.	14,354	7,745	(482,217)	(1,731,521)	(520,060)	(13,037)	248,723	243,811	(1,171,342)	(1,833,481)	(1,461,118)	(1,086,283)	(1,396,726)	(136,804)	8,554,425
Non-Operating Revenue:	652,487	692,457	666,966	598,410	613,966	639,084	627,353	627,353	627,353	627,353	627,353	627,353	627,353	627,353	627,353
Contributions & Other	665,841	700,202	694,725	605,531	641,127	666,835	463,113	629,952	630,418	629,421	630,418	935,307	578,570	629,228	633,035
Tax Subsidies for GO Bonds - M-A	(421,599)	36,467	(482,217)	(1,731,521)	(520,060)	(13,037)	248,723	243,811	(1,171,342)	(1,833,481)	(1,461,118)	(1,086,283)	(1,396,726)	(136,804)	8,554,425
Total Net Surplus/(Loss)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Change in Interest in Foundation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Extraordinary Loss on Financing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Increase/(Decrease in Unrestricted Net, \$)	\$ (421,599)	\$ 36,467	\$ (1,731,521)	\$ (1,732,171)	\$ (804,852)	\$ (13,037)	\$ (3,168,777)	\$ 243,811	\$ (1,171,342)	\$ (1,833,481)	\$ (1,461,118)	\$ (1,550,393)	\$ (1,396,726)	\$ (136,804)	\$ 8,554,425
Total Profit Margin	-7.1%	0.6%	-7.9%	-31.4%	-7.7%	-0.2%	3.9%	4.0%	-18.9%	-35.0%	-25.7%	-28.2%	-22.3%	-2.1%	51.0%
EBIDA %	-2.4%	4.2%	-4.1%	-25.3%	-4.4%	4.0%	0.9%	-13.0%	-13.3%	-31.4%	-22.0%	-24.3%	-13.1%	5.0%	53.7%

3-1

BALANCE SHEET (Period End)

Cash (000's)

Represents all unrestricted cash in the bank at each month-end.

Days Cash on Hand

Calculated by dividing amount of Cash on Hand by the historical average daily amount of cash requirements to cover operating expenses.

Accounts Receivable - Net (000's)

Equals the sum of all (patient) accounts that are due to the hospital, less estimated adjustments for discounts and other contractual disallowances for which the patients may be entitled.

A/R Days - Net

This measures the average number of days it takes to collect payment of the Net Accounts Receivable. Lower values are desired.

Current Ratio (Current Assets/Current Liabilities)

A measure that illustrates the ability for the hospital to pay its obligations that come due over the course of the next year. The greater the Current Assets as compared to the Current Liabilities, the stronger position the organization is in to pay its upcoming obligations. Desired position is greater than 1:00 to 1:00, preferably at least 1:25 to 1:00 or greater.

Quick Ratio

3.5

This measures the Cash + Net Accounts Receivable compared to the Current Liabilities. Desired ratio is greater than 1.00 : 1.00.

Accounts Payable (000's)

Reflects payment obligations of the Hospital as of a point in time. Excludes Loans, Payroll and other Debt obligations. Lower values are desired.

Accounts Payable Days

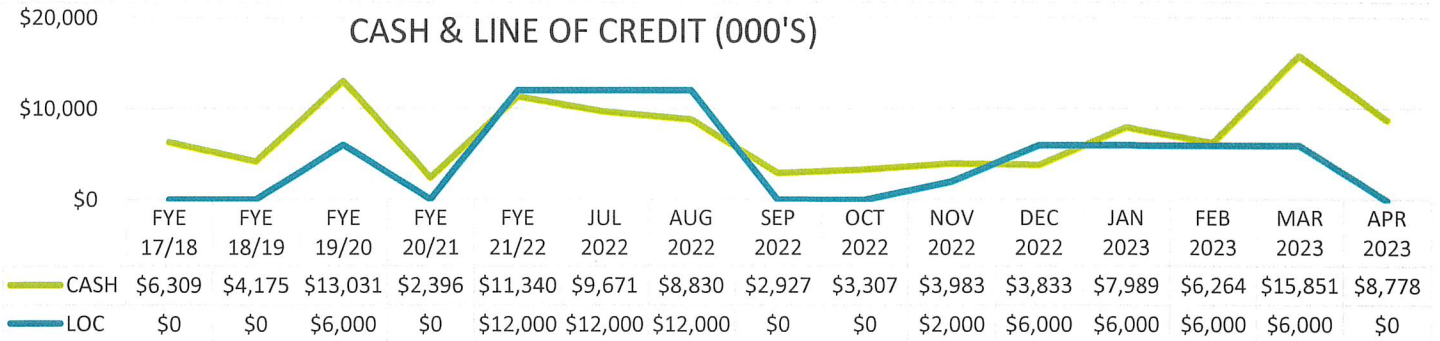
Reflects the average number of days that it takes to pay routine bills. Lower numbers are desired. Calculated by dividing the Accounts Payable amount by the historical average daily cost of routine expenses.

