

Evangelical Community Hospital  
Balance Sheet  
As of June 30, 2017  
(\$000)

	Audited Year Ending 6/30/16	(Unaudited) Quarter Ending 9/30/16	(Unaudited) Quarter Ending 12/31/16	(Unaudited) Quarter Ending 3/31/17	Audited Quarter Ending 6/30/17
<b><u>Assets</u></b>					
Current Assets:					
Cash and Cash Equivalents	\$33,942	\$30,369	\$34,395	\$33,207	\$35,313
Short Term Investments	\$305	\$305	\$308	\$321	\$0
Assets Whose Use is Limited Under Trust Indenture, Held by Trustee	\$1,941	\$495	\$1,225	\$1,249	\$1,981
Accounts Receivable:					
Patients, Net	\$15,859	\$16,165	\$16,099	\$16,178	\$15,154
Other	\$84	\$253	\$353	\$365	\$90
Affiliates	\$4,268	\$4,449	\$4,287	\$4,922	\$4,708
Third Party Payer Settlements	\$0	\$0	\$0	\$0	\$0
Notes Receivable	\$0	\$0	\$0	\$0	\$0
Inventories of Drugs and Supplies	\$3,853	\$3,940	\$3,871	\$3,907	\$4,368
Prepaid Expenses and Other Current Assets	\$3,231	\$4,298	\$3,527	\$3,724	\$3,773
Total Current Assets	63,483	60,275	64,064	63,873	65,387
Assets Whose Use is Limited:					
By Board for Future Capital Improvements	\$73,834	\$75,667	\$76,001	\$78,625	\$80,659
Under Trust Indenture Held by Trustee	\$2,362	\$2,363	\$2,354	\$2,364	\$2,377
Board Designated Unrestricted Contributions	\$5,720	\$5,831	\$5,757	\$6,046	\$6,257
Endowments	\$2,173	\$2,198	\$2,155	\$2,232	\$2,214
Long-Term Investments	\$2,215	\$1,585	\$1,679	\$1,678	\$1,799
Beneficial Interests In:					
Perpetual Trusts	\$3,722	\$3,836	\$3,721	\$3,859	\$3,968
Charitable Remainder Unit Trusts	\$254	\$261	\$257	\$264	\$268
Pledges Receivable, Net	\$24	\$22	\$11	\$8	\$8
Notes Receivable	\$0	\$0	\$0	\$0	\$0
Property and Equipment, Net	\$123,261	\$122,902	\$123,703	\$123,735	\$127,740
Deferred Financing Costs and Other Assets, Net	\$862	\$852	\$841	\$831	\$0
Investment in Subsidiaries	\$4,204	\$4,591	\$4,741	\$5,134	\$4,751
Other Assets	\$3,964	\$3,964	\$3,964	\$3,964	\$3,941
Total Assets	\$286,080	\$284,346	\$289,249	\$292,614	\$299,369

**Liabilities and Net Assets**

## Current Liabilities:

## Current Maturities of:

Hospital Revenue Bonds	\$1,440	\$1,510	\$1,510	\$1,510	\$1,510
Notes Payable, Current Portion	\$992	\$992	\$1,142	\$1,142	\$1,162
Leases Payable, Current Portion	\$531	\$531	\$531	\$531	\$484

## Accounts Payable:

Trade	\$5,019	\$4,148	\$4,452	\$3,913	\$4,482
Affiliates	\$1,310	\$1,950	\$1,245	\$2,098	\$1,408

## Blue Cross Current Financing Advance

Blue Cross Current Financing Advance	\$1,057	\$1,057	\$1,057	\$1,057	\$1,057
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## Third Party Payer Settlements

Third Party Payer Settlements	\$2,075	\$2,169	\$2,228	\$2,356	\$2,238
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## Accrued Postretirement Benefit Costs, Current Portion

Accrued Postretirement Benefit Costs, Current Portion	\$204	\$204	\$204	\$204	\$219
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## Deferred Revenue

Deferred Revenue	\$35	\$14	\$11	\$13	\$30
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## Accrued Expenses:

