



Current Financial Situation Ferry County Public Hospital District

Expected Monthly Revenue Increases in 2018

- 340B was started in January with success, expect steady income flow
- Ancillary Services will start Mid March to first of April, with positive revenues beginning to flow Mid to End of May.

Activity	Net Expected Increase
NU 340 B Pharmacy Program	\$ 20,000
Ancillary Services Agreement	\$ 150,000
Total	\$ 170,000

Potential Positive Revenue Adjusters

- Orthopedic Surgeon- Currently recruiting an orthoped to visit once/ twice a month, increase imaging revenue
- Behavioral Health- Looking at additional services related expected start of March/ April
- Proposing Excess Levy- To help or pay for our long term debt, asking for additional \$600k in yearly revenue

Known One Time Payments

- Meaningful Use 2 Incentive Payment- \$174K (recently received)
- Meaningful Use Audit Settlement- \$136K
- B & O Overpayment Settlement- \$205K (should be received in the next couple of weeks)
- 2017 Medicare Cost Report Adjustment- Should come mid to late April

Activity	Received or Expected Amount
NU 2015 Incentive Payment	\$ 174,000
NU2 Audit Settlement	\$ 136,000
B & O Overpayment Settlement 2013-2016	\$ 205,000
B & O Overpayment Settlement 2017	\$ 5,000
Total	\$ 520,000

February and March Projected Income Statements

- One time payments realized in February are driving force behind positive net position for the month.

	February
Operating revenue:	
Patient service revenue - (Net contractual allowances)	\$ 646,614
Other operating revenue	\$ 425,000
Total operating revenue	\$ 1,071,614
Total operating expenses	\$ 949,127
Gain (loss) from operations	\$ 98,780
Total nonoperating revenues (expenses) - Net	\$ 2,854
Increase (decrease) in net position	\$ 301,634

	March
Operating revenue:	
Patient service revenue - (Net contractual allowances)	\$ 766,947
Other operating revenue	\$ 45,000
Total operating revenue	\$ 788,241
Total operating expenses	\$ 949,127
Gain (loss) from operations	\$ (160,887)
Total nonoperating revenues (expenses) - Net	\$ 2,854
Increase (decrease) in net position	\$ (158,033)

Current Challenges and Solutions

Issue: Decrease Lab / Imaging Revenue
Solution: Process Flow Improvement
 initiated, hopeful increase in revenue.

Issue: 2016 to 2017 decreased Swing Bed Revenue (approx. \$550k reduction)
Solution: Regular visits of tertiary hospitals planned and executed.
 Revenue in February has already exceeded January .

Issue: Decrease Inpatient Revenue
Solution: Block Provider Scheduling
 established in September of 2017 .
 Allows Hospitalist/ER providers to focus first on Hospital patients, which in turn can reduce transfers.

Issue: Access to Working Capital in case of Emergency
Solution: Received \$500k line of credit
 from the County in case of emergency.

Issue: Unstable Primary Care Provider base in Clinic
Solution: Four Solid primary care
 providers as of January 2018.