

NORTH BROWARD HOSPITAL DISTRICT

FISCAL YEAR

JULY 1, 2022 - JUNE 30, 2023

FINAL OPERATING & CAPITAL

FY 2023 BUDGET

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

	ACT2020 Actual YTD	Audited 2021	Unaudited 2022	Proposed Budget 2023
Patient Revenue				
Inpatient	2,626,976	2,854,232	3,305,634	3,577,898
Outpatient	1,793,171	1,775,093	2,098,223	2,257,642
Ambulatory	0	270,923	258,123	288,213
Total Patient Revenue	4,420,148	4,900,248	5,661,980	6,123,753
Deductions From Revenue				
Charity Services	95,816	84,346	71,392	81,155
Contractual Allowances	2,950,122	3,671,029	4,200,505	4,200,793
Bad Debt	485,023	220,277	300,148	773,712
Total Deductions	3,530,960	3,975,652	4,572,045	5,055,660
Net Patient Revenue	889,188	924,596	1,089,935	1,068,092
Medicaid DSH Payments	39,978	35,368	85,898	80,735
Grant Revenue	20,539	22,124	21,128	23,311
Capitated Revenue	3,838	4,294	4,144	3,642
Total Net Reimbursement	953,543	986,381	1,201,104	1,175,780
Other Operating Revenue	66,057	78,930	110,387	112,187
Total Operating Revenue	1,019,600	1,065,311	1,311,492	1,287,967
Operating Expenses				
Salaries & Wages	544,825	622,670	772,967	749,909
Benefits	108,754	(11,929)	102,858	142,569
Fees Physician	69,004	70,513	71,625	76,781
Fees Other	109,133	104,152	113,819	120,668
Supplies	231,748	250,305	275,126	278,870
Insurance	5,073	15,214	11,962	13,582
Maintenance & Repairs	18,196	18,881	18,758	19,734
Lease and Rental	11,245	12,580	8,191	9,887
Utilities	18,041	18,933	20,718	21,592
PMATF	11,756	12,356	11,987	12,404
Other Expenses	2,408	1,704	2,882	8,336
Total Operating Expenses	1,130,183	1,115,378	1,410,893	1,454,332
Common Service	(0)	0	0	0
Depreciation & Amortization	54,302	54,773	59,958	83,635
Total Expenses	1,184,485	1,170,151	1,470,851	1,537,967
Gain/(Loss) from Operations	(164,885)	(104,840)	(159,360)	(250,000)
Non-Operating Revenue				
Unrestricted Tax Revenue	129,416	153,014	179,548	250,000
Dividend/Interest Income	13,659	14,512	13,373	10,645
Gain/(Loss) on Investment	9,215	126,690	(54,816)	10,022
Donated Revenue	2,354	3,433	20,290	4,057
Other Non Operating Revenue	42,151	49,612	9,839	4,328
Non-Operating Expense				
Interest Expense	17,057	16,870	17,117	16,095
Investment Management Fees	2,342	2,554	3,023	2,725
Donated Expense	2,836	2,255	17,563	1,662
Medicaid County Funding	8,730	8,837	8,578	8,571
Non-Operating Gain/(Loss)	165,829	316,744	121,952	250,000
Excess of Revenue Over Expenses	944	211,904	(37,408)	(0)

**Broward Health
Key Statistics**

	Audited 2021	Unaudited 2022	Proposed Budget 2023
Admissions	48,323	51,342	54,449
Patient Days	287,021	318,390	316,938
Observation Cases	27,303	29,737	29,516
Observation Days	41,611	45,458	43,866
Total Hospitalizations	75,626	81,079	83,965
Outpatient Visits	175,177	180,152	189,742
ER Dept Visits	207,187	254,207	251,475
Births	4,723	5,373	5,483
ER Dept Visits	207,187	254,207	251,475
Primary Care (CHS) Pharmacy	122,746	116,631	119,121
BHPG Physician Visits	251,453	276,841	297,400
BH Weston Visits	18,459	20,037	23,724
BH Imaging Visits	1,130	908	1,295
CDTC Phys Visits	49,551	49,407	54,262

