

**Mercy One - Central Iowa - Davis County Hospital**  
**Statement of Revenue, Expenses and Net Position**  
**Budget For Fiscal Year Ending June 30, 2025**

|  | Actual               | Projected             | Budget               | Budget<br>% Var to<br>Projected |
|--|----------------------|-----------------------|----------------------|---------------------------------|
|  | <u>06/30/23</u>      | <u>06/30/24</u>       | <u>06/30/25</u>      |                                 |
| Inpatient Revenue                          | \$ 2,375,058         | \$ 2,892,062          | \$ 2,767,176         | -4.3%                           |
| Outpatient Revenue                         | 43,743,943           | 41,045,019            | 41,763,621           | 1.8%                            |
| Clinic Revenue                             | 6,614,688            | 5,933,982             | 6,168,588            | 4.0%                            |
| Other Revenue                              | 77,553               | 80,046                | 78,000               | -2.6%                           |
| <b>Total Gross Revenue</b>                 | <b>52,811,242</b>    | <b>49,951,109</b>     | <b>50,777,385</b>    | <b>1.7%</b>                     |
| Contractual Adjustments                    | 20,520,580           | 18,409,272            | 17,059,124           | -7.3%                           |
| Admin Adjustments                          | 2,549,657            | 1,272,408             | 1,000,000            | -21.4%                          |
| Charity Care                               | 15,064               | 7,559                 | 24,000               | 217.5%                          |
| Bad Debt                                   | 507,906              | 691,929               | 550,000              | -20.5%                          |
| <b>Deductions From Revenue</b>             | <b>\$ 23,593,207</b> | <b>\$ 20,381,168</b>  | <b>\$ 18,633,124</b> | <b>-8.6%</b>                    |
| <b>Net Patient Revenue</b>                 | <b>\$ 29,218,035</b> | <b>\$ 29,569,941</b>  | <b>\$ 32,144,261</b> | <b>8.7%</b>                     |
| <i>Net Revenue %</i>                       | <i>55.3%</i>         | <i>59.2%</i>          | <i>63.3%</i>         |                                 |
| Other Operating Revenue                    | 436,953              | 382,200               | 377,970              | -1.1%                           |
| 340B Program Revenue                       | 2,514,851            | 1,409,127             | 2,220,000            | 57.5%                           |
| <b>Total Operating Revenue</b>             | <b>\$ 32,169,839</b> | <b>\$ 31,361,268</b>  | <b>\$ 34,742,231</b> | <b>10.8%</b>                    |
| Salaries/Wages                             | 13,297,812           | 13,335,341            | 14,148,118           | 6.1%                            |
| Benefits                                   | 2,981,676            | 3,989,977             | 4,591,096            | 15.1%                           |
| Contract Labor/Services                    | 4,316,700            | 4,159,681             | 3,217,695            | -22.6%                          |
| <b>Total Labor Costs</b>                   | <b>20,596,188</b>    | <b>21,484,999</b>     | <b>21,956,909</b>    | <b>2.2%</b>                     |
| Fees - Other Services                      | 2,913,150            | 3,230,847             | 3,558,290            | 10.1%                           |
| Supplies                                   | 5,264,416            | 3,904,860             | 3,969,675            | 1.7%                            |
| Facility Costs                             | 634,259              | 738,685               | 630,153              | -14.7%                          |
| Repairs & Maint - Other                    | 355,709              | 378,559               | 434,100              | 14.7%                           |
| Equipment Lease/Rentals                    | 56,209               | 56,022                | 58,000               | 3.5%                            |
| Insurance                                  | 181,156              | 219,632               | 207,997              | -5.3%                           |
| Interest                                   | 98,314               | 74,673                | 52,068               | -30.3%                          |
| Depreciation/Amortization                  | 1,468,393            | 1,468,128             | 1,481,640            | 0.9%                            |
| Other Expense                              | 425,848              | 586,406               | 445,300              | -24.1%                          |
| 340B Retail Prog Costs                     | 927,376              | 996,136               | 780,000              | -21.7%                          |
| Provider Tax                               |                      | 511,646               | 1,023,292            | 100.0%                          |
| <b>Total Operating Expenses</b>            | <b>\$ 32,921,018</b> | <b>\$ 33,650,593</b>  | <b>\$ 34,597,424</b> | <b>2.8%</b>                     |
| <b>Expenses as % Total Oper Revenue</b>    | <b>102.3%</b>        | <b>107.3%</b>         | <b>99.6%</b>         |                                 |
| <b>Operating Income/(Loss) \$</b>          | <b>\$ (751,179)</b>  | <b>\$ (2,289,325)</b> | <b>\$ 144,807</b>    | <b>-106.3%</b>                  |
| <i>Operating Income/(Loss) %</i>           | <i>-2.3%</i>         | <i>-7.3%</i>          | <i>0.4%</i>          |                                 |
| <b>Operating EBIDA \$</b>                  | <b>\$ 815,528</b>    | <b>\$ (746,524)</b>   | <b>\$ 1,678,515</b>  | <b>-324.8%</b>                  |
| <i>Operating EBIDA %</i>                   | <i>2.5%</i>          | <i>-2.4%</i>          | <i>4.8%</i>          |                                 |
| Investment Income                          | 348,561              | 511,669               | 480,000              | -6.2%                           |
| Tax Levy Revenue                           | 1,700,225            | 1,835,416             | 1,840,211            | 0.3%                            |
| Contributions                              | 55,814               | 74,249                | 41,585               | -44.0%                          |
| Other                                      | 645,761              | 45,383                | -                    | -100.0%                         |
| <b>Total Non-operating Revenue</b>         | <b>\$ 2,750,361</b>  | <b>\$ 2,466,717</b>   | <b>\$ 2,361,796</b>  | <b>-4.3%</b>                    |
| <b>Excess of Rev over Exp</b>              | <b>\$ 1,999,182</b>  | <b>\$ 177,392.00</b>  | <b>\$ 2,506,603</b>  | <b>1313.0%</b>                  |
| <i>Total Margin %</i>                      | <i>5.7%</i>          | <i>0.5%</i>           | <i>6.8%</i>          | <b>1188.3%</b>                  |
| <b>EBIDA \$</b>                            | <b>\$ 3,565,889</b>  | <b>\$ 1,720,193</b>   | <b>\$ 4,040,311</b>  | <b>134.9%</b>                   |
| <i>EBIDA %</i>                             | <i>10.2%</i>         | <i>5.1%</i>           | <i>10.9%</i>         | <b>114.1%</b>                   |
| Net Assets Released from Restrict.         | -                    | -                     | -                    | 0.0%                            |
| Unrealized/Loss on Investments             | -                    | -                     | -                    | 0.0%                            |
| Other-Equity Transfers                     | -                    | -                     | -                    | 0.0%                            |
| <b>Inc(Dec) in Unrestricted Net Assets</b> | <b>\$ 1,999,182</b>  | <b>\$ 177,392</b>     | <b>\$ 2,506,603</b>  | <b>1313.0%</b>                  |

