

**PROSPECT MEDICAL HOLDINGS
EAST ORANGE GENERAL HOSPITAL**

FINANCIAL STATEMENTS

JUNE 2019

East Orange General Hospital
Balance Sheet
As of June 30, 2019
(Internally Prepared - Unaudited)
Actual



	<u>Jun-19</u>
Current Assets	
Cash and Cash Equivalents	\$ 806,803
Patient Accts Receivable, net of allowance for doubtful accunts	23,674,823
Other Accounts Receivable	407,336
Government program receivables	56,329
Grant Receivable	1,739,037
Intercompany	(94,423,414)
Supplies Inventory	1,478,711
Prepaid Exp & Other Curr Assets	1,766,366
Total Current Assets	\$ (64,494,008)
Fixed Assets	
Property, Improvements & Equipment	\$ 78,159,685
Accumulated Depreciation	(16,225,638)
Net Fixed Assets	\$ 61,934,046
Intangible, net of accumulated amortization	\$ 1,615,328
Goodwill - Prospect EOGH	-
Other Assets	163,992
Total Assets	\$ (780,642)
Current Liabilities	
Accounts Payable	\$ 9,900,605
Accrued Comp / Benefits	3,819,120
Accrued Expenses & Other	2,701,954
Deferred revenue	-
Due to Government Payer	610,452
Curr Portion of Capital Leases	387,323
Total Current Liabilities	\$ 17,419,454
Non-Current Liabilities	
Malpractice Reserve	\$ 2,224,500
Capital Leases, net of current portion	294,921
Other Long -Term Liability	1,770,758
Total Non-Current Liabilites	\$ 4,290,179
Stockholders' Equity in net Assets	
Additional Paid in Capital	\$ 32,718,610
Retained Earnings prior year	(37,261,992)
Retained Earning current year	(17,946,894)
Total Stockholders' Equity in Net Assets	\$ (22,490,276)
Total Liabilities and Stockholders' Equity	\$ (780,642)

East Orange General Hospital
Income Statement
For the Nine Months Ended June 30, 2019
(Internally Prepared - Unaudited)
Actual



	FYTD Jun-19	MTD Jun-19
Revenue		
Net patient service revenue	\$ 68,141,278	\$ 6,702,642
Less: Provision for doubtful accounts	(4,653,385)	(967,868)
Patient Service Revenue	\$ 63,487,893	\$ 5,734,774
Other Revenue	\$ 668,281	\$ 192,095
Grants	428,668	47,630
Other Hospital Service Revenue	484,915	159,610
Total Revenue	\$ 65,069,756	\$ 6,134,110
Operating Expenses		
Salary and Wages and Per diem Help	\$ 34,629,507	\$ 3,726,518
Employee benefits	8,560,592	717,081
Grants	567,019	41,977
Supplies Expense	6,184,777	752,792
Lease and rental expense	250,570	31,730
Professional Fees	7,194,754	884,803
Registry	1,548,319	158,864
Purchased Services	4,526,980	325,138
Total Operating Expenses	\$ 63,462,517	\$ 6,638,902
Operating Margin	\$ 1,607,239	\$ (504,793)
General and Administrative Expenses		
Professional Fees Non-Medical	\$ 1,920,753	\$ 316,714
Supplies - Other	1,706,876	163,195
Repairs & Maintenance	3,198,526	413,755
Utilities	1,090,235	107,725
Professional Liability Ins.	1,336,224	148,000
Insurance - Other	368,989	28,063
Purchased Services	1,782,588	410,202
Property Taxes & Other	1,037,108	145,603
Management Fees	-	-
Other Expenses	1,550,723	120,288
Marketing	22,071	2,030
Travel & Business Development	82,203	6,857
Total General and Administrative Expenses	\$ 14,096,296	\$ 1,862,432
EBITDA	\$ (12,489,057)	\$ (2,367,224)

Depreciation and Amortiation

Depreciation Expense	\$ 4,863,387	\$ 344,366
Amortization Expense	181,728	20,192

Total Deprec, Amort	\$ 5,045,115	\$ 364,558
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Net Operating Income

\$ (17,534,172)	\$ (2,731,782)
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Interest Expense	\$ 500,226	\$ 45,017
Other (Income)/Expense	(87,504)	\$ 810

Net Income Before Income Taxes

\$ (17,946,893)	\$ (2,777,609)
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Provision for Income Taxes

Net Income After Taxes

\$ (17,946,893)	\$ (2,777,609)
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**East Orange General Hospital
Operating Statistics
June 30, 2019**

	MTD	FYTD
ADMISSIONS		
Actual 2019	469	4,467
Actual 2018	484	4,707
Variance	(15)	(240)
PATIENT DAYS		
Actual 2019	2,695	26,662
Actual 2018	2,855	28,265
Variance	(160)	(1,603)
ALOS per Dsch		
Actual 2019	4.8	5.0
Actual 2018	5.1	5.4
Variance	(0.3)	(0.3)
SAME DAY SURGERY		
Actual 2019	116	1,226
Actual 2018	168	1,328
Variance	(52)	(102)
SAME DAY ENDOSCOPY		
Actual 2019	64	806
Actual 2018	133	1,107
Variance	(69)	(301)
TOTAL OCCUPANCY RATE (%) Staffed		
Actual 2019	52%	88%
Actual 2018	53%	89%
Variance	0%	0%
Occupancy % Acute staffed	54%	61%
Occupancy % Psych staffed	47%	44%
Observation		
Actual 2019	29	358
Actual 2018	45	335
Variance	(16)	23
NET E.R. VISITS		
Actual 2019	2,829	25,978
Actual 2018	2,899	26,424
Variance	(70)	(446)
E.R. ADMITS Acute		
Actual	364	3,606
% / Admissions	78%	81%
E.R. ADMITS Psych		
Actual	91	741
% / Admissions	19%	17%
Interventional Radiology Procedures		
Actual 2019	11	115
Actual 2018	38	245
Variance	(27)	(130)
Licensed Beds	212	212
Operating Beds	166	166
Licensed Acute Beds	175	175
Operating Acute Bed	129	129
Licensed Psych Beds	37	37
Operating Psych Beds	37	37