



Growth Feasibility Assessment



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Methodology

The analysis and results contained in this report are based on two primary data sources covering the 2017 - 2020 period.

- Audited financial statements of health center corporations reported by fiscal year.
- Uniform Data System (UDS) information as self-reported by health centers each calendar year.

The comparative data sets include aggregated data from audited financial statements and UDS reports from Capital Link’s proprietary financial and operational database.

The specific number of health centers included in each comparative data set is listed below.

Data	State 2020	National 2020
Financial Audits	37	1,054
UDS Data	45	1,333

Percentiles

Statistical measures used to describe the financial ratios and trends include the 50th percentile (median), 75th percentile, and 25th percentile. By definition, half the values in a set are greater than the median and half are less. Therefore, the median is not skewed by large or small values outside the typical range as can happen with average figures. The 75th percentile is a value that is equal to or greater than 75 percent of others in the data set. The 25th percentile is a value that is equal to or greater than 25 percent of others.

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Overview of Findings

This report highlights key financial and operational performance measures over the 2017 - 2020 period for XYZ Health Center. The following notable findings provide a brief review of key performance trends.

Financial Health

Customized findings here.

Operations & Utilization

Customized findings here.

Provider Productivity

Customized findings here.

Payer Mix

Customized findings here.

Debt Capacity Sensitivity Analysis

Key Metrics	2017	2018	2019	2020
Change in Net Assets [Operating]	\$23,990	\$245,468	\$817,237	\$167,217
Add: Depreciation	\$197,114	\$188,128	\$188,480	\$195,797
Add: Interest Exp.	-	-	-	-
Funds Available For Debt Service	\$221,104	\$433,596	\$1,005,717	\$363,014
Add: Annual Rent Rebate/Savings	-	-	-	-
Total Funds Available for Debt Service	\$221,104	\$433,596	\$1,005,717	\$363,014
Debt Service Coverage discount (1.25)	\$176,883	\$346,877	\$804,574	\$290,411
Interest Rate	4.0%	4.0%	4.0%	4.0%
Term (years)	20	20	20	20
Debt Capacity	\$2,403,900	\$4,714,169	\$10,934,418	\$3,946,783
Interest Rate	5.0%	5.0%	5.0%	5.0%
Term (years)	20	20	20	20
Debt Capacity	\$2,204,356	\$4,322,852	\$10,026,765	\$3,619,165
Interest Rate	6.0%	6.0%	6.0%	6.0%
Term (years)	20	20	20	20
Debt Capacity	\$2,028,836	\$3,978,650	\$9,228,396	\$3,330,994

Debt Capacity :

Potential Next Steps

Market Analysis - Target Populations:

Customized findings here.

Financing Assistance Services:

Customized findings here.

Program, Staff, & Facility Plan:

Customized findings here.

Capital Project Overview:

Customized findings here.

Capital Link has developed a set of resources (including its business plan manual, which may be accessed on our website at www.caplink.org) in its work with health centers to address these planning steps. We would be happy to work with you to help you navigate this process. As you may know, many of our resources and some of our services are available to health centers without charge (including this preliminary feasibility analysis) or at a reduced rate as a result of our cooperative agreement with the Health Resources and Services Administration (HRSA). If you are interested, we would be happy to develop a scope of work based on your needs, outlining services we could provide to you, and our fee structure.

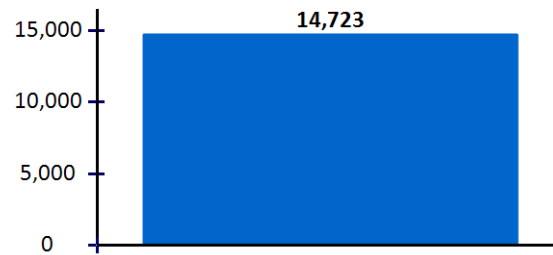
Thank you for the opportunity to work with XYZ Health Center. We look forward to further discussing this preliminary analysis with you along with the proposed next steps.

