



Fiscal Year 2023 Budget





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**Capital &
Cash Flow**



Mission

Provide exceptional care, without exception, every patient, every time.



Vision

Be nationally recognized for transforming care to improve community health.



Values

They guide how we treat each other, our patients, families and visitors.

Accountability • Compassion • Excellence • Safety



FY 2023 Planning and Budget Calendar – District Board

March

March						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

23 - Maricopa County Special Healthcare District Board of Directors (District Board) Meeting – Review calendar.

April

27 - District Board Meeting – Review preliminary patient volumes and capital target.

May						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

May

25 - District Board Meeting – Review capital, volumes, revenue, expenses, and other assumptions.

April						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

June

16 - District Board Budget Hearing - Consideration of the FY2023 Operating and Capital Budget for approval.

22 - District Board Budget Meeting – Final Consideration of the FY2023 Operating and Capital Budget for approval.

June						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		



**FY 2023
Annual
Budget**

Executive Summary



Dear Maricopa County Special Health Care District Board of Directors,

As we enter the third year of the COVID-19 pandemic, the focus for fiscal year 2023 (FY 2023) will be on our workforce. To fulfill our mission, we need caregivers, providers and support staff. The investment in compensation included in this budget demonstrates our continued commitment to our Valleywise Health employees.

The notebook which follows provides essential details on the proposed FY 2023 operating budget for Valleywise, with some highlights below.

Workforce

The COVID-19 pandemic has deeply altered the healthcare workforce. Caregivers worked tirelessly to provide lifesaving care and protecting communities. Long before the second anniversary of the outbreak, staff was exhausted. Across the nation, many left healthcare having given their best. Demographic shifts and other broader economic trends intensified the issue, creating a national healthcare staffing shortage. This resulted in an increased reliance on contract labor from healthcare staffing firms who leveraged the staffing shortage to charge an exorbitant rate to hospitals just to have the staff needed to maintain care. Competitors offered sign-on bonuses and significant rate increases, challenging staff's commitment to Valleywise Health in a time of increasing inflation.

Support departments were also affected as they competed with other industries to fill non-clinical positions amidst the "Great Resignation." This has affected multiple departments including human resources, registration, scheduling, security and others.

The FY 2023 Operating Budget includes a significant investment in our staff to reduce rate-related turnover, support recruitment and taper the reliance on contract labor. The effect will not occur overnight, so an overlap of both higher employed labor costs and contract labor will occur