

BROWARD HEALTH

FISCAL YEAR

JULY 1, 2021 - JUNE 30, 2022

PROPOSED OPERATING & CAPITAL FY 2022 BUDGET

Table of Contents

<u>TOTAL SYSTEM</u>	<u>Page</u>
OPERATING STATEMENT	3
KEY INDICATORS	4
BALANCE SHEET	5
STATEMENT OF CASH FLOWS	6
KEY FINANCIAL INDICATORS	7
AD VALOREM TAX ANALYSIS	8
CAPITAL BUDGET	9
AP VENDOR > \$400K DETAIL	10
COMMUNITY BENEFITS	11

**Broward Health
Operating Statement
(in thousands)**

	Audited 2020	Unaudited 2021	Proposed Budget 2022
Patient Revenue			
Inpatient	2,626,976	2,854,232	3,157,122
Outpatient	1,793,171	1,775,093	2,128,874
Total Patient Revenue	4,420,148	4,900,248	5,581,322
Deductions From Revenue			
Charity Services	95,816	84,346	123,466
Contractual Allowances	2,950,122	3,663,194	3,765,748
Other Discounts	0	0	0
Bad Debt	485,023	178,352	685,485
Total Deductions	3,530,960	3,925,892	4,574,698
Net Patient Revenue	889,188	974,355	1,006,623
Medicaid DSH Payments	39,978	35,368	30,866
Grant Revenue	20,539	22,124	22,539
Capitated Revenue	3,838	4,294	5,033
Total Net Reimbursement	953,543	1,036,141	1,065,061
Other Operating Revenue	66,057	78,342	85,739
Total Operating Revenue	1,019,600	1,114,483	1,150,800
Operating Expenses			
Salaries & Wages	544,825	614,415	613,216
Benefits	0	0	0
Fees Physician	69,004	70,295	76,709
Fees Other	109,133	104,074	119,668
Supplies	231,748	252,988	257,683
Insurance	5,073	15,214	9,201
Maintenance & Repairs	18,196	18,456	19,081
Lease and Rental	11,245	12,590	14,180
Utilities	18,041	18,933	18,246
PMATF	11,756	12,356	12,389
Other Expenses	2,408	4,582	5,676
Total Operating Expenses	1,130,183	1,249,710	1,277,202
Common Service	(0)	0	0
Depreciation & Amortization	54,302	54,773	54,340
Total Expenses	1,184,485	1,304,483	1,331,542
Gain/(Loss) from Operations	(164,885)	(190,000)	(180,742)
Non-Operating Revenue			
Unrestricted Tax Revenue	129,416	153,014	180,742
Dividend/Interest Income	13,659	14,512	12,863
Gain/(Loss) on Investment	9,215	118,955	9,111
Donated Revenue	2,354	3,433	3,000
Other Non Operating Revenue	42,151	49,612	4,772
Non-Operating Expense			
Interest Expense	17,057	16,870	16,379
Investment Management Fees	2,342	2,554	2,705
Donated Expense	2,836	2,263	1,835
Medicaid County Funding	8,730	8,837	8,829
Non-Operating Gain/(Loss)	165,829	309,002	180,742
Excess of Revenue Over Expense	944	119,002	0

Broward Health
Key Statistics

	Audited 2020	Unaudited 2021	Proposed Budget 2022
Admissions	52,244	48,323	55,082
Patient Days	289,192	287,021	301,801
SSP Cases	25,712	27,303	26,577
SSP Days	36,484	41,611	39,630
Total Hospitalizations	77,956	75,626	81,660
Outpatient Visits	163,402	175,177	190,568
ER Dept Visits	242,181	207,187	244,571
Births	5,391	4,723	5,033
ER Dept Visits	242,181	207,187	244,571
Primary Care (CHS) Pharmacy	138,796	122,746	125,734
Gold Coast Visits	14,656	15,539	19,535
BHPG Physician Visits	252,576	251,453	247,997
BH Weston Visits	17,662	18,459	20,119
BH Imaging Visits	1,197	1,130	1,439
CDTC Phys Visits	79,040	49,551	58,180