Peer Comparison

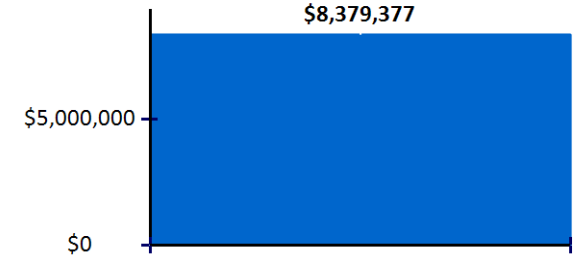
2020

- XYZ Health Center
- State median
- National median

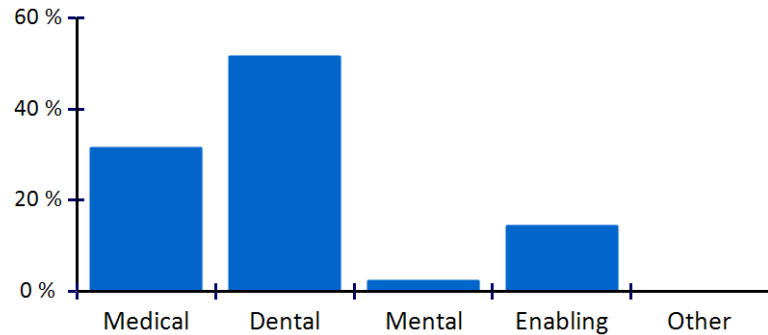
Patients Served 2020



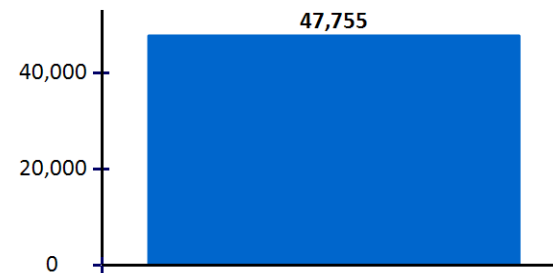
Revenues 2020



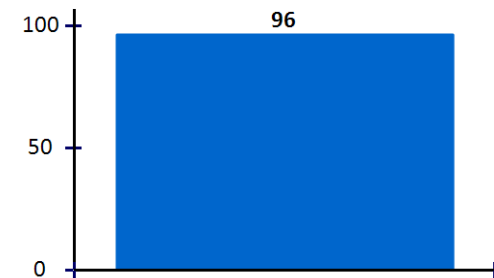
Array of Services 2020
(Percentage of Total Visits)



Total Visits 2020



Full-Time Equivalent Employees 2020



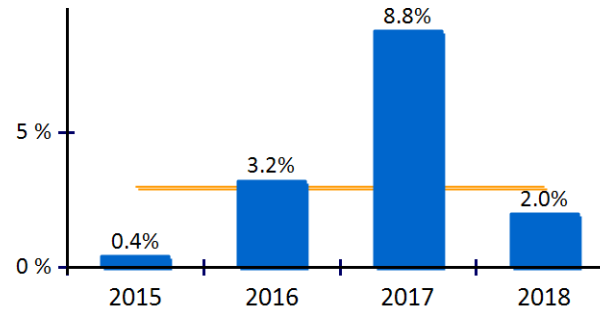
Key Metrics	Health Center 2020	Key Metrics	Health Center 2020
Medical Visits as a Percentage of Total Visits	32%	Total Revenue	\$8,379,377
Dental Visits as a Percentage of Total Visits	52%	Total Patients	14,723
Mental Health Visits as a Percentage of Total Visits	2%	Total Visits	47,755
Enabling Visits as a Percentage of Total Visits	14%	Total FTEs	96
Other Professional Visits as a Percentage of Total Visits	-		