## Mercy One - Central Iowa - Davis County Hospital

### Key Ratios

#### Budget for Fiscal Year Ending June 30, 2025

| 6/30/24<br>MHN<br>Target | 6/30/24<br>Hospital<br>Target |  | Actual<br>6/30/23 | Projected<br>6/30/24 | Budget<br>6/30/25 | Ratio Description                    |
|--------------------------|-------------------------------|--|-------------------|----------------------|-------------------|--------------------------------------|
| 60                       | 90                            |  | 185               | 180                  | 180               | Days Cash on Hand-Operating          |
| 170                      | 120                           |  | 204               | 197                  | 210               | Days Cash on Hand-Total              |
| 45                       | 45                            |  | 44                | 50                   | 45                | Days In Patient AR - Gross           |
| 45                       | 45                            |  | 45                | 55                   | 45                | Days In Patient AR - Net             |
| 1.0%                     | 3.0%                          |  | -2.3%             | -12.9%               | 3.0%              | Operating Margin                     |
| 7.0%                     | 3.0%                          |  | 2.5%              | -7.7%                | 3.0%              | Operating EBIDA                      |
| 3.0%                     | 7.0%                          |  | 5.7%              | -4.1%                | 7.0%              | Total Margin                         |
| 10.0%                    | 7.0%                          |  | 10.2%             | 0.7%                 | 7.0%              | Total EBIDA                          |
| 30-50%                   | 42.3%                         |  | 38.9%             | 40.9%                | 42.3%             | Contractual Adj as a % of Gross Chgs |
| 1.5%                     | 1.5%                          |  | 1.0%              | 1.4%                 | 1.5%              | Uncomp Care as % of Gross Charges    |
| 65.0%                    | 65.0%                         |  | 64.0%             | 73.2%                | 65.0%             | Labor Compensation Ratio             |
| \$ 1,800                 | \$ 1,800                      |  | \$ 1,949          | \$ 2,368             | \$ 1,800          | Total Cost/Adj Patient Day           |
| \$ 130                   | \$ 130                        |  | \$ 135            | \$ 158               | \$ 130.00         | Supply Exp Per Adj Patient Day       |
| 33.0%                    | 35.0%                         |  | 33.7%             | 34.7%                | 35.0%             | Non-Salary expense Ratio             |
| 28.0%                    | 28.0%                         |  | 15.3%             | 9.0%                 | 13.8%             | Long Term Debt to Capitalization     |
| 2.5                      | 2.50                          |  | 2.02              | 0.20                 | 2.50              | Debt Service Coverage                |
| 14                       | 14                            |  | 21.5              | 22.5                 | 22.5              | Average Age of Plant                 |
| 6/30/24<br>MHN<br>Target | 6/30/24<br>Hospital<br>Target |  | Actual<br>6/30/23 | Projected<br>6/30/24 | Budget<br>6/30/25 | Payor Mix                            |
| N/A                      | N/A                           |  | 40.2%             | 43.8%                | 40.4%             | Medicare                             |
| N/A                      | N/A                           |  | 15.0%             | 13.5%                | 15.1%             | Medicaid                             |
| N/A                      | N/A                           |  | 19.3%             | 17.5%                | 19.6%             | Wellmark                             |
| N/A                      | N/A                           |  | 7.6%              | 7.4%                 | 7.6%              | Commercial                           |
| N/A                      | N/A                           |  | 16.1%             | 16.0%                | 15.6%             | M-Care Advantage                     |
| N/A                      | N/A                           |  | 1.9%              | 1.8%                 | 1.7%              | Private Pay                          |
| N/A                      | N/A                           |  | 100.1%            | 100.0%               | 100.0%            | Total                                |

