

Valley Health System, VA

Economic Development Authority of the City of Winchester, Virginia, Hospital Revenue

- 1 Refunding Bonds (Valley Health System Obligated Group), Series 2015, \$114,925,000, West Virginia Hospital Finance Authority, Hospital Revenue Refunding Bonds (Valley Health System Obligated Group), Series 2015, \$5,240,000, Dated: July 22, 2015
- 2 Economic Development Authority of the City of Winchester, Virginia, Hospital Revenue
- 3 Refunding Bonds (Valley Health System Obligated Group), Series 2014A, \$43,135,000, West Virginia Hospital Finance Authority, Hospital Revenue Refunding Bonds (Valley Health System Obligated Group), Series 2014, \$19,080,000, Dated: October 7, 2014
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HISTORICAL UTILIZATION

Series 2015, 2015 Winchester, 2014, 2014A,

Obligated Group Hospitals Utilization

3rd Quarter Ended September 30,

2017

Acute Care

Licensed Beds	579
Staffed Beds	561
Discharges	20,034
Inpatient Days	99,390
Average Daily Census	364.1
Average Length of Stay	5.1
Adjusted Discharges	45,903
Adjusted Patient Days	227,727
Occupancy for Licensed Beds	62.9%
Emergency Room Visits	106,034
Deliveries	1,880
Inpatient Surgical Procedures	4,660
Outpatient Surgical Procedures	12,201
Outpatient Ambulatory Visits	506,555
Case Mix Index	1.5772

Long Term Care

Licensed Beds	150
Staffed Beds	150
Long Term Care Days	39,751
Long Term Care Average Daily Census	145.6
Long Term Care Occupancy	97.1%

Series 2015, 2015 Winchester, 2014, 2014A,

Winchester Medical Center Utilization

3rd Quarter Ended September 30,

	<u>2017</u>
Licensed Beds	455
Staffed Beds	452
Discharges	17,013
Inpatient Days	90,069
Average Daily Census	329.9
Average Length of Stay	5.4
Adjusted Discharges	34,730
Adjusted Patient Days	183,866
Occupancy for Licensed Beds	72.5%
Emergency Room Visits	56,651
Deliveries	1,608
Inpatient Surgical Procedures	4,133
Outpatient Surgical Procedures	8,712
Outpatient Ambulatory Visits	295,928
Case Mix Index	1.6579

Series 2015, 2015 Winchester, 2014, 2014A,

Warren Hospital Utilization

3rd Quarter Ended September 30,

	<u>2017</u>
Acute Care	
Licensed Beds	60
Staffed Beds	45
Discharges	1,446
Inpatient Days	4,399
Average Daily Census	16.1
Average Length of Stay	3.2
Adjusted Discharges	4,633
Adjusted Patient Days	14,093
Occupancy for Licensed Beds	26.8%
Emergency Room Visits	18,645
Deliveries	272
Inpatient Surgical Procedures	236
Outpatient Surgical Procedures	1,454
Outpatient Ambulatory Visits	43,260
Case Mix Index	1.1228
Long Term Care	
Licensed Beds	120
Staffed Beds	120
Long Term Care Days	31,703
Long Term Care Average Daily Census	116.1
Long Term Care Occupancy	96.8%

Series 2015, 2015 Winchester, 2014, 2014A,
Shenandoah Hospital Utilization

3rd Quarter Ended September 30,

	<u>2017</u>
Licensed Beds	25
Staffed Beds	25
Discharges	1,120
Inpatient Days	3,523
Average Daily Census	12.9
Average Length of Stay	3.3
Adjusted Discharges	5,183
Adjusted Patient Days	16,302
Occupancy for Licensed Beds	51.6%
Emergency Room Visits	14,184
Deliveries	0
Inpatient Surgical Procedures	280
Outpatient Surgical Procedures	1,382
Outpatient Ambulatory Visits	68,145
Case Mix Index	1.2264