BROWARD HEALTH
BALANCE SHEET
(in thousands)

	Audited 2020	Unaudited 2021	Proposed Budget 2022
ASSETS			
CURRENT ASSETS			
Cash and investments	835,821	944,844	962,666
Due from patients (net of allowance for uncollectible accounts)	133,794	153,614	135,379
Inventories	35,684	36,167	36,657
Other Current Assets	84,016	98,841	93,265
Total current assets	1,089,314	1,233,465	1,227,967
PROPERTY, PLANT, & EQUIPMENT	567,325	565,118	568,508
OTHER LONG TERM ASSETS	120,004	117,645	121,395
TOTAL ASSETS	1,776,643	1,916,227	1,917,871
LIABILITIES			
CURRENT LIABILITIES			
Current maturities of debt	7,124	9,135	8,059
Accounts payable and accrued liabilities	188,791	251,042	250,293
Estimated third party settlement payable	99,817	100,930	100,374
Other accrued liabilities	7,272	9,332	8,269
Total current liabilities	303,004	370,439	366,995
REVENUE BONDS	330,592	323,682	327,137
LONG TERM LIABILITIES	225,178	221,913	223,545
NET ASSETS			
Fund balance	917,870	1,000,194	1,000,194
TOTAL LIABILITIES AND FUND BALANCE	1,776,643	1,916,227	1,917,871

BROWARD HEALTH
STATEMENT OF CASH FLOWS
(in thousands)

	Audited 2020	Unaudited 2021	Proposed Budget 2022
Beginning Balance Cash & Investments	\$763,598	\$835,821	\$944,844
Excess of Revenue over Expense	\$944	\$82,324	\$0
Add: Depreciation	54,302	54,773	54,340
Add: Change in Accounts Recv.	8,608	(19,820)	(18,234)
Less: Capital Expenses	(61,135)	(52,565)	(56,870)
Add: All Other Changes	69,775	44,225	38,587
Sub Total	<u>72,494</u>	<u>108,937</u>	<u>17,823</u>
Ad Valorem Tax Collections	137,486	161,843	180,742
Ad Valorem Tax Accruals	(137,757)	(161,757)	(180,742)
Ending Balance Cash & Investments	<u>835,821</u>	<u>944,844</u>	<u>962,666</u>
Change in Cash & Investments	<u>72,223</u>	<u>109,023</u>	<u>17,823</u>

BROWARD HEALTH
KEY FINANCIAL INDICATORS

	Audited FY 2020	Unaudited FY 2021	Proposed Budget FY 2022	Moody's (2019) Not For Profit	
				Baa2	A Rated
Liquidity:					
Cash on Hand (Days)	268.8	274.2	262.3	143.5	179.2
Accounts Receivable (Days)	54.0	49.9	45.9	49.1	46.1
Cash-to-Direct Debt (%)	267.0%	309.0%	307.0%	139.2%	141.5%
Capitalization:					
Debt-to-Capitalization (%)	33.0%	24.6%	24.0%	34.1%	36.3%
Debt Service Coverage (x) - Maximum Annual	4.1	4.9	3.3	3.2	4.1
Average Age of Plant (Years)	17.3	17.1	17.3	13.1	12.6
Capital Spending Ratio (% of Depr. Exp.)	113%	96%	97%	120%	120%
Profitability:					
Operating EBIDA Margin (%)	4.8%	4.4%	4.1%	5.8%	8.0%