Line of Credit Balance (000's)

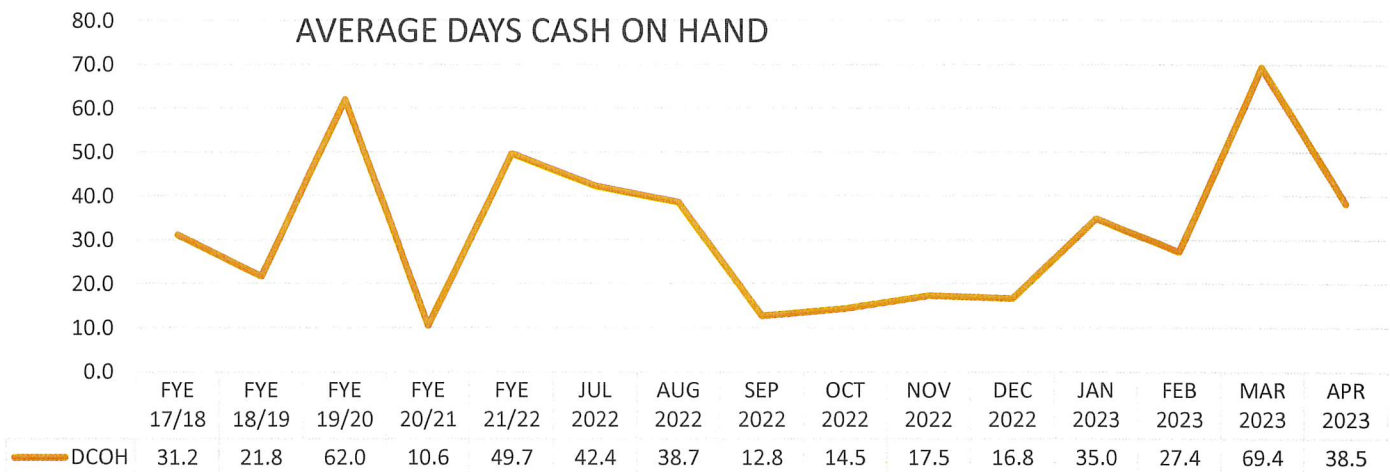
The amount that is currently borrowed from a lending institution as of a given point in time.

SAN GORGONIO MEMORIAL HOSPITAL

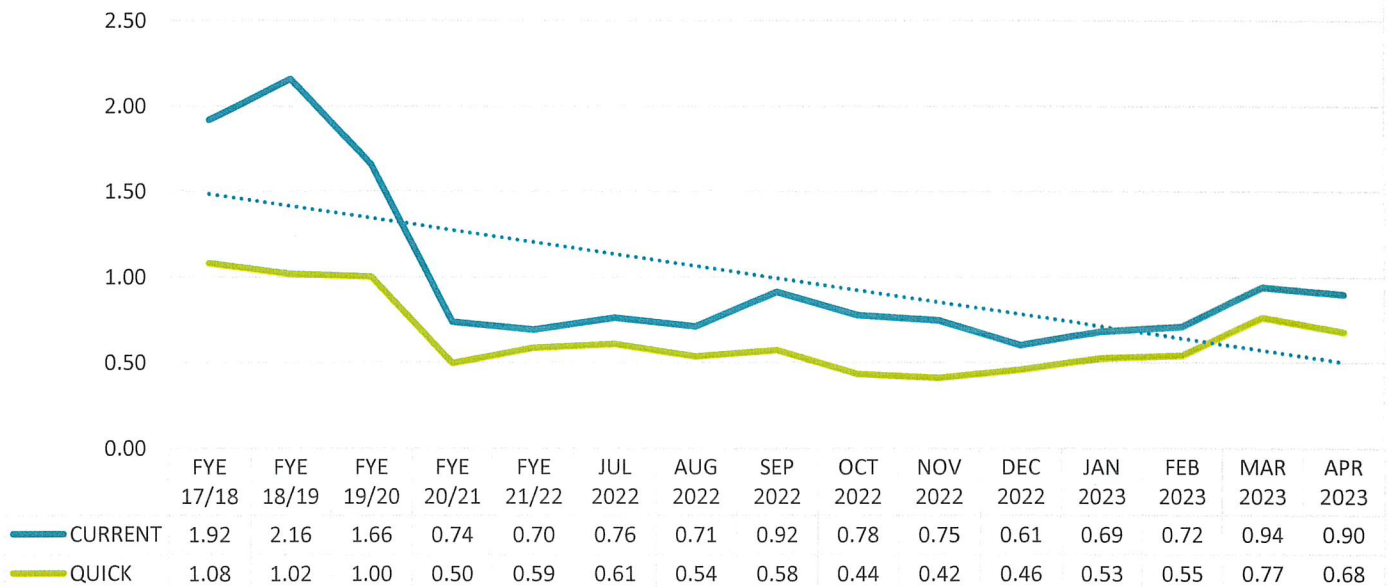
CASH & LINE OF CREDIT (000'S)