Series 2015, 2015 Winchester, 2014, 2014A,
Hampshire Hospital Utilization

3rd Quarter Ended September 30,

	<u>2017</u>
Acute Care	
Licensed Beds	14
Staffed Beds	14
Discharges	175
Inpatient Days	491
Average Daily Census	1.8
Average Length of Stay	2.9
Adjusted Discharges	1,160
Adjusted Patient Days	3,254
Occupancy for Licensed Beds	12.9%
Emergency Room Visits	7,640
Deliveries	0
Inpatient Surgical Procedures	11
Outpatient Surgical Procedures	384
Outpatient Ambulatory Visits	39,850
Case Mix Index	1.0671
Long Term Care	
Licensed Beds	30
Staffed Beds	30
Long Term Care Days	8,048
Long Term Care Average Daily Census	29.5
Long Term Care Occupancy	98.3%

Page Hospital Utilization

3rd Quarter Ended September 30,

	<u>2017</u>
Acute Care	
Licensed Beds	25
Staffed Beds	25
Discharges	280
Inpatient Days	908
Average Daily Census	3.3
Average Length of Stay	3.4
Adjusted Discharges	2,321
Adjusted Patient Days	7,527
Occupancy for Licensed Beds	13.2%
Emergency Room Visits	8,914
Deliveries	0
Inpatient Surgical Procedures	0
Outpatient Surgical Procedures	269
Outpatient Ambulatory Visits	59,372
Case Mix Index	1.0367

FINANCIAL PERFORMANCE

Series 2015, 2015 Winchester, 2014, 2014A,

Valley Health System and Consolidated Affiliates- Consolidated Statements of Operations

3rd Quarter Ended September 30,

	<u>2017</u>
Unrestricted revenues, gains and other support	
Net patient service revenue	\$ 669,143
Other operating revenue	28,200
Investment income (loss), net	10,409
Gifts and bequests	-
Net assets released from restrictions	-
Total revenues, gains and other support	<u>\$ 707,752</u>
Expenses	
Salaries and wages	\$ 270,540
Payroll taxes and benefits	57,465
Supplies and other	239,279
Provision for uncollectible accounts	43,907
Depreciation and amortization	47,620
Interest expense	10,166
Total expenses	<u>\$ 668,977</u>
Excess (deficit) of revenues over expenses	<u>\$ 38,775</u>
Other changes in net assets	
Net unrealized gain (loss) on investments	\$ 41,396
Change in value of derivatives	\$ 1,282
Adjustment required to recognize additional minimum pension liability	\$0
Change in pension plan funded status	\$0
Effect of adoption of recognition provisions of FASB Statement No. 158	\$0
Other Changes	\$0
Increase (decrease) in unrestricted net assets	<u><u>\$ 81,453</u></u>

Series 2015, 2015 Winchester, 2014, 2014A,
Valley Health System and Consolidated Affiliates- Consolidated Balance Sheets

(In Thousands)

	9/30/2017
ASSETS	
Current assets	
Cash and cash equivalents	\$ 77,526
Investments	367,351
Assets limited as to use	-
Patient accounts receivable, net	100,581
Third-party settlements receivable	3,010
Inventory	17,809
Other current assets	17,539
Total current assets	\$ 583,816
Assets limited as to use, noncurrent	\$ 179,535
Property and equipment, net	\$ 642,873
Other assets	
Goodwill	\$ 4,400
Investments	49,264
Other	(438)
Total other assets	\$ 53,227
Total assets	\$ 1,459,450
LIABILITIES AND NET ASSETS	
Current liabilities	
Current installments of long-term debt	\$ 7,500
Accounts payable and accrued expenses	33,663
Accrued salaries and wages	29,433
Third-party settlements payable	8,722
Other current liabilities	436
Total current liabilities	\$ 79,754
Long-term debt, excluding current installments	\$ 394,434
Less unamortized discount & debt issuance costs	(2,660)
Accrued pension	69,253
Other liabilities	39,600
Total liabilities	\$ 580,381
Net assets	
Unrestricted	\$ 850,939
Temporarily restricted	21,951
Permanently restricted	6,179
Total net assets	\$ 879,069
Total liabilities and net assets	\$ 1,459,450