



January 26, 2020

Board of Directors
Mangum Regional Medical Center

December 2020 Financial Statement Overview

- Balance Sheet
 - Operating Cash decreased \$128,163 from the November 30, 2020 balance. This is primarily driven by:
 - An adjustment to the stimulus fund balance was made to replenish the \$1.041M initially borrowed for operating cash. (previously - \$1.492M borrowed - \$451K that had been identified to qualify to be retained as operating cash). The stimulus funds have been segregated within the financial statements to track and report these separately.
 - A \$967,967 Medicare receivable was paid to the facility in December and an additional adjustment of \$495,378 to increase the 2020 interim rate receivable estimate, along with principal payments on debt service resulted in the net increase of \$341,364 seen in the Due to Medicare liability account.
- Income Statement
 - Net Patient Service Revenue increased \$405,757 from November. This is primarily driven by a positive adjustment to contractual allowances regarding the 2020 interim rate receivable.
 - Total operating expenses for October were \$1,467,267. This amount is substantially higher than the YTD average of \$1.2M due to a surge in contract labor, stimulus bonuses through payroll, and inventory audit adjustments regarding year end physical count.



Other Updates

- The Medicare 2nd Interim Rate Review has been submitted. It reflects an estimated receivable in the amount of \$1,320,381 for the 8 months ended 08/31/20. As of 12/23/20, Novitas has confirmed a receivable owed to the hospital in the amount of \$1,360,472. We are awaiting the rebuttal letter to request the cash be paid out to the hospital.
- 2019 Medicare Cost Report was submitted resulting in a receivable of \$971,775. We have received a Novitas letter confirming a receivable of \$967,961 and an additional letter to submit a rebuttal to have these monies paid directly to the hospital instead of applied to open ERS loan balances. Cohesive successfully completed the rebuttal request and the funds were paid and received to the hospital 12/17/20.