AVERAGE DAYS CASH ON HAND

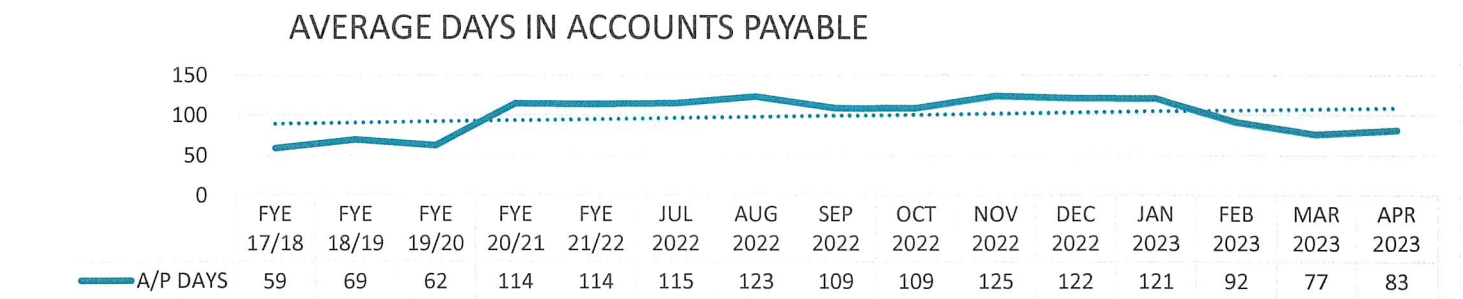
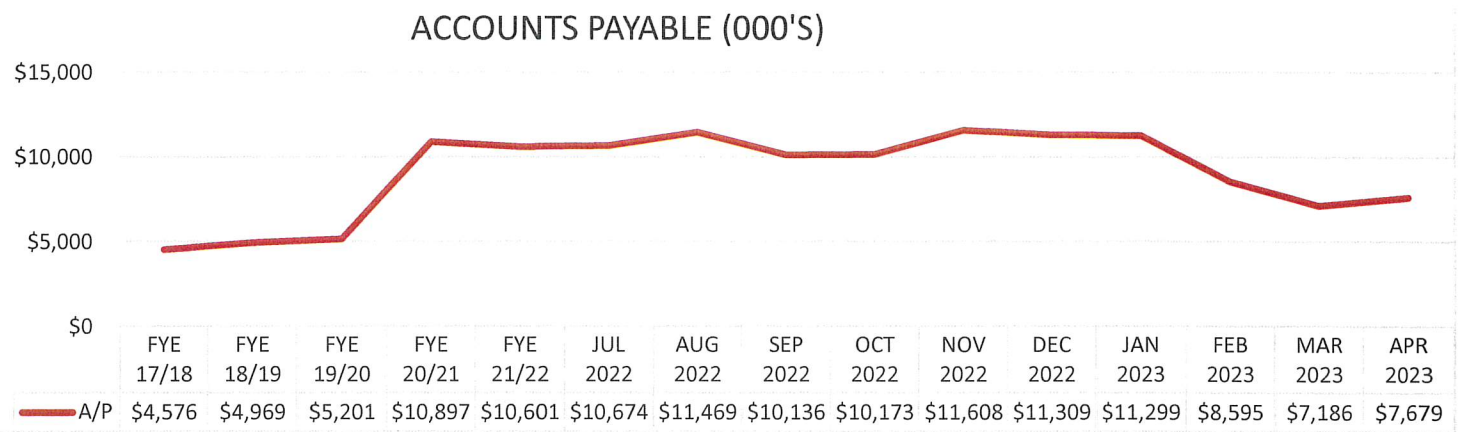
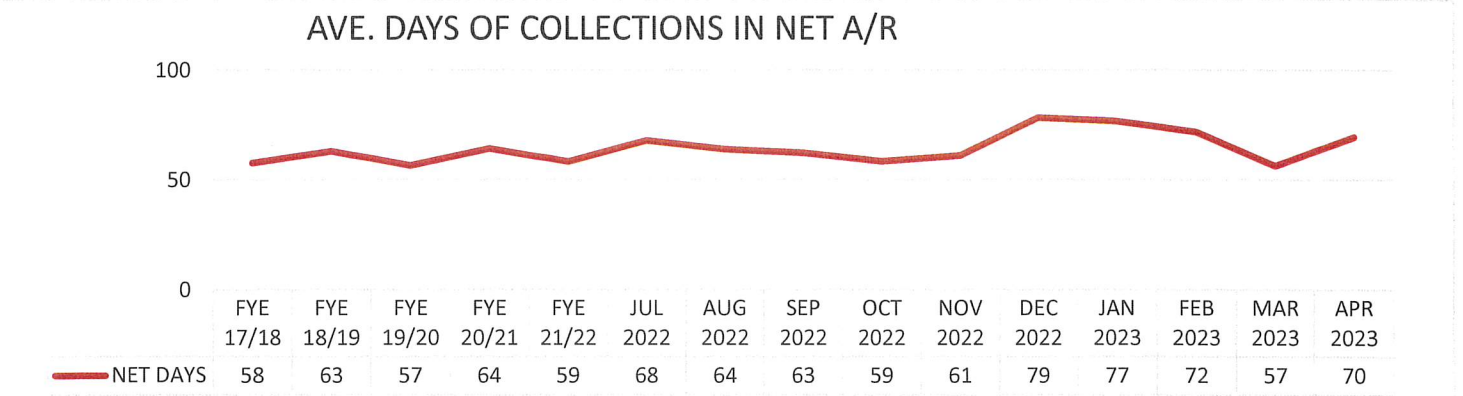