**BROWARD HEALTH
BALANCE SHEET
(in thousands)**

	Audited 2021	Unaudited 2022	Proposed Budget 2023
ASSETS			
CURRENT ASSETS			
Cash and investments	952,578	757,851	701,625
Due from patients (net of allowance for uncollectible accounts)	151,272	182,474	153,768
Inventories	36,167	33,760	31,513
Other Current Assets	99,213	153,558	145,063
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Total current assets	1,239,230	1,127,643	1,031,969
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PROPERTY, PLANT, & EQUIPMENT	565,715	582,714	586,210
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OTHER LONG TERM ASSETS	109,388	178,984	145,523
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TOTAL ASSETS	1,914,333	1,889,341	1,763,703
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LIABILITIES			
CURRENT LIABILITIES			
Current maturities of debt	9,135	15,467	17,014
Accounts payable and accrued liabilities	250,013	245,926	255,839
Estimated third party settlement payable	100,342	55,339	74,661
Other accrued liabilities	9,332	9,808	10,308
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Total current liabilities	368,822	326,540	357,822
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REVENUE BONDS	323,682	316,496	320,089
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LONG TERM LIABILITIES	92,055	153,887	125,179
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NET ASSETS			
Fund balance	1,129,774	1,092,417	960,613
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TOTAL LIABILITIES AND FUND BALANCE	1,914,333	1,889,341	1,763,703
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BROWARD HEALTH
STATEMENT OF CASH FLOWS
(in thousands)

	Audited 2020	Audited 2021	Unaudited 2022	Proposed Budget 2023
Beginning Balance Cash & Investments	\$763,598	\$835,821	\$952,578	\$757,851
Excess of Revenue over Expense	\$944	\$211,904	(\$37,408)	\$0
Add: Depreciation	54,302	54,773	51,851	52,766
Add: Change in Accounts Recv.	8,608	(17,479)	(31,202)	(28,706)
Less: Capital Expenses	(61,135)	(53,162)	(68,851)	(61,049)
Add: Intangible Expense	-	-	8,107	30,869
Add: All Other Changes	69,775	(79,365)	(117,005)	(42,198)
Sub Total	<u>72,494</u>	<u>116,671</u>	<u>(194,508)</u>	<u>(48,319)</u>
Ad Valorem Tax Collections	137,486	161,843	189,599	250,000
Ad Valorem Tax Accruals	(137,757)	(161,757)	(189,819)	(250,000)
Ending Balance Cash & Investments	<u>835,821</u>	<u>952,578</u>	<u>757,851</u>	<u>709,532</u>
Change in Cash & Investments	<u>72,223</u>	<u>116,758</u>	<u>(194,727)</u>	<u>(48,319)</u>

BROWARD HEALTH
KEY FINANCIAL INDICATORS

	Audited FY 2021	Unaudited FY 2022	Proposed Budget FY 2023	Moody's (2020) Not For Profit	
				Baa2	A Rated
Liquidity:					
Cash on Hand (Days)	274.2	195.1	211.7	203.4	232.8
Accounts Receivable (Days)	47.3	53.1	47.9	46.8	42.9
Cash-to-Direct Debt (%)	286.4%	217.9%	228.6%	168.5%	185.9%
Capitalization:					
Debt-to-Capitalization (%)	23.1%	24.4%	25.7%	38.1%	37.4%
Debt Service Coverage (x) - Maximum Annual	4.4	6.3	4.5	3.1	3.4
Average Age of Plant (Years)	17.1	16.6	16.9	13.4	12.1
Capital Spending Ratio (% of Depr. Exp.)	96%	115%	119%	110%	120%
Profitability:					
Operating Margin (%)	4.0%	1.4%	0.0%	6.1%	6.7%

BROWARD HEALTH
Ad Valorem Tax Analysis

	FY2019	FY2020	FY2021	FY2022	Proposed B2023
SOURCE OF FUNDS					
Tax Roll (Per TRIM Notice)	\$130,436,593	\$138,389,424	\$146,005,357	\$153,892,646	\$172,187,155
Roll Back Millage Rate					
Millage Rate	1.0855	1.0324	1.1469	1.2770	1.6029
Gross Tax Funds	141,589	142,873	167,454	196,521	275,999
Early Pmt. Discounts / VAB Adj	(4,697)	(5,116)	(5,610)	(6,702)	(11,704)
Tax Funds (Net Of Discounts/VAB)	\$136,892	\$137,757	\$161,843	\$189,819	\$264,295
TOTAL USE OF FUNDS					
USE OF FUNDS - ADMINISTRATIVE					
Community Redevelopment	\$4,470	\$4,642	\$4,604	\$5,453	\$7,534
Tax Collector Commission	2,738	2,755	3,237	3,796	5,286
Tax Assessor Fee	1,023	942	904	1,021	1,475
Sub-Total Administrative Costs	\$8,231	\$8,339	\$8,745	\$10,271	\$14,295
USE OF FUNDS - PATIENT CARE					
Uncompensated Patient Care	128,661	129,418	153,098	179,548	250,000
Net Tax Funds Available	\$128,661	\$129,418	\$153,098	\$179,548	\$250,000