Financial Dashboard

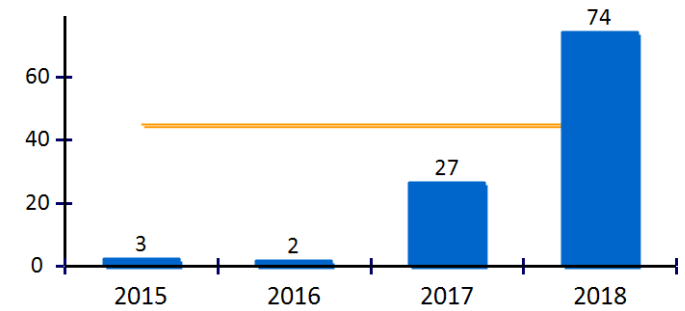
XYZ Health Center
2017-2020

— Capital Link Benchmark

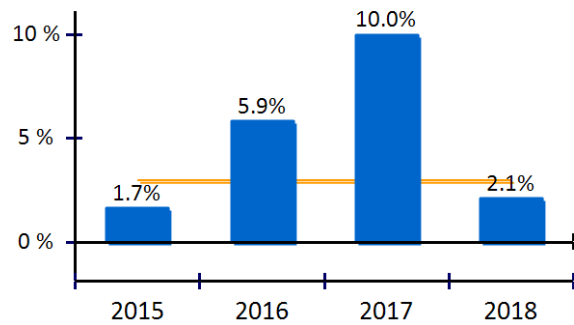
Operating Margin



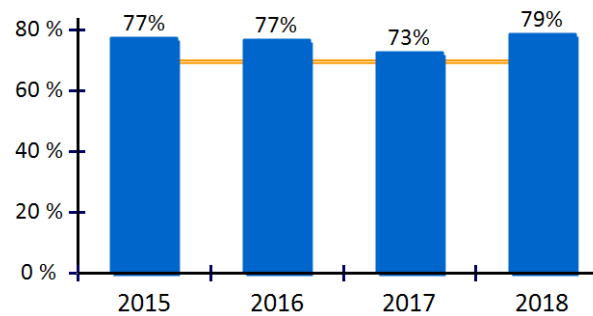
Days Cash on Hand



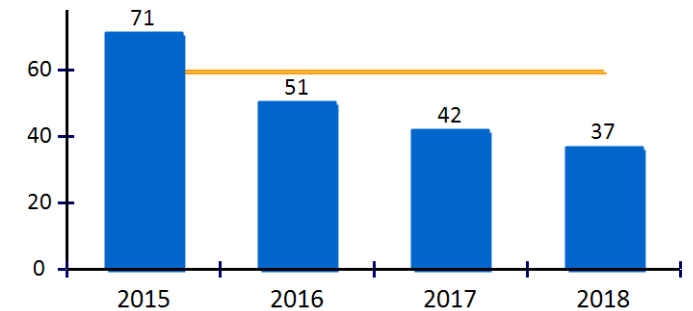
Bottom Line Margin



Personnel-Related Expense as a % of Operating Revenue



Days in Net Patient Receivables



Key Financial Metrics	Target	2017	2018	2019	2020	State Median 2020	National Median 2020
Operating Margin	> 3%	0.4%	3.2%	8.8%	2.0%	5.0%	3.5%
Bottom Line Margin	> 3%	1.7%	5.9%	10.0%	2.1%	6.0%	4.4%
Personnel-Related Expense as Percentage of Operating Revenue	< 70%	77.4%	76.9%	72.6%	78.6%	72.1%	72.1%
Days Cash on Hand	> 45 Days	3	2	27	74	58	64
Days in Net Patient Receivables	< 60 Days	71	51	42	37	40	39