CURRENT RATIO and QUICK RATIO



3-K

SAN GORGONIO MEMORIAL HOSPITAL



3-L

SAN GORGONIO MEMORIAL HOSPITAL
EXECUTIVE FINANCIAL SUMMARY
TEN MONTHS ENDING APRIL 30, 2023

STATEMENT OF REVENUE AND EXPENSES - MONTH & YTD						
REF LINE#		04/30/23 ACTUAL	04/30/23 BUDGET	YTD ACTUAL	YTD BUDGET	YTD DIFFERENCE
	Revenue:					
[1]	Gross Patient Revenues	\$ 35,481,497	\$ 43,493,937	\$ 394,418,499	\$ 446,169,508	\$ (51,751,009)
[2]	Deductions From Revenue	(31,305,399)	(37,817,012)	(344,702,880)	(387,932,184)	43,229,305
[3]	Net Patient Revenues	4,176,098	5,676,926	49,715,619	58,237,324	(8,521,705)
[4]	IGT Revenue	3,178,030	3,423,674	11,273,599	12,288,244	(1,014,645)
[5]	Other Operating Revenue	686,565	557,030	12,222,567	9,285,921	2,936,646
[6]	Total Operating Revenues	8,040,693	9,657,630	73,211,786	79,811,489	(6,599,703)
	Expenses:					
[7]	Salaries, Benefits	6,019,963	4,613,983	45,504,403	46,545,469	1,041,067
	Contract Labor	115,720	75,700	965,716	763,880	(201,837)
	Physicians Fees	350,804	365,231	3,225,840	3,652,310	426,470
	Other Purchase Services	849,809	1,016,244	7,953,905	10,159,012	2,205,107
[8]	Purchased Serv. & Physician Fees	1,316,333	1,457,176	12,145,462	14,575,201	2,429,740
[9]	Supply Expenses	1,051,584	1,113,905	8,631,323	11,327,959	2,696,636
[10]	Other Operating Expenses & Clinic Loss	871,052	466,108	5,298,146	4,741,383	(556,763)
[11]	Supplimental and Grant Expense	297,940	297,940	1,097,985	1,097,985	(0)
[12]	Total Expenses	\$ 9,556,872	\$ 7,949,111	\$ 72,677,319	\$ 78,287,998	\$ 5,610,679
[13]	EBIDA	\$ (1,516,179)	\$ 1,708,519	\$ 534,467	\$ 1,523,491	\$ (989,024)
[14]	Depreciation & Interest Expense	1,177,679	1,128,118	10,256,157	10,754,129	497,971
[15]	Non-Operating Revenue/(Exp.)	633,035	1,092,982	8,063,847	10,929,817	(2,865,970)
[16]	TOTAL NET SURPLUS (LOSS)	\$ (2,060,822)	\$ 1,673,383	\$ (1,657,843)	\$ 1,699,179	\$ (3,357,022)

SAN GORGONIO MEMORIAL HOSPITAL
EXECUTIVE FINANCIAL SUMMARY
TEN MONTHS ENDING APRIL 30, 2023

BALANCE SHEET

	YTD 4/30/2023	Prior FYE 6/30/2022
ASSETS		
[1] Current Assets	\$ 25,062,291	\$ 23,401,085
[2] Assets Whose Use is Limited	17,266,949	12,704,494
[3] Property, Plant & Equipment (Net)	74,530,799	73,514,801
[4] Other Assets	579,327	503,000
[5] Total Unrestricted Assets	117,439,366	110,123,380
[6] Restricted Assets	0	0
[7] Total Assets	\$ 117,439,366	\$ 110,123,380
LIABILITIES AND NET ASSETS		
[8] Current Liabilities	\$27,757,259	\$33,649,575
[9] Long-Term Debt	120,211,203	105,323,946
[10] Other Long-Term Liabilities	4,852,624	2,231,626
[11] Total Liabilities	\$ 152,821,086	\$ 141,205,147
[12] Net Assets	\$ (35,381,721)	\$ (31,081,767)
[13] Total Liabilities and Net Assets	\$ 117,439,366	\$ 110,123,380

KEY STATISTICS AND RATIOS

	03/31/23 ACTUAL FY 23	04/30/23 ACTUAL FY 23	04/30/23 BUDGET FY 23	2023 YTD FY 23	2022 10 MOS.TOTAL FY 22	2022 YR END TOTAL FY 22
[1] Total Acute Patient Days	553	607	1,050	6,591	8,429	9,689
[2] Average Daily Census	17.8	20.2	35.0	21.7	27.7	26.5
[3] Average Acute Length of Stay	3.4	3.7	4.1	3.6	4.0	3.9
[4] Patient Discharges	165	165	259	1,842	2,100	2,478
[5] Observation Days	274	246	222	2,604	2,306	2,775
[6] Total Emergency Room Visits	3,503	3,341	3,023	34,959	32,489	39,374
[7] Average ED Visits Per Day	113	111	101	115	107	108
[9] Total Surgeries (Excluding G.I.'s)	122	107	115	1,175	699	855
[10] Deliveries/Births	12	8	10	110	138	175

Statement of Revenue and Expense
SAN GORGONIO MEMORIAL HOSPITAL
BANNING, CALIFORNIA
TEN MONTHS ENDING APRIL 30, 2023