BROWARD HEALTH
Ad Valorem Tax Analysis

	FY2018	FY2019	FY2020	FY2021	Proposed B2022
SOURCE OF FUNDS					
Tax Roll (Per TRIM Notice)	\$122,026,212	\$130,436,593	\$138,389,424	\$146,005,357	\$155,180,657
Roll Back Millage Rate					
Millage Rate	1.2483	1.0855	1.0324	1.1469	1.2770
Gross Tax Funds	152,325	141,589	142,873	167,454	198,166
Early Pmt. Discounts / VAB Adj	(4,590)	(4,697)	(5,116)	(5,610)	(8,061)
Tax Funds (Net Of Discounts/VAB)	\$147,736	\$136,892	\$137,757	\$161,843	\$190,105
TOTAL USE OF FUNDS					
USE OF FUNDS - ADMINISTRATIVE					
Community Redevelopment	\$4,577	\$4,470	\$4,642	\$4,604	\$4,499
Tax Collector Commission	3,576	2,738	2,755	3,237	3,802
Tax Assessor Fee	1,001	1,023	942	904	1,062
Sub-Total Administrative Costs	\$9,153	\$8,231	\$8,339	\$8,745	\$9,363
USE OF FUNDS - PATIENT CARE					
Uncompensated Patient Care	138,582	128,661	129,418	153,098	180,742
Net Tax Funds Available	\$138,582	\$128,661	\$129,418	\$153,098	\$180,742

Historical Millage Rates & Net Tax Receipts

	Roll Back Rate	Approved Millage Rate	Beginning Tax Roll (July 1st, used for Rollback Rate)	Final Tax Roll (After VAB Adjustments)	Net Tax Receipts (After VAB Adj., Fees & Commissions)	Net Tax Receipts (as a % of Adj. Oper. Rev.)
FY 2005 - 2006	2.1970	2.1746	\$94,274,027,465	\$93,947,754,989	\$188,318,393	14.8%
FY 2006 - 2007	1.8649	1.8317	111,718,254,333	111,227,352,186	186,718,920	14.2%
FY 2007 - 2008	1.6758	1.6255	123,965,998,956	123,644,504,282	182,513,843	13.4%
FY 2008 - 2009	1.7440	1.7059	117,488,859,243	116,665,377,308	181,305,834	12.7%
FY 2009 - 2010	1.9276	1.7059	104,630,208,538	103,413,541,401	160,627,857	10.9%
FY 2010 - 2011	1.9509	1.8750	91,227,139,315	90,141,881,063	154,450,148	10.3%
FY 2011 - 2012	1.9187	1.8750	88,332,391,205	87,224,246,739	149,528,187	9.7%
FY 2012 - 2013	1.8564	1.8564	88,452,092,268	87,224,246,739	149,878,707	10.0%
FY 2013 - 2014	1.7893	1.7554	91,666,847,844	88,006,571,858	146,135,189	9.4%
FY 2014 - 2015	1.6541	1.5939	97,668,872,399	91,234,623,393	139,725,855	8.7%
FY 2015 - 2016	1.4908	1.4425	104,299,639,673	103,718,088,750	136,663,360	8.5%
FY 2016 - 2017	1.3462	1.3462	112,717,789,372	112,227,463,364	137,937,663	8.5%
FY 2017 - 2018	1.2483	1.2483	122,995,261,770	122,026,212,459	138,582,365	8.5%
FY 2018 - 2019	1.0855	1.1774	131,601,624,535	130,436,593,172	128,661,056	7.9%
FY 2019 - 2020	1.0324	1.0324	139,542,145,928	138,389,423,904	129,417,849	7.9%
FY 2020 - 2021	0.9854	1.1469	147,059,945,791	146,005,357,357	152,667,903	10.6%
FY 2021 - 2022 - Proposed	1.0982	1.2770	155,180,657,086	TBD	180,742,478	9.0%

BROWARD HEALTH CAPITAL BUDGET FY 2022

	Total Proposed budget FY 2022	CASH FLOW					TOTAL
		FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	
NET NEW PROJECTS:							
<u>REGIONS</u>							
BH	35,000,000						35,000,000
BH - 2022BASE							

TOTAL NET NEW CAPITAL	35,000,000	-	-	-	-	-	35,000,000
Grand Total	35,000,000	-	-	-	-	-	35,000,000