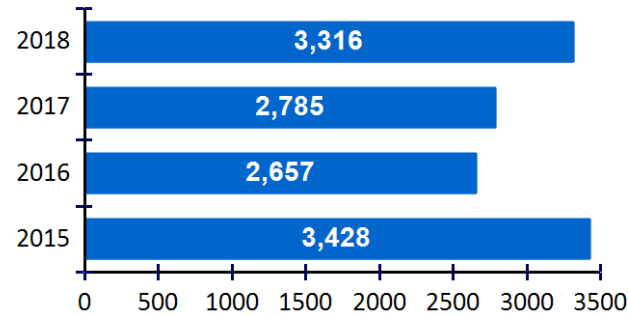
■ Benchmark Unmet

Productivity Dashboard

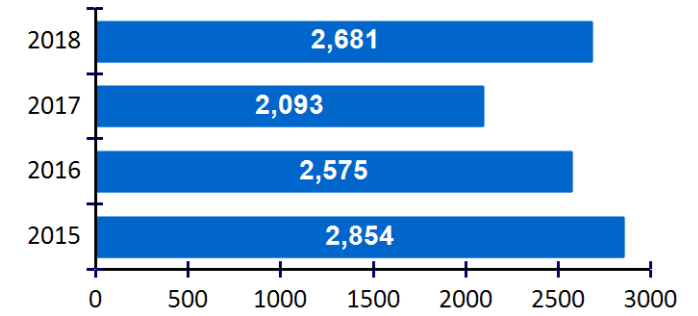
XYZ Health Center

2017-2020

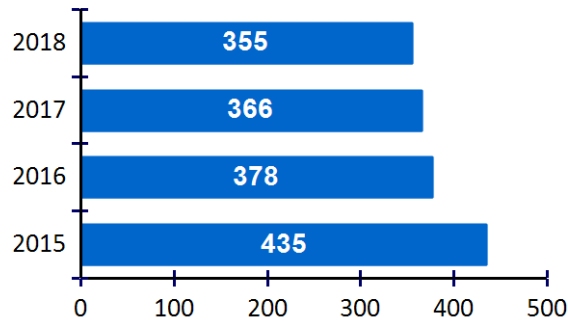
Physician Visits per Physician FTEs



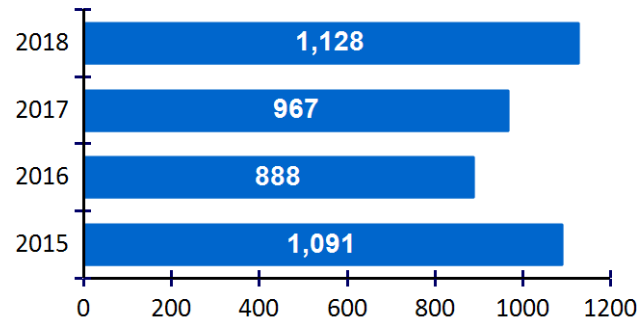
Mid-Level Visits per Mid-Level FTEs



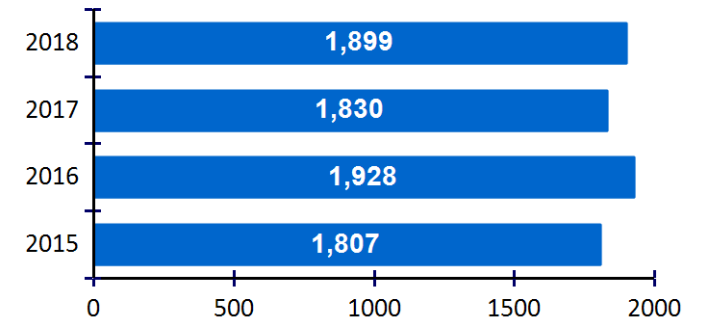
Medical Patients per Medical FTE



Medical Patients per Medical Provider FTEs



Dental Visits per Dental Provider FTEs

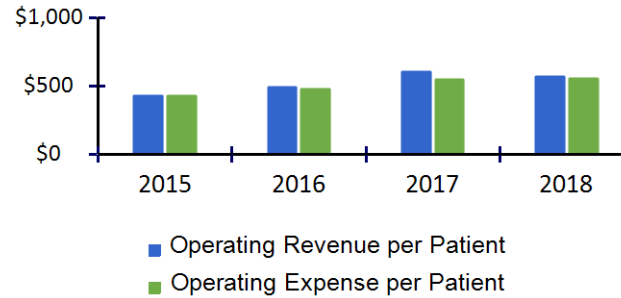


Key Productivity Metrics	2017	2018	2019	2020	State Median 2020	National Median 2020
Physician Visits per Physician FTE	3,428	2,657	2,785	3,316	2,711	2,778
Mid-Level Visits per Mid-Level FTE	2,854	2,575	2,093	2,681	2,297	2,412
Medical Patients per Medical Staff FTE	435	378	366	355	321	296
Medical Patients per Medical Provider FTE	1,091	888	967	1,128	917	864
Dental Visits per Dental Provider FTE	1,807	1,928	1,830	1,899	1,945	1,767