		CURRENT MONTH				
DISTRICT ONLY		FY 23	FY 23	Positive	Percentage	
ACTUAL		ACTUAL	CUR MO BUD	(Negative)	Variance	
04/30/23		04/30/23	04/30/23	Variance	Variance	
Gross Patient Revenue						
[1]	Inpatient Revenue	\$ -	\$ 12,872,356	\$ 22,844,206	\$ (9,971,850)	-43.7%
[2]	Inpatient Psych/Rehab Revenue	-	-	-	-	-
[3]	Outpatient Revenue	-	22,609,141	\$ 20,649,731	1,959,409	9.5%
[4]	Long Term Care Revenue	-	-	-	-	-
[5]	Home Health Revenue	-	-	-	-	-
[6]	Total Gross Patient Revenue	\$ -	\$ 35,481,497	\$ 43,493,937	\$ (8,012,441)	-18.4%
Deductions From Revenue						
[7]	Discounts and Allowances	-	(30,383,694)	\$ (36,206,568)	\$ 5,822,874	-16.1%
[8]	Bad Debt Expense	-	(799,841)	\$ (1,531,644)	731,803	-47.8%
[9]	Prior Year Settlements	-	-	\$ -	-	-
[10]	Charity Care	-	(121,864)	\$ (78,800)	(43,064)	54.6%
[11]	Total Deductions From Revenue	-	(31,305,399)	(37,817,012)	\$ 6,511,613	-17.2%
[12]			-88.2%	-86.9%		
[13]	Net Patient Revenue	\$ -	\$ 4,176,098	\$ 5,676,926	\$ (1,500,828)	-26.4%
Non Patient Operating Revenues						
[14]	IGT/DSH Revenues	-	3,178,030	\$ 3,423,674	\$ (245,644)	-7.2%
[15]	Grants & Other Op Revenues	-	285,071	\$ 144,286	140,785	97.6%
[16]	Clinic Net Revenues	-	-	\$ -	-	-
[17]	Tax Subsidies Measure D	246,994	246,994	\$ 246,994	(0)	0.0%
[18]	Tax Subsidies Prop 13	154,500	154,500	\$ 154,500	-	0.0%
[19]	Tax Subsidies County Supplemental Funds	-	-	\$ 11,250	(11,250)	-100.0%
	Non Patient Revenue	\$ 401,494	\$ 3,864,596	\$ 3,980,704	\$ (116,108)	-2.9%
	Total Operating Revenue	\$ 401,494	\$ 8,040,693	\$ 9,657,630	\$ (1,616,936)	-16.7%
Operating Expenses						
[20]	Salaries and Wages	-	4,883,009	3,696,814	\$ (1,186,195)	-32.1%
[21]	Fringe Benefits	-	1,136,954	917,169	(219,785)	-24.0%
[22]	Contract Labor	-	115,720	75,700	(40,019)	-52.9%
[23]	Physicians Fees	-	350,804	365,231	14,427	3.9%
[24]	Purchased Services	-	849,809	1,016,244	166,435	16.4%
[25]	Supply Expense	-	1,051,584	1,113,905	62,321	5.6%
[26]	Utilities	6,000	194,633	105,294	(89,339)	-84.8%
[27]	Repairs and Maintenance	8,069	101,922	75,564	(26,358)	-34.9%
[28]	Insurance Expense	-	117,993	122,979	4,986	4.1%
[29]	All Other Operating Expenses	57,375	384,176	99,325	(284,851)	-286.8%
[30]	Supplimental and Grant Expense	-	297,940	297,940	-	0.0%
[31]	Leases and Rentals	-	72,328	62,946	(9,381)	-14.9%
[32]	Clinic Expense	-	-	0	-	0.0%
[33]	Total Operating Expenses	\$ 71,444	\$ 9,556,872	\$ 7,949,111	\$ (1,607,761)	-20.2%
[34]	EBIDA	\$ 330,050	\$ (1,516,179)	\$ 1,708,519	\$ (3,224,698)	-188.7%
Interest Expense and Depreciation						
[35]	Depreciation	286,450	627,615	625,347	\$ (2,268)	-0.4%
[36]	Interest Expense and Amortization	-	550,064	502,771	(47,293)	-9.4%
[37]	Total Interest & depreciation	286,450	1,177,679	1,128,118	(49,561)	-4.4%
Non-Operating Revenue:						
[38]	Contributions & Other	5,075	5,682	466,744	(461,062)	-98.8%
[39]	Tax Subsidies for GO Bonds - M-A	627,353	627,353	626,237	1,116	0.2%
[40]	Total Non Operating Revenue/(Expense)	632,429	633,035	1,092,982	\$ (459,947)	-42.1%
[41]	Total Net Surplus/(Loss)	\$ 676,029	\$ (2,060,823)	\$ 1,673,383	\$ (3,734,205)	-223.2%
[42]	Extra-ordinary loss on Financing	-	-	-	-	-
[43]	Increase/(Decrease in Unrestricted Net Assets	\$ 676,029	\$ (2,060,823)	\$ 1,673,383	\$ (3,734,205)	-223.2%
[44]	Total Profit Margin	168.38%	-25.63%	17.33%		
[45]	EBIDA %	82.21%	-18.86%	17.69%		

Statement of Revenue and Expense
SAN GORGONIO MEMORIAL HOSPITAL
BANNING, CALIFORNIA
TEN MONTHS ENDING APRIL 30, 2023

