

**PROSPECT MEDICAL HOLDINGS
EAST ORANGE GENERAL HOSPITAL**

FINANCIAL STATEMENTS

SEPTEMBER 2019

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



	<u>Sep-19</u>
Current Assets	
Cash and Cash Equivalents	\$ 706,449
Patient Accts Receivable, net of allowance for doubtful accunts	19,210,709
Other Accounts Receivable	497,029
Government program receivables	877,480
Grant Receivable	5,011,802
Intercompany	(103,157,293)
Supplies Inventory	1,485,696
Prepaid Exp & Other Curr Assets	1,146,108
Total Current Assets	\$ (74,222,020)
Fixed Assets	
Property, Improvements & Equipment	\$ 12,122,935
Accumulated Depreciation	(2,691,432)
Net Fixed Assets	\$ 9,431,503
Intangible, net of accumulated amortization	\$ 1,554,752
Goodwill - Prospect EOGH	-
Other Assets	163,992
Total Assets	\$ (63,071,773)
Current Liabilities	
Accounts Payable	\$ 8,757,952
Accrued Comp / Benefits	4,468,884
Accrued Expenses & Other	3,189,820
Deferred revenue	52,445
Due to Government Payer	855,231
Curr Portion of Capital Leases	655,931
Total Current Liabilities	\$ 17,980,262
Non-Current Liabilities	
Malpractice Reserve	\$ 1,992,000
Capital Leases, net of current portion	671,486
Other Long -Term Liability	1,061,133
Total Non-Current Liabilites	\$ 3,724,619
Stockholders' Equity in net Assets	
Additional Paid in Capital	\$ 32,718,610
Retained Earnings prior year	(37,261,992)
Retained Earning current year	(80,233,271)
Total Stockholders' Equity in Net Assets	\$ (84,776,653)
Total Liabilities and Stockholders' Equity	\$ (63,071,772)

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



	FYTD Sep-19	MTD Sep-19
Revenue		
Net patient service revenue	\$ 86,569,663	\$ 4,179,914
Less: Provision for doubtful accounts	(6,017,770)	(577,290)
Patient Service Revenue	\$ 80,551,893	\$ 3,602,624
Other Revenue	\$ 548,397	\$ (90,026)
Grants	2,440,283	674,520
Other Hospital Service Revenue	428,522	(109,785)
Total Revenue	\$ 83,969,095	\$ 4,077,333
Operating Expenses		
Salary and Wages and Per diem Help	\$ 46,272,798	\$ 3,610,800
Employee benefits	11,568,428	1,803,933
Grants	770,985	111,768
Supplies Expense	8,228,073	604,623
Lease and rental expense	341,829	29,735
Professional Fees	9,862,892	901,628
Registry	1,937,904	106,911
Purchased Services	5,963,950	569,732
Total Operating Expenses	\$ 84,946,858	\$ 7,739,132
Operating Margin	\$ (977,764)	\$ (3,661,799)
General and Administrative Expenses		
Professional Fees Non-Medical	\$ 2,601,031	\$ 202,225
Supplies - Other	2,304,778	230,852
Repairs & Maintenance	4,406,231	565,614
Utilities	1,445,593	112,371
Professional Liability Ins.	1,780,224	148,000
Insurance - Other	258,035	40,511
Purchased Services	2,912,348	704,390
Property Taxes & Other	1,623,677	262,030
Management Fees	-	-
Other Expenses	2,067,155	185,066
Marketing	30,798	2,807
Travel & Business Development	92,453	4,453
Total General and Administrative Expenses	\$ 19,522,323	\$ 2,458,318
EBITDA	\$ (20,500,086)	\$ (6,120,117)

Depreciation and Amortiation

Depreciation Expense	\$ 6,910,996	\$ 774,633
Amortization Expense	242,304	20,192
Total Deprec, Amort	\$ 7,153,300	\$ 794,825

Net Operating Income

	\$ (27,653,387)	\$ (6,914,942)
Interest Expense	\$ 674,667	\$ 42,472
Other (Income)/Expense	(85,314)	\$ 717
Asset Impairment	51,990,531	51,990,531
Net Income Before Income Taxes	\$ (80,233,270)	\$ (58,948,662)

Provision for Income Taxes

Net Income After Taxes	\$ (80,233,270)	\$ (58,948,662)
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**East Orange General Hospital
Operating Statistics
September 30, 2019**

	MTD	FYTD
ADMISSIONS		
Actual 2019	435	5,833
Actual 2018	463	6,220
Variance	(28)	(387)
PATIENT DAYS		
Actual 2019	2,790	34,965
Actual 2018	2,953	36,913
Variance	(163)	(1,948)
ALOS per Dsch		
Actual 2019	5.0	5.0
Actual 2018	4.9	5.3
Variance	0.1	(0.3)
SAME DAY SURGERY		
Actual 2019	129	1,619
Actual 2018	174	1,850
Variance	(45)	(231)
SAME DAY ENDOSCOPY		
Actual 2019	80	1,057
Actual 2018	79	1,313
Variance	1	(256)
TOTAL OCCUPANCY RATE (%) Staffed		
Actual 2019	54%	58%
Actual 2018	54%	58%
Variance	0%	0%
Occupancy % Acute staffed	55%	59%
Occupancy % Psych staffed	49%	45%
Observation		
Actual 2019	39	530
Actual 2018	11	82
Variance	28	448
NET E.R. VISITS		
Actual 2019	2,866	34,642
Actual 2018	3,055	35,636
Variance	(189)	(994)
E.R. ADMITS Acute		
Actual	334	4,602
% / Admissions	77%	79%
E.R. ADMITS Psych		
Actual	84	1,003
% / Admissions	19%	17%
Interventional Radiology Procedures		
Actual 2019	19	161
Actual 2018	17	230
Variance	2	(69)
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