

SUMMARY OF SEPTEMBER
FY2015 FINANCIALS:
ROCKY MOUNTAIN HEALTH NETWORK
RMHN Board Meeting
12/02/14

Finance Committee Meeting (Virtual)

In general, the finances of RMHN have trended toward the upside over the past several months due to stabilized revenue and expenses after the loss of a client for revenue cycle services. Unbudgeted benefit expense increase halfway through the last fiscal year have us continually looking for new opportunities to increase our efficiencies. Please refer to the Balance Sheet ending October 31, 2014 and to the Statement of Profit and Loss for details.

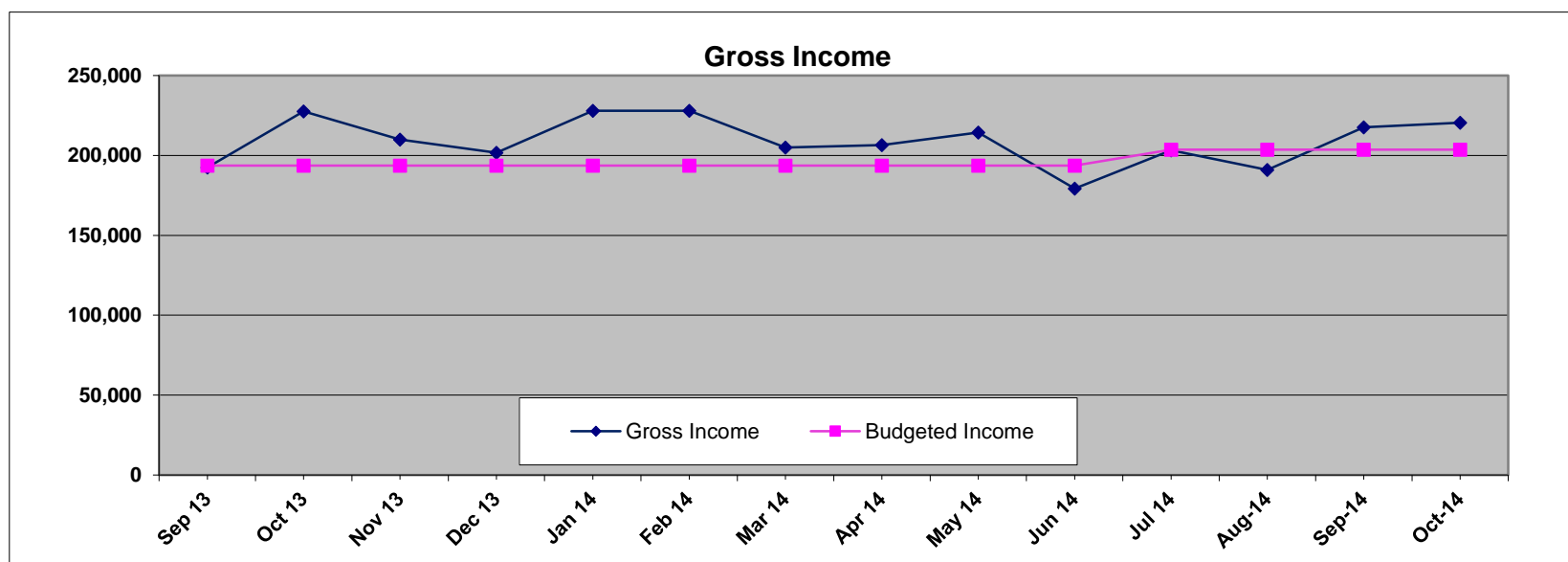
Our AR is \$612,830. The Current Ratio (current assets/current liabilities) is 3.66. Our total assets are \$2.375M. Under Liabilities, the Accounts Payable is \$95,305 to SVH.