**Mercy One - Central Iowa - Davis County Hospital**  
**Budget for Fiscal Year Ending June 30, 2025**

**Statistics**

|   |   | <b>Actual<br/>6/30/2022</b> | <b>Actual<br/>6/30/2023</b> | <b>Projected<br/>6/30/2024</b> | <b>Budget<br/>6/30/2025</b> |
|---|---|-----------------------------|-----------------------------|--------------------------------|-----------------------------|
| <b>Discharges</b>                             |   |                             |                             |                                |                             |
| Acute/OB                                      |   | 148                         | 133                         | 132                            | 140                         |
| Skilled                                       |   | 37                          | 33                          | 33                             | 34                          |
| Respite                                       |   | -                           | -                           | -                              | -                           |
| <b>Total</b>                                  |   | <b>185</b>                  | <b>166</b>                  | <b>165</b>                     | <b>174</b>                  |
| <b>Patient Days</b>                           |   |                             |                             |                                |                             |
| Acute/OB                                      |   | 497                         | 425                         | 455                            | 450                         |
| Skilled                                       |   | 243                         | 339                         | 343                            | 340                         |
| Respite                                       |   | -                           | -                           | -                              | -                           |
| <b>Total</b>                                  |   | <b>740</b>                  | <b>764</b>                  | <b>798</b>                     | <b>790</b>                  |
| <b>LOS</b>                                    |   |                             |                             |                                |                             |
| Acute/OB                                      |   | 3.40                        | 3.20                        | 3.44                           | 3.21                        |
| Skilled                                       |   | 6.60                        | 10.27                       | 10.39                          | 10.00                       |
| Respite                                       |   | 0.00                        | 0.00                        | 0.00                           | 0.00                        |
| <b>Avg Daily Census</b>                       |   | <b>2.00</b>                 | <b>2.09</b>                 | <b>2.18</b>                    | <b>2.16</b>                 |
| <b>Observation</b> OP only; discharged as OBS |   |                             |                             |                                |                             |
| Admissions                                    |   | 389                         | 277                         | 270                            | 300                         |
| OBS Hours                                     |   | 8,558                       | 5,416                       | 6,201                          | 6,750                       |
| Equivalent Days                               | Total Hrs/24                              | 356.60                      | 225.67                      | 258.38                         | 281.25                      |
| <b>Newborns</b>                               |   |                             |                             |                                |                             |
| Births  |   | -                           | -                           | -                              | -                           |
| Days  |   | -                           | -                           | -                              | -                           |
| <b>Surgery Cases</b> # cases                  |   |                             |                             |                                |                             |
| IP  |   | 25                          | 13                          | 15                             | 24                          |
| OP  |   | 478                         | 506                         | 458                            | 485                         |
| ER Visits                                     | Discharged as ER Level of Care            | 4,517                       | 4,190                       | 4,474                          | 4,560                       |
| OP Visits                                     | Sched ER Proc or treatments; all other OP | 42,382                      | 43,003                      | 41,449                         | 42,000                      |
| Clinic Visits                                 |   | 22,364                      | 22,505                      | 19,474                         | 21,250                      |
| <b>Long Term Care</b>                         |   |                             |                             |                                |                             |
| Admissions                                    |   | -                           | -                           | -                              | -                           |
| Days  |   | -                           | -                           | -                              | -                           |
| <b>FTE's</b> Paid and contracted              |   |                             |                             |                                |                             |
| Hospital                                      |   | 142.46                      | 131.33                      | 144.87                         | 144.00                      |
| Clinic  |   | 41.00                       | 42.44                       | 42.47                          | 42.00                       |
| Other   |   |                             |                             |                                |                             |
| <b>Total</b>                                  |   | <b>183.46</b>               | <b>173.77</b>               | <b>187.34</b>                  | <b>186.00</b>               |