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	1.0982	1.2770	155,180,657,086	153,892,645,984	179,547,714	10.0%
FY 2022 - 2023 - Proposed	1.1638	1.6029	172,187,154,997	TBD	250,000,000	10.8%

BROWARD HEALTH CAPITAL BUDGET FY 2023

Description	Total Proposed Budget FY 2023	FY 2024	FY 2025	3 Year Project Total
Sunrise FSED (already approved)	25,000,000	-	-	25,000,000
PACE renovation	2,554,188	-	-	2,554,188
Home health lease tenant renovation	638,930	-	-	638,930
309 SE 18th St. renovations	958,310	-	-	958,310
Executive office renovations	6,060,749	-	-	6,060,749
BH Tenant Improvements < \$400k	1,053,435	-	-	1,053,435
BHCS elevator replacement	600,000	-	-	600,000
BHCS-Robotics OR expansion	2,430,503	1,041,644	-	3,472,147
BHCS Patient units 4th floor buildout	1,630,452	11,413,167	3,260,905	16,304,524
BHIP MOB infrastructure upgrades	525,000	-	-	525,000
MOB infrastructure upgrades <\$400k	945,000	-	-	945,000
Broward Health Point infrastructure upgrades	674,933	-	-	674,933
Office buildouts for new physicians <\$400k	600,000	-	-	600,000
BHMC graduate medical education major renovations	1,131,429	7,920,003	2,262,858	11,314,290
BHN graduate medical education major renovations	255,180	2,296,617	-	2,551,797
Security - system wide rekeying project	500,000	-	-	500,000
BHMC-CT scan replacement	2,700,000	-	-	2,700,000
BHMC-OR laparoscopic system replacement	1,750,000	-	-	1,750,000
BHMC-spine microscope	500,000	-	-	500,000
BHMC-OR SONOPET system replacement	527,000	-	-	527,000
BHMC-OR microscope replacement	465,000	-	-	465,000
BHMC-OR cart washer and sterrad replacement	400,000	-	-	400,000
BHIP- Cath / IVR software upgrade	400,000	-	-	400,000
BHIP-MRI replacement	4,580,135	-	-	4,580,135
BHIP-CT Scan replacement	2,103,696	-	-	2,103,696
BHIP-Rad Room replacement	812,000	-	-	812,000
BHN - O-Arm navigation system replacement (already approved)	1,453,234	-	-	1,453,234
BHN-Other radiology equip replacement <\$400k	300,000	-	-	300,000
Telemetry centralization	1,905,000	-	-	1,905,000
Patient evacuation equipment replacement	500,000	-	-	500,000
Biomed equipment replacement plan	3,000,000	-	-	3,000,000
BHIT-Replacement of End user Devices	3,545,000	-	-	3,545,000
BHIT-Network Refresh	3,150,000	-	-	3,150,000
BHIT-Data Center	2,075,000	-	-	2,075,000
BHIT-WIFI management system replacement	1,000,000	-	-	1,000,000
BHIT-Software asset management system	750,000	-	-	750,000
BHIT-Infor Implementation (including \$2.2mil already approved)	3,134,835	-	-	3,134,835
BHIT-PACS data center move	2,000,000	-	-	2,000,000
BHIT-Base - BHIT	535,000	-	-	535,000
BHC- Base	9,244,115	-	-	9,244,115
BHMC-Base	3,597,683	-	-	3,597,683
BHIP-Base	1,536,116	-	-	1,536,116
BHN-Base	1,130,738	-	-	1,130,738
BHCS-Base	918,167	-	-	918,167
AMB-Base	429,172	-	-	429,172
TOTAL NET NEW CAPITAL	100,000,000	22,671,431	5,523,763	128,195,194
Grand Total	100,000,000	22,671,431	5,523,763	128,195,194