Regarding variances in the P&L, the budgeted income and expenses that have varied widely as most of the service lines have been transferred to the centralized Denver office has now come closer to the newer budgeted numbers for our new fiscal year beginning July 1, 2014. Trimming of the expenses will continue. The Billing service line had a decent month (\$9k positive budget variance and YTD positive variance of \$12K). Collections service line had a decent month with a positive variance of \$1K for the month and positive \$20K variance for the YTD. The service line of Administrative Withhold had a decent month with a positive variance of \$4K and YTD negative variance of \$22K. (Most of the information we have been requesting has come in from our payers and partners, the reports that we have been requesting from the EPIC system from the Denver office have finally come to be. We are under budget for salaries and benefits for the month (positive variance of \$20K for the month and positive variance of 43K YTD). The salary variance is due to the amount that is being paid for the interim Executive Director (30K a month plus expenses prior to 8/15/14) and also an allocation of

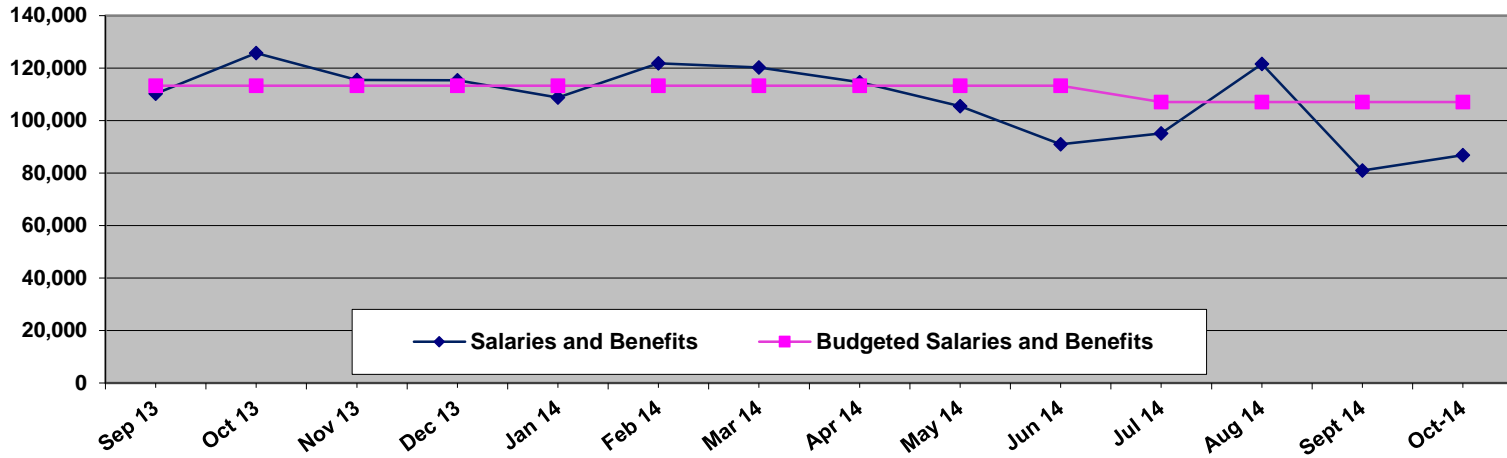
personnel to the Rocky Mountain Accountable Health Network (ACO) (33% of Steve, Mary and Dale and Carol). Salary expense was listed on our budget reconciliation process and we will continue to strive for efficiencies in all of our processes. We have changed our IT outsourcing company from Eide Bailly in the middle of September 2012 to Altitude Tech and will see a reduction in the cost of the IT support by 40% with an increased level of support.

The sale of our interest in the Rocky Mountain Professional Building attributed to a large gain on that investment when it was posted on 8/25/14 for a gain of \$258K. We also show a slight gain (\$10K) on disposal of assets which would be the sale of the cubicles and other assorted assets that went along with the sale of our interest in the building