BROWARD HEALTH
AP Vendor >\$400k Detail

Vendor Services	FY2022 Budget Total
Surgical/Perfusion Services	2,523,500
PPUC Administration Fee	1,945,368
Electronic Health Record Technologies - outside services	1,190,000
Quality/Patient Satisfaction Surveys	1,102,745
Revenue Cycle Consulting Services	1,000,008
Nutritional/Dietary Services	948,248
Transplant Services	1,315,320
Janitorial Services	600,000
Police Services	509,601
Navicare Package - electronic claims processing	502,200
Digital Media (Access/Advertisement)	1,750,000
Marketing/Media Advertisement (Print, TV, Billboard, etc.)	1,750,000
Patient EMR System Services	456,000
Patient Statements	426,087
Medicaid Eligibility Fees	1,010,047
Outside Collection Agency	1,794,677
Consultant Services - FMV Appraisals	980,000
Outside Legal Costs	6,020,000
Auditing Services	570,000
Patient EMR/Data Processing	8,005,347
Courier Services	439,312
Shipping Services	1,045,698
Patient Transportation Services	412,270
Software/Licensing - EHR Software Subscriptions	10,179,934
Software/Licensing - Radiology Workflow Optimization & Workspaces	3,152,794
Software/Licensing - Microsoft Software Assurance	2,016,998
Software/Licensing - Imaging Platform, Citrix, Digital Guardian, FireEye, Tableau	1,141,891
Software/Licensing - Electronic Resource Planning Software for accounting, purchasing, human resources, etc.	1,098,500
Software/Licensing - Coding & Reimbursement Software	1,082,104
Software/Licensing - Circuit Connections	799,288
Software/Licensing - VMWare Renewal	761,492
Software/Licensing - Service Now	753,532
Software/Licensing - TeleTracking Technologies	552,885
Software/Licensing - Electronic Health Record Software for Ambulatory Care	500,000
Software/Licensing - Integrated Evidenced Based & Research Outcomes Software	470,740
Laundry Services	3,869,678
Outside Lab Services	4,139,962
Dialysis Services	4,947,830
Transcription Services	583,902
Maintenance Contracts - Radiology Repair Services	908,342
Maintenance Contracts - Dell/EMC Hardware and Software Support	1,253,242
Maintenance Contracts - Phone Maint/Support	572,880
Maintenance Contracts - Telecommunication Support/Maint	411,700
Departmental Repair Services	540,758
Data Center Annual Fee	611,073
Automated Medication Dispensing System	1,039,280
Confidential Paper Waste/Shredding Services	2,081,716
Property Tax Assessment Services	752,478
Program Support Broward College	430,000
Physician Fees House Based Physician Groups	34,779,810
Physician Fees Emergency Call	22,506,988
Grand Total	138,236,223

BROWARD HEALTH
COMMUNITY BENEFIT SUMMARY
(in thousands)

	FY 2020	FY 2021	Proposed B2022
<u>Community Benefit Cost</u>			
Charity Care	\$23,636	\$20,501	\$26,981
Bad Debts	122,357	53,593	147,299
Medicaid/PSN Program Loss	139,803	259,659	298,983
Comm Health Service Net Cost	28,334	19,932	23,496
PPUC	69,004	70,295	77,910
Mcaid Cost of County Funding	8,730	8,837	8,829
CDTC & Broward House (cost subsidies)	1,315	1,396	1,402
Total Cost	\$393,179	\$434,213	\$584,900
<u>Government Funding Sources</u>			
Net Tax Revenues (Millage) Subject to Board Appt	\$129,416	\$153,014	\$180,742
Medicaid/PSN Program Reimbursement	106,461	104,152	127,065
DSH - Medicaid	39,978	35,368	30,866
DSH - Medicare	34,320	25,849	34,320
County Primary Care Support	7,338	7,451	7,451
Community Health Serv Grants	9,228	6,376	7,064
Total Available Revenues	\$326,741	\$332,210	\$387,508
<u>Community Benefit Cost in (Excess)</u>			
<u>of Gov't Funding Sources</u>	<u>(\$66,438)</u>	<u>(\$102,003)</u>	<u>(\$197,392)</u>