		YEAR-TO-DATE				
		DISTRICT ONLY			Positive	Percentage
		Actual	Actual	Budget	(Negative)	Variance
		04/30/23	04/30/23	04/30/23	Variance	
Gross Patient Revenue						
[1]	Inpatient Revenue	\$ -	\$ 144,927,083	\$ 222,152,775	\$ (77,225,692)	-34.8%
[2]	Inpatient Psych/Rehab Revenue	-	-	-	-	
[3]	Outpatient Revenue	-	249,491,416	\$ 224,016,734	25,474,683	11.4%
[4]	Long Term Care Revenue	-	-	-	-	
[5]	Home Health Revenue	-	-	-	-	
[6]	Total Gross Patient Revenue	\$ -	\$ 394,418,499	\$ 446,169,508	\$ (51,751,009)	-11.6%
Deductions From Revenue						
[7]	Discounts and Allowances	-	(335,573,121)	\$ (371,414,213)	\$ 35,841,091	-9.6%
[8]	Bad Debt Expense	-	(8,266,174)	(15,711,907)	7,445,733	-47.4%
[9]	Prior Year Settlements	-	-	\$ -	-	
[10]	Charity Care	-	(863,584)	(806,065)	(57,519)	7.1%
[11]	Total Deductions From Revenue	-	(344,702,880)	(387,932,184)	\$ 43,229,305	-11.1%
[12]			87.4%	-86.9%		
[13]	Net Patient Revenue	\$ -	\$ 49,715,619	\$ 58,237,324	\$ (8,521,705)	-14.6%
Non Patient Operating Revenues						
[14]	IGT/DSH Revenues	-	11,273,599	\$ 12,288,244	\$ (1,014,645)	-8.3%
[15]	Grants & Other Op Revenues	-	8,179,938	\$ 5,158,483	3,021,455	58.6%
[16]	Clinic Net Revenues	-	-	\$ -	-	
[17]	Tax Subsidies Measure D	2,469,938	2,469,938	\$ 2,469,938	(0)	0.0%
[18]	Tax Subsidies Prop 13	1,545,000	1,545,000	\$ 1,545,000	-	0.0%
[19]	Tax Subsidies County Supplemental Funds	27,692	27,692	\$ 112,500	(84,808)	-75.4%
	Non- Patient Revenue	\$ 4,042,630	\$ 23,496,167	\$ 21,574,165	\$ 1,922,001	8.9%
	Total Operating Revenue	\$ 4,042,630	\$ 73,211,786	\$ 79,811,489	\$ (6,599,703)	-8.3%
Operating Expenses						
[20]	Salaries and Wages	-	36,135,117	37,346,302	\$ 1,211,185	3.2%
[21]	Fringe Benefits	-	9,369,286	9,199,167	(170,119)	-1.8%
[22]	Contract Labor	-	965,716	763,880	(201,837)	-26.4%
[23]	Physicians Fees	-	3,225,840	3,652,310	426,470	11.7%
[24]	Purchased Services	149,032	7,953,905	10,159,012	2,205,107	21.7%
[25]	Supply Expense	-	8,631,323	11,327,959	2,696,636	23.8%
[26]	Utilities	21,444	1,148,033	1,133,246	(14,786)	-1.3%
[27]	Repairs and Maintenance	95,122	899,689	755,637	(144,052)	-19.1%
[28]	Insurance Expense	-	1,205,353	1,229,788	24,435	2.0%
[29]	All Other Operating Expenses	216,754	1,380,593	993,247	(387,346)	-39.0%
[30]	Supplimental and Grant Expense	-	1,097,985	1,097,985	(0)	0.0%
[31]	Leases and Rentals	-	664,479	629,465	(35,014)	-5.6%
[32]	Clinic Expense	-	-	0	-	0.0%
[33]	Total Operating Expenses	\$ 482,353	\$ 72,677,319	\$ 78,287,998	\$ 5,610,679	7.2%
[34]	EBIDA	\$ 3,560,277	\$ 534,467	\$ 1,523,491	\$ (989,024)	-64.9%
Interest Expense and Depreciation						
[35]	Depreciation	4,088,091	5,472,665	6,117,037	\$ 644,372	10.5%
[36]	Interest Expense and Amortization	3,808,619	4,783,492	4,637,092	(146,401)	-3.2%
[37]	Total Interest & depreciation	7,896,709	10,256,157	10,754,129	497,971	4.6%
Non-Operating Revenue:						
[38]	Contributions & Other	1,407,337	1,790,316	4,667,443	(2,877,127)	-61.6%
[39]	Tax Subsidies for GO Bonds - M-A	6,273,531	6,273,531	6,262,374	11,157	0.2%
[40]	Total Non Operating Revenue/(Expense)	7,680,869	8,063,847	10,929,817	(2,865,970)	-26.2%
[41]	Total Net Surplus/(Loss)	\$ 3,344,437	\$ (1,657,843)	\$ 1,699,179	\$ (3,357,022)	-197.6%
[42]	Extra-ordinary loss on Financing	-	-	-	-	
[43]	Increase/(Decrease in Unrestricted Net Assets)	\$ 3,344,437	\$ (1,657,843)	\$ 1,699,179	\$ (3,357,022)	-197.6%
[44]	Total Profit Margin	82.73%	-2.26%	2.13%		
[45]	EBIDA %	88.07%	0.73%	1.91%		

Balance Sheet - Assets

**SAN GORGONIO MEMORIAL HOSPITAL
BANNING, CALIFORNIA
TEN MONTHS ENDING APRIL 30, 2023**

		ASSETS				
		DISTRICT ONLY				
		Current Month 4/30/2023	Current Month 4/30/2023	Prior Month 3/31/2023	Positive/ (Negative) Variance	Prior Year End 6/30/2022
Current Assets						
[1]	Cash and Cash Equivalents	2,148,432	\$8,777,821	\$15,851,314	\$ (7,073,493)	\$ 11,340,002
[2]	Gross Patient Accounts Receivable	\$0	\$84,936,165	\$84,997,345	\$ (61,180)	77,594,807
[3]	Less: Bad Debt and Allowance Reserves	\$0	(\$74,767,757)	(\$76,743,940)	\$ 1,976,183	(69,099,845)
[4]	Net Patient Accounts Receivable	\$0	\$10,168,408	\$8,253,405	\$ 1,915,003	8,494,961
[5]	Taxes Receivable	\$6,039,876	\$6,039,876	\$5,414,365	\$ 625,512	1,178,859
[6]	Other Receivables (includes advances)	660,465	(\$592,001)	(\$430,050)	\$ (161,951)	738,141
[7]	Inventories	\$0	\$2,627,548	\$2,455,359	\$ 172,189	2,297,204
[8]	Prepaid Expenses	126,169	\$887,583	\$886,700	\$ 884	1,197,395
[9]	Due From Third Party Payers-DSH	\$0	(\$2,846,945)	(\$2,809,271)	\$ (37,674)	(1,845,477)
[10]	Malpractice Receivable	\$0	\$0	\$0	\$ -	-
[11]	Supplimental Receivables	\$0	\$0	\$0	\$ -	-
	Total Current Assets	8,974,942	25,062,291	29,621,822	\$ (736,481)	\$ 23,401,085
Assets Whose Use is Limited						
[12]	Cash					
[13]	Investments					
[14]	Bond Reserve/Debt Retirement Fund	\$17,266,949	\$17,266,949	\$10,889,203	\$ 6,377,746	12,704,494
[15]	Trustee Held Funds					
[16]	Funded Depreciation					
[17]	Board Designated Funds					
[18]	Other Limited Use Assets					0
	Total Limited Use Assets	17,266,949	17,266,949	10,889,203	\$ (223,324)	\$ 12,704,494
Property, Plant, and Equipment						
[19]	Land and Land Improvements	4,828,182	4,828,182	4,828,182	\$ -	\$ 4,828,182
[20]	Building and Building Improvements	129,281,491	129,281,491	129,281,491	\$ -	129,281,491
[21]	Equipment	27,119,506	29,691,479	29,790,384	\$ (98,905)	26,856,789
[22]	Construction In Progress	3,156,065	3,156,255	3,080,289	\$ 75,966	1,694,007
[23]	Capitalized Interest					
[24]	Gross Property, Plant, and Equipment	164,385,245	166,957,408	166,980,346	\$ (22,938)	162,660,469
[25]	Less: Accumulated Depreciation	(\$92,426,609)	(\$92,426,609)	(\$92,020,159)	\$ (406,450)	(89,145,667)
[26]	Net Property, Plant, and Equipment	71,958,636	74,530,799	74,960,187	\$ (475,050)	\$ 73,514,801
Other Assets						
[27]	Unamortized Loan Costs	\$627,385	\$579,327	\$581,916	\$ (2,589)	\$ 614,440
[28]	Assets Held for Future Use		\$0	\$0	\$ -	485
[29]	Investments in Subsidiary/Affiliated Org.	\$31,431,679	\$0	\$0	\$ -	(111,925)
[30]	Other					
[31]	Total Other Assets	32,059,063	579,327	581,916	\$ (2,589)	\$ 503,000
[32]	TOTAL UNRESTRICTED ASSETS	130,259,590	117,439,366	116,053,128	\$ 1,386,237	\$ 110,123,381
Restricted Assets						
		0	0	0	0	0
[33]	TOTAL ASSETS	\$130,259,590	\$117,439,366	\$116,053,128	\$ 1,386,237	\$ 110,123,381