Salaries and Wages	\$4,595	\$2,210	\$4,404	\$2,097	\$4,459
Vacation	\$4,509	\$4,141	\$4,227	\$4,424	\$4,557
Payroll Taxes and Withholdings	\$245	\$391	\$632	\$260	\$194
Health Insurance (IBNR)	\$2,032	\$2,142	\$2,382	\$2,432	\$1,160
Interest	\$629	\$243	\$608	\$265	\$628
Benefit Plans	\$305	\$473	\$642	\$171	\$318
Workers' Compensation	\$720	\$810	\$620	\$550	\$560
Other	\$382	\$427	\$419	\$402	\$209

## Total Current Liabilities

26,081	23,413	26,313	23,425	24,675
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## Revenue Bonds, Long-Term Portion

Revenue Bonds, Long-Term Portion	\$22,200	\$20,690	\$20,690	\$20,690	\$19,869
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## Long-Term Debt, Notes Payable

Long-Term Debt, Notes Payable	\$18,487	\$18,321	\$18,479	\$18,312	\$18,124
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## Long-Term Debt, Leases Payable

Long-Term Debt, Leases Payable	\$828	\$619	\$513	\$406	\$343
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## Deferred Compensation

Deferred Compensation	\$2,281	\$1,889	\$1,758	\$1,767	\$1,875
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## Deferred Gift Annuities Payable

Deferred Gift Annuities Payable	\$262	\$268	\$270	\$267	\$227
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## Accrued Postretirement Benefit Costs

Accrued Postretirement Benefit Costs	\$5,870	\$5,874	\$5,878	\$5,882	\$5,623
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## Estimated Medical Malpractice Claims Liability

Estimated Medical Malpractice Claims Liability	\$1,130	\$1,160	\$1,190	\$1,220	\$1,094
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## Total Liabilities

77,140	72,234	75,092	71,969	71,829
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## Net Assets:

## Unrestricted

Unrestricted	\$202,416	\$205,341	\$207,535	\$213,742	\$220,660
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## Temporarily Restricted

Temporarily Restricted	\$1,096	\$1,221	\$1,191	\$1,315	\$1,163
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## Permanently Restricted

Permanently Restricted	\$5,427	\$5,550	\$5,431	\$5,588	\$5,716
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## Total Net Assets

208,940	212,112	214,157	220,645	227,539
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## Total Liabilities and Net Assets

\$286,080	\$284,346	\$289,249	\$292,614	\$299,369
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\$0

\$0

\$0

\$0

\$0

Evangelical Community Hospital  
Statement of Revenue and Expenses  
For The Quarter Ending June 30, 2017  
(\$000)

	Audited Year Ending 6/30/16	(Unaudited) Quarter Ending 9/30/16	(Unaudited) Quarter Ending 12/31/16	(Unaudited) Quarter Ending 3/31/17	Audited Quarter Ending 6/30/17
Net Patient Service Revenue	173,845	43,870	88,615	134,080	178,977
Other Operating Revenue	6,280	1,827	3,776	5,754	7,974
Total Operating Revenue	\$180,126	\$45,697	\$92,392	\$139,834	\$186,951
Operating Expenses:					
Salaries and Wages	62,673	15,684	32,024	48,028	64,244
Supplies and Expenses	56,379	13,694	28,028	42,949	57,386
Employee Benefits	15,676	4,959	10,747	15,133	18,971
Depreciation	12,299	3,345	6,681	9,736	12,459
Professional Fees	2,154	548	1,154	1,882	2,595
Insurance	355	197	397	629	725
Interest	2,126	442	929	1,425	1,930
Amortization	41	10	21	31	41
Total Operating Expenses	\$151,704	\$38,879	\$79,980	\$119,813	\$158,352
Income From Operations	28,422	6,818	12,411	20,020	28,599
Nonoperating Revenue	3,428	2,103	2,629	5,990	8,152
Loss on Refinancing of Debt	0	0	0	0	0
Excess of Revenue Over Expenses	\$31,851	\$8,921	\$15,041	\$26,010	\$36,752

Evangelical Community Hospital  
Quarterly Statistical Report  
For The Quarter Ending June 30, 2017