BROWARD HEALTH
Budget Services >\$400k Detail

Vendor Services	FY2023 Budget Total
CCP Administration Fees	1,945,380
Electronic Health Record Technologies - outside services	1,406,130
Quality/Patient Satisfaction Surveys	1,035,827
Patient Cost Transparency Portal	677,772
Signage Services	400,000
Navicare Package - electronic claims processing	428,420
Patient Statements	420,000
Janitorial Services	410,000
Medicaid Eligibility Fees	1,546,720
Outside Collection Agency	2,974,954
Consultant Services - FMV Appraisals	950,000
Consultant Services - IT	826,623
Consultant Services - Human Resource & Risk Management	485,205
Consultant Services - Managed Care Services	402,367
Outside Legal Costs	9,608,247
Auditing Services	683,027
Data Processing Expense (Cerner RHO Only)	8,467,426
Recruitment Expense - Third Party Search Firm	1,150,000
Marketing - Website & Digital Services	3,400,000
Marketing - Advertising Services	1,750,000
Marketing - Media Buying Services	1,500,000
Software/Licensing - EHR Software Subscriptions	11,186,180
Software/Licensing - Microsoft Software Assurance	4,857,214
Software/Licensing - PACS	3,163,794
Software/Licensing - Virtualization Environment, Medical Device Security, Server & Device	
Maint/Config/Backup & Restore/Performance Monitoring	2,348,160
Software/Licensing - Imaging Platform, Citrix, Digital Guardian, FireEye, Tableau	1,800,500
Software/Licensing - Global Ledger	1,463,564
Software/Licensing - Coding & Reimbursement Software	1,347,924
Software/Licensing - Service Now	1,063,000
Software/Licensing - Employee Time and Attendance System	885,000
Software/Licensing - Circuit Connections	800,000
Software/Licensing - TeleTracking Technologies	561,000
Software/Licensing - Sharepoint MyPlace Upgrade	550,000
Software/Licensing - Citrix Subscription Renewal	500,000
Software/Licensing - Electronic Health Record Software for Ambulatory Care	500,000
Software/Licensing - Financial Reporting System	455,500
Software/Licensing - Email Security	400,000
Chart Coding Services	522,338
Transcription Services	1,282,447
Maintenance Contracts - Phone Maint/Support	700,000
Pre-Employment Expense - Accurate Background	1,291,071
Surgical/Perfusion Services	3,541,265
Nutritional/Dietary Services	1,932,947
Transplant Services	2,004,000
Police Services	1,404,427
Physician Assistant Services	499,200
Abstracting Services (Cancer Cases)	653,044
Surgical Consulting Services	1,598,554
Patient Transportation Services	1,054,011
Laundry Services	4,770,778
Outside Lab Services	4,764,435
Dialysis Services	5,107,064
Automated Medication Dispensing System	1,482,376
Maintenance Contracts - Radiology Repair Services	1,507,655
Maintenance Contracts - Surgical Equipment Services	1,364,758
Maintenance Contracts - Davinic Repair Services	669,081
Maintenance Contracts - Pharmacy Repair Services	554,057
Physician Fees House Based Physician Groups	35,411,156
Physician Fees Emergency Room Call	21,975,343
Grand Total	166,031,941

**BROWARD HEALTH
COMMUNITY BENEFIT SUMMARY
(in thousands)**

	FY 2021	FY 2022	Proposed B2023
<u>Community Benefit Cost</u>			
Charity Care	\$18,231	\$16,965	\$18,539
Bad Debts	48,827	72,181	165,201
Medicaid/PSN Program Loss	259,659	297,690	370,306
Comm Health Service Net Cost	20,199	18,155	8,904
PPUC	70,513	71,625	76,781
Mcaid Cost of County Funding	8,837	8,578	8,829
CDTC & Broward House (cost subsidies)	1,396	1,370	1,427
Total Cost	\$427,662	\$486,564	\$649,987
<u>Government Funding Sources</u>			
Net Tax Revenues (Millage) Subject to Board App	\$153,014	\$179,548	\$250,000
Medicaid/PSN Program Reimbursement	104,152	131,971	112,036
DSH - Medicaid	35,368	85,898	80,734
DSH - Medicare	25,849	25,876	25,876
County Primary Care Support	7,451	7,451	7,451
Community Health Serv Grants	6,376	6,236	6,838
Total Available Revenues	\$332,210	\$436,980	\$482,935
<u>Community Benefit Cost in (Excess) of Gov't Funding Sources</u>	<u>(\$95,452)</u>	<u>(\$49,584)</u>	<u>(\$167,052)</u>