Balance Sheet - Liabilities and Net Assets

SAN GORGONIO MEMORIAL HOSPITAL

BANNING, CALIFORNIA

TEN MONTHS ENDING APRIL 30, 2023

	DISTRICT ONLY	LIABILITIES AND FUND BALANCE			
	Current Month 4/30/2023	Current Month 4/30/2023	Prior Month 3/31/2023	Positive/ (Negative) Variance	Prior Year End 6/30/2022
Current Liabilities					
[1] Accounts Payable	\$ 1,189,951	\$ 7,679,175	\$ 7,186,382	\$ 492,793	\$ 10,600,622
[2] Notes and Loans Payable (Line of Credit)	-	-	6,000,000	\$ (6,000,000)	12,000,000
[3] Accounts Payable- Tax advance	-	-	-	\$ -	-
[4] Accrued Payroll Taxes	-	5,945,203	6,400,588	\$ (455,385)	5,597,527
[5] Accrued Benefits	-	-	-	\$ -	-
[6] Accrued Benefits Current Portion	-	-	-	\$ -	-
[7] Other Accrued Expenses	-	-	-	\$ -	-
[8] Accrued GO Bond Interest Payable	1,085,066	1,085,066	1,079,439	\$ 5,627	2,526,756
[9] Lease Liabilities	-	4,326,909	4,357,212	\$ (30,303)	4,259
[10] Due to Third Party Payers (Settlements)	-	3,417,500	3,417,500	\$ -	-
[11] Advances From Third Party Payers	-	-	-	\$ -	-
[12] Current Portion of LTD (Bonds/Mortgages)	2,335,000	2,335,000	2,335,000	\$ -	2,335,000
[13] Current Portion of LTD (Leases)	-	2,382,475	1,661,270	\$ 721,206	-
[14] Other Current Liabilities	-	585,931	585,931	\$ -	585,411
Total Current Liabilities	4,610,017	27,757,259	33,023,321	\$ (5,266,062)	33,649,575
Long Term Debt					
[15] Bonds/Mortgages Payable (net of Cur Portion)	99,543,964	\$100,010,323	\$ 101,417,464	\$ (1,407,141)	\$ 103,030,598
[16] Leases Payable (net of current portion)	\$20,200,879	\$20,200,879	\$20,028,828	\$ 172,051	\$2,293,348
[17] Total Long Term Debt (Net of Current)	119,744,843	120,211,203	121,446,292	\$ 361,402,338	105,323,946
Other Long Term Liabilities					
[18] Deferred Revenue	-	-	-	\$ -	-
[19] Accrued Pension Expense (Net of Current)	-	-	-	\$ -	-
[20] Other-Bridge Loan	0	4,852,624	4,852,624	\$ -	2,231,628
[21] Total Other Long Term Liabilities	0	4,852,624	4,852,624	\$ -	2,231,628
TOTAL LIABILITIES	\$ 124,354,860	\$ 152,821,086	\$ 159,322,238	\$ (6,501,151)	\$ 141,205,148
Net Assets:					
[22] Unrestricted Fund Balance	2,560,293	(33,723,878)	\$ (33,723,878)	\$ -	\$ (25,347,940)
[23] Temporarily Restricted Fund Balance	-	-	-	\$ -	-
[24] Restricted Fund Balance	-	-	-	\$ -	-
[25] Net Revenue/(Expenses)	3,344,437	(1,657,843)	(9,545,232)	\$ 7,887,389	(5,733,827)
[26] TOTAL NET ASSETS	5,904,729	(35,381,721)	\$ (43,269,110)	\$ 7,887,389	\$ (31,081,767)
[27] TOTAL LIABILITIES AND NET ASSETS	\$ 130,259,589	\$ 117,439,366	\$ 116,053,128	\$ 1,386,238	\$ 110,123,381
	\$ (0)	\$ 0	\$ (0)	\$ 0	\$ -