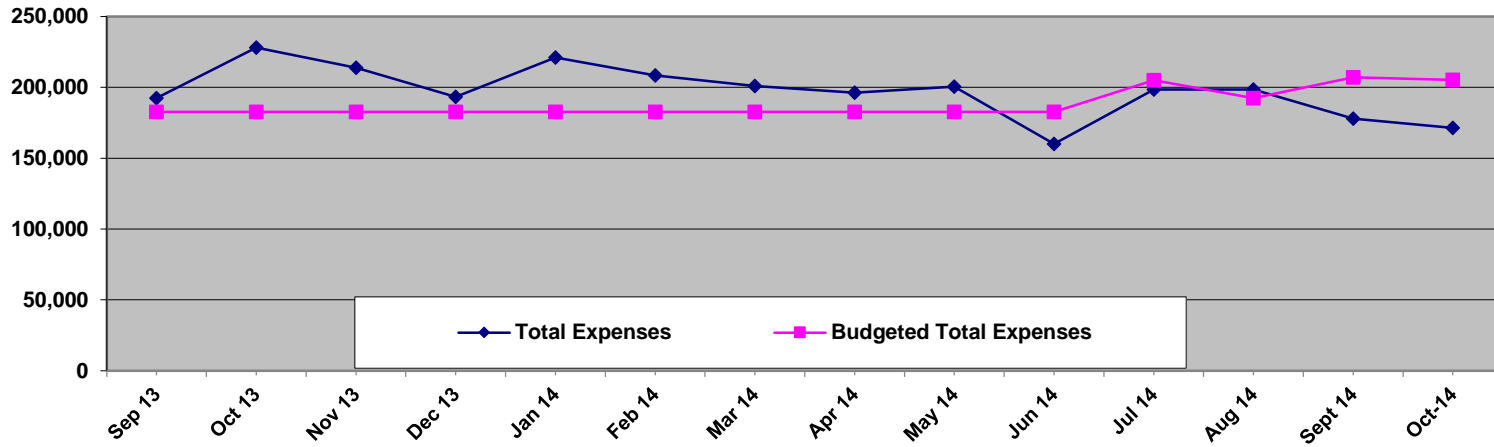
On balance, we show a \$49K gain for the month of October 2014 and 293K gain YTD and a positive \$50K budget variance for the month of October 2014 and a positive \$303K budget variance YTD.



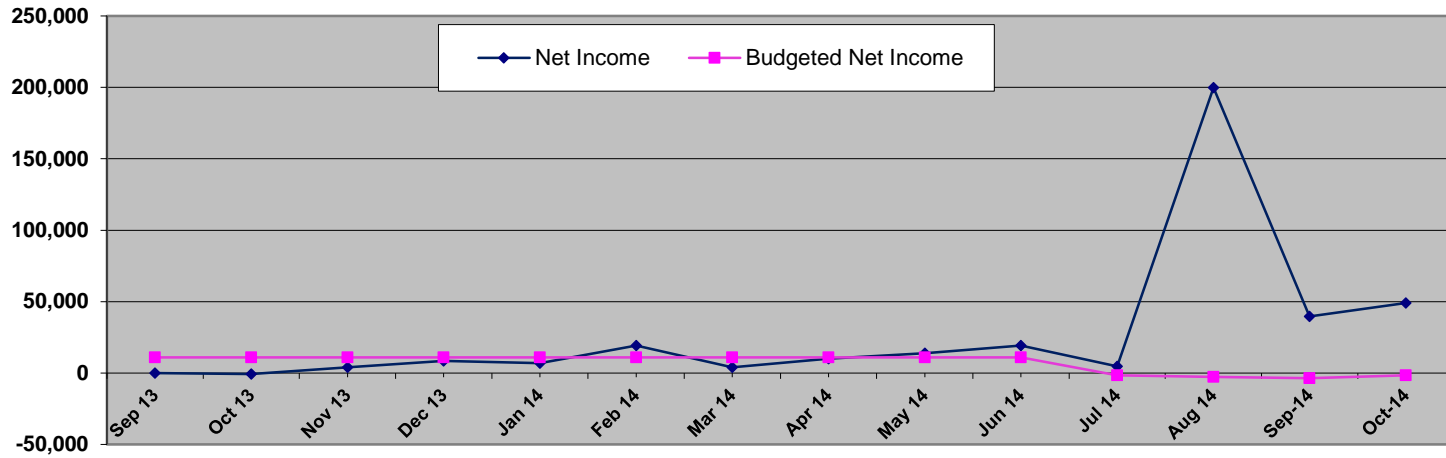
Salaries & Benefits



Total Expenses



Net Income



Current Ratio = Current Assets/Current Liabilities