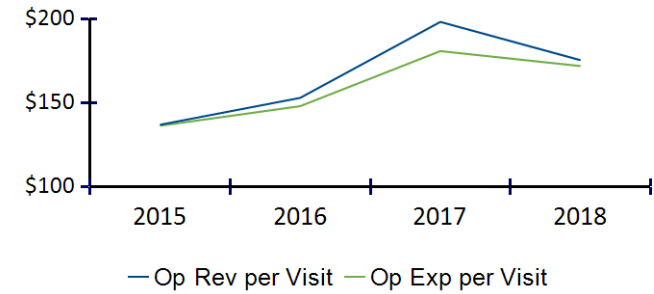
Operations & Utilization Dashboard

XYZ Health Center
2017-2020

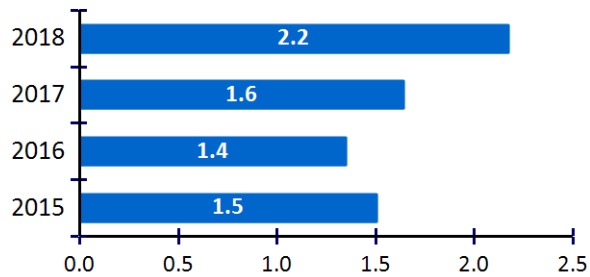
Operating Revenue & Expense per Patient



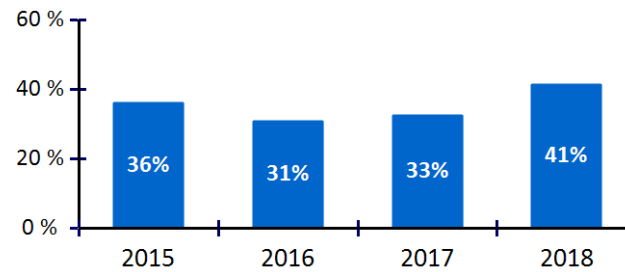
Operating Revenue & Expense per Visit



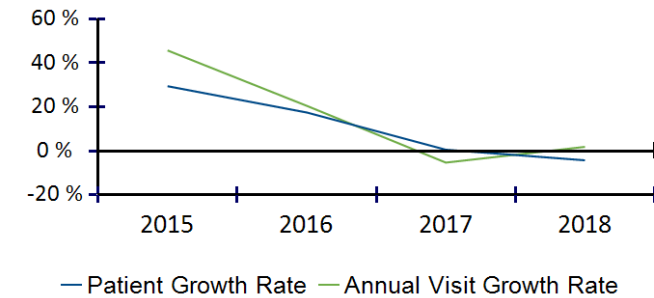
Medical Support Staff FTEs per Medical Provider FTEs



Administrative, Facilities & Patient Support FTEs as a % of Total FTEs



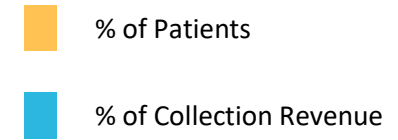
Annual Visits & Patient Growth Rates



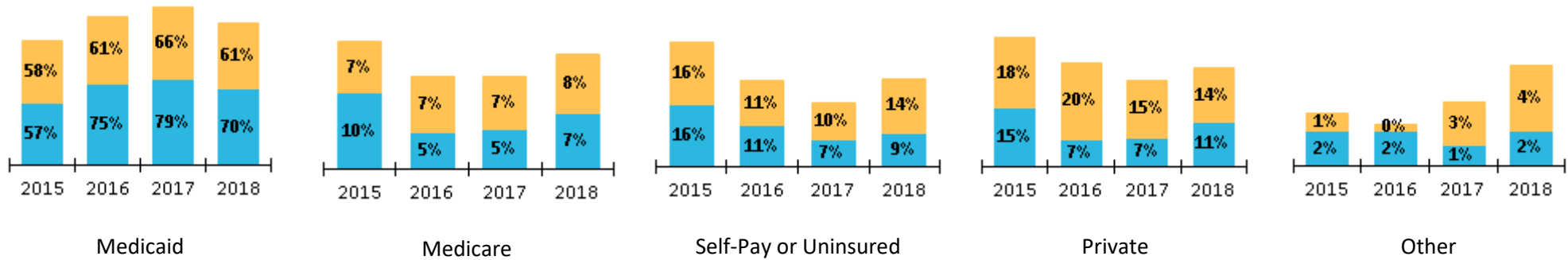
Key Operations & Utilization Metrics	2017	2018	2019	2020	State Median 2020	National Median 2020
Operating Revenue per Patient	\$432	\$495	\$605	\$569	\$778	\$928
Operating Expense per Patient	\$430	\$479	\$551	\$558	\$722	\$873
Operating Revenue per Patient Visit	\$137	\$153	\$198	\$175	\$226	\$247
Operating Expense per Patient Visit	\$136	\$148	\$181	\$172	\$212	\$234
Non-Provider Medical Staff per Medical Provider	1.5	1.4	1.6	2.2	1.8	1.9
Administrative, Facilities, and Patient Support FTEs as Percent of Total FTEs	36%	31%	33%	41%	38%	37%
Patient Growth Rate	29%	18%	1%	-4%	5%	4%
Visit Growth Rate	46%	21%	-5%	2%	7%	5%

Payer Mix Dashboard

XYZ Health Center
2017-2020



Patient and Collection Revenue by Payer Service



Payer Mix	2017	2018	2019	2020	State Median 2020	National Median 2020
Self-Pay Patients as Percentage of Total Patients	16%	11%	10%	14%	11%	20%
Self-Pay Collections as Percentage of Total Collections	16%	11%	7%	9%	4%	7%
Medicaid Patients as Percentage of Total Patients	58%	62%	66%	61%	55%	45%
Medicaid Collections as Percentage of Total Collections	57%	75%	79%	71%	66%	62%
Medicare Patients as Percentage of Total Patients	7%	7%	7%	8%	11%	9%
Medicare Collections as Percentage of Total Collections	10%	5%	5%	7%	10%	10%
Other Publicly Insured Patients as Percentage of Total Patients	1%	0%	3%	4%	1%	-
Other Public Collections as Percentage of Total Collections	2%	2%	1%	2%	1%	0%
Privately Insured Patients as Percentage of Total Patients	18%	20%	15%	14%	15%	18%
Private Insurance Collections as Percentage of Total Collections	15%	7%	8%	12%	12%	13%