Statement of Cash Flows

SAN GORGONIO MEMORIAL HOSPITAL BANNING, CALIFORNIA TEN MONTHS ENDING APRIL 30, 2023

		CASH FLOW	
		Current Month 4/30/2023	
HEALTHCARE SYSTEM CASH FLOW			
BEGINNING CASH BALANCES			
[1]	Cash: Beginning Balances- HOSPITAL	\$	12,055,875
[2]	Cash: Beginning Balances- DISTRICT		2,148,432
[3]	Cash: Beginning Balances TOTALS	\$	14,204,307
Receipts			
[4]	Pt Collections	\$	4,945,046
[5]	Tax Subsidies Measure D/Prop 13		658,519
[6]	Misc Tax Subsidies		-
[7]	Donations/Grants		-
[8]	IGT & other Supplemental (Net)		3,172,448
[9]	Draws/(Paydown) of LOC Balances		-
[10]	Other Misc Receipts/Transfers		285,071
	TOTAL RECEIPTS	\$	9,061,083
Disbursements			
[11]	Payroll/ Benefits	\$	6,019,963
[12]	Other Operating Costs		1,974,813
[13]	Capital Spending		0
[14]	Debt serv payments (Hosp onlyw/ LOC interest)		
[15]	Other (increase) in AP /other bal sheet		492,793
[16]	TOTAL DISBURSEMENTS	\$	14,487,570
[17]	TOTAL CHANGE in CASH	\$	(5,426,486)
ENDING CASH BALANCES			
[18]	Ending Balances- HOSPITAL	\$	6,629,389
[19]	Ending Balances- DISTRICT		2,148,432
[20]	Ending Balances- TOTALS	\$	8,777,821
ADDITIONAL INFO			
[21]	LOC CURRENT BALANCES	\$	-
			\$216,000

TAB C

San Gorgonio Memorial Hospital and San Gorgonio Memorial Health Care District

To: Finance Committee, Board of Directors, and District Board

Agenda Items for May 30, 2023 and June 6, 2023 Meetings

Subject:

Annual Liability Insurance Renewals with BETA; Professional & General, Directors and Officers, Employment Practices, and Auto, plus Worker's Compensation Insurance.

Annual Insurance Renewals:

- 1) Professional and General Liability
- 2) Directors and Officers Liability
- 3) Employment Practices Liability
- 4) Auto Liability
- 5) Workers' Compensation

The District's broker for these coverages is Jim Sprague, Vice President of James+Gable Insurance Brokers. Jim and his team work on the District's behalf with the BETA Healthcare Group, a Risk Management Authority Public Agency. SGMHCD has been insured with BETA for many years, and has benefitted from competitive premiums, comprehensive coverages, and excellent customer service from a firm which specializes in District, Public Agency, and Non-Profit Healthcare providers.

BETA continues to have an extensive Quality Improvement and Performance program which is customized especially for Hospitals, and the favorable results of such programs have resulted in the overall competitive and comprehensive product. Their Workers' Compensation program is specifically designed for hospital workers and has an excellent overall track record in this arena.

The renewal premiums are provided in the Attachment.

Recommendations: That the respective insurance coverages be renewed with BETA as presented for Board action in order to "bind" coverage prior to the renewal date of July 1st.

2023 Insurance Renewals

Executive Summary

Line of Coverage	Carrier	Policy Term	Limits	Deductible	2022-2023 Expiring	2023-2024 Renewals
Professional & General Liability	BETA	7/1/23 - 7/1/24	\$20M/\$30M	\$25,000	\$1,104,332	\$1,232,012
Directors & Officers Liability	BETA	7/1/23 - 7/1/24	\$10M	\$50,000	\$143,743	\$172,492
Employment Practices Liability	BETA	7/1/23 - 7/1/24	\$10M	\$100,000	Incl. w/ D&O	Incl. w/ D&O
Auto Liability	BETA	7/1/23 - 7/1/24	\$20M	\$500	\$54,031	\$55,070
Workers' Compensation	BETA	7/1/23 - 7/1/24	Statutory	\$0	\$593,441	\$604,315
TOTAL GROSS PREMIUM					\$1,895,547	\$2,063,889
Performance Dividend					-\$50,281	-\$140,073
Multi-Line Dividend					-\$90,515	N/A
Total Dividends					-\$140,796	-\$140,073
TOTAL NET PREMIUM					\$1,754,751	\$1,923,816
Pending Risk Mgmt Credits					-	-\$42,833
TOTAL NET PREMIUM including Risk Mgmt Credits					\$1,754,751	\$1,880,983

Insured Entities

San Gorgonio Memorial Hospital
 San Gorgonio Memorial Hospital Foundation
 San Gorgonio Memorial Healthcare District

NOTES

- 2023 rates are increasing on all liability insurance lines across the industry due to claims severity and higher reinsurance costs
- Professional Liability carriers are charging higher rates due to changes in the Medical Injury Compensation Reform Act as follows:
 - Current law limits claim recovery of non-economic damages to \$250,000
 - The 2022 bill increases that limit to \$350,000 for non-death cases and \$500,000 for wrongful death cases effective date January 1, 2023, followed by incremental increases over 10 years to \$750,000 for non-death cases and \$1,000,000 for wrongful death cases.
 - Actuarial estimates on the increase in ultimate annual claims costs are between 4.7% and 17%
- BETA rate updates (minimum change for all members):
 - PL/GL: 8% increase, D&O/EPL: 5% increase, Auto: 6% increase, WC: 3% decrease
 - BETA rates continue to be more than 15% to 20% lower than the standard market