Utilization Statistics	FY2016	9.30.16	12.31.16	3.31.17	06.30.17
Licensed Beds	132	132	132	132	132
Active Beds	130	130	130	130	130
Admissions	5,594	1,496	3,026	4,525	5,875
Patient Days	17,647	4,651	9,534	14,254	18,337
Inpatient Rehab Days	1,229	359	584	721	973
Operating Room Visits	7,095	1,653	3,325	5,129	6,878
Inpatient	1,982	482	961	1,450	1,931
Outpatient	5,113	1,171	2,364	3,679	4,947
Radiology Procedures	75,781	19,428	38,840	58,214	77,455
Inpatient	9,461	2,434	4,993	7,485	9,787
Outpatient	66,320	16,994	33,847	50,729	67,668
Physical Therapy Procedures	160,825	41,012	80,233	118,293	160,449
Inpatient	32,791	8,896	17,724	25,415	32,966
Outpatient	128,034	32,116	62,509	92,878	127,483
Laboratory Tests	522,494	129,068	257,355	389,210	517,626
Inpatient	95,857	23,513	48,042	72,828	95,090
Outpatient	426,637	105,555	209,313	316,382	422,536
Emergency Room Visits	33,573	8,504	16,608	24,374	32,452
Inpatient	3,535	963	1,964	2,926	3,779
Outpatient	30,038	7,541	14,644	21,448	28,673
Average Occupancy	37.9%	39.8%	40.1%	39.9%	38.8%
Average Length of Stay	3.15	3.1	3.12	3.1	3.08
Case Mix Index					
Total	1.25	1.22	1.24	1.26	1.26
Medicare	1.5	1.46	1.45	1.47	1.47

Evangelical Community Hospital  
Admissions by Financial Class (Excludes Nursery and Inpatient Rehabilitation)  
For The Quarter Ending June 30, 2017

The following table summarizes the Hospital's payor mix (by admissions) for the periods indicated below:

Financial Class	FY 2016 YTD 06.30.16		FY 2017 YTD 09.30.16		FY 2017 YTD 12.31.16		FY 2017 YTD 3.31.17		FY 2017 YTD 06.30.17	
	Amount	% of Total	Amount	% of Total	Amount	% of Total	Amount	% of Total	Amount	% of Total
Medicare	2,005	35.6%	573	38.2%	1,152	38.1%	1,707	37.7%	2,169	36.9%
Blue Cross	951	16.9%	230	15.3%	444	14.7%	628	13.9%	816	13.9%
Medicaid	597	10.6%	146	9.7%	307	10.1%	470	10.4%	620	10.6%
Managed Care	1,728	30.7%	459	30.6%	950	31.4%	1,459	32.2%	1,929	32.8%
All Other	354	6.3%	91	6.1%	172	5.7%	265	5.9%	342	5.8%
Total	5,635	100.0%	1,499	100.0%	3,025	100.0%	4,529	100.0%	5,876	100.0%

Evangelical Community Hospital  
Gross Patient Service Revenue  
For The Quarter Ending June 30, 2017

The following table sets forth gross patient services revenues, by payor classification, for periods indicated below:

	<u>FY 2016</u>	<u>%</u>	<u>FY 2017</u> (Unaudited) Three (3) Months Ended <u>September 30, 2016</u>	<u>FY 2017</u> (Unaudited) Six (6) Months Ended <u>December 31, 2016</u>	<u>FY 2017</u> (Unaudited) Six (9) Months Ended <u>March 31, 2017</u>	<u>FY 2017</u> Audited Twelve (12) Months Ended <u>June 30, 2017</u>
<b><u>Inpatient</u></b>						
Medicare	\$ 53,515,543	37.6%	\$ 15,976,767	\$ 32,622,522	\$ 48,130,864	\$ 61,609,675
Blue Cross	\$ 23,511,361	16.5%	\$ 5,836,797	\$ 11,366,216	\$ 16,159,870	\$ 21,145,497
Medicaid	\$ 10,924,389	7.7%	\$ 2,743,642	\$ 5,587,854	\$ 8,827,130	\$ 11,981,871
Managed Care	\$ 46,484,384	32.7%	\$ 12,678,271	\$ 26,111,691	\$ 40,784,121	\$ 53,735,359
Self-Pay	\$ 3,360,871	2.4%	\$ 869,588	\$ 1,782,982	\$ 2,650,638	\$ 3,256,086
All Other	\$ 4,551,898	3.2%	\$ 1,144,515	\$ 2,611,631	\$ 3,778,370	\$ 5,143,175
Total Inpatient	\$ 142,348,446	100.0%	\$ 39,249,580	\$ 80,082,896	\$ 120,330,993	\$ 156,871,663
<b><u>Outpatient</u></b>						
Medicare	\$ 78,563,727	24.2%	\$ 20,765,283	\$ 42,238,157	\$ 64,847,104	\$ 88,650,794
Blue Cross	\$ 85,345,088	26.3%	\$ 21,252,916	\$ 42,915,288	\$ 61,244,623	\$ 80,638,020
Medicaid	\$ 34,863,733	10.7%	\$ 9,523,754	\$ 18,746,234	\$ 29,040,984	\$ 38,937,681
Managed Care	\$ 93,638,126	28.8%	\$ 24,998,246	\$ 50,954,171	\$ 79,131,571	\$ 107,503,660
Self-Pay	\$ 8,522,999	2.6%	\$ 2,601,218	\$ 4,761,023	\$ 7,293,686	\$ 9,647,218
All Other	\$ 23,718,814	7.3%	\$ 6,225,203	\$ 12,740,652	\$ 19,874,407	\$ 27,556,300
Total Outpatient	\$ 324,652,487	100.0%	\$ 85,366,620	\$ 172,355,525	\$ 261,432,375	\$ 352,933,673
<b><u>Total</u></b>						
Medicare	\$ 132,079,270	28.3%	\$ 36,742,050	\$ 74,860,679	\$ 112,977,968	\$ 150,260,469
Blue Cross	\$ 108,856,449	23.3%	\$ 27,089,713	\$ 54,281,504	\$ 77,404,493	\$ 101,783,517
Medicaid	\$ 45,788,122	9.8%	\$ 12,267,396	\$ 24,334,088	\$ 37,868,114	\$ 50,919,552
Managed Care	\$ 140,122,510	30.0%	\$ 37,676,517	\$ 77,065,862	\$ 119,915,692	\$ 161,239,019
Self-Pay	\$ 11,883,870	2.5%	\$ 3,470,806	\$ 6,544,005	\$ 9,944,324	\$ 12,903,304
All Other	\$ 28,270,712	6.1%	\$ 7,369,718	\$ 15,352,283	\$ 23,652,777	\$ 32,699,475
Grand Total	\$ 467,000,933	100.0%	\$ 124,616,200	\$ 252,438,421	\$ 381,763,368	\$ 509,805,336

## Evangelical Community Hospital, PA

1 Union County Hospital Authority, Hospital Revenue Refunding and Improvement Bonds (Evangelical Community Hospital project) Series 2011 \$30,235,000, Dated: March 3, 2011

Series 2011

### **FY 2016-2017 Capitalization**

Fiscal Year Ended June 30,

	<u>2016</u>	<u>2017</u>
Long-Term Debt, Less Current Portion	41,515,750.31	39,156,875.85
Unrestricted Net Assets	202,416,280.22	220,660,239.50
Total Capitalization	243,932,030.53	259,817,115.35
Long-Term Debt to Capitalization	17.0%	15.1%

Series 2011

### **FY 2016-2017 Liquidity**

Fiscal Year Ended June 30,

	<u>2016</u>	<u>2017</u>
Cash and Cash Equivalents	33,941,610.23	35,313,386.32
Board Designated Funds	81,769,387.40	88,714,243.42
Total Cash and Investments	115,710,997.63	124,027,629.74
Operating Expenses, Including		
Interest Expense, Less	151,703,530.66	158,351,689.30
Depreciation and Amortization	12,340,409.66	12,500,581.41
	139,363,121.00	145,851,107.89
Days Cash on Hand	303	310

Series 2011

### **FY 2016-2017 Debt Service Coverage Ratio**

Fiscal Year Ended June 30,

	<u>2016</u>	<u>2017</u>
Excess Revenues (Expenses)	31,850,821.24	36,751,534.93
Add: Depreciation and Amortization	12,340,409.66	12,500,581.41
Add: Interest Expense	2,125,838.74	1,930,231.99
Add: Unrealized Losses (Gains) on Investments	(2,614,867.74)	2,333,076.47
Net Income Available for Debt Service	43,702,201.90	53,515,424.80
Historical Maximum Annual Debt Service	5,969,053.00	5,188,433.00
Coverage of Historical Maximum Annual Debt Service	7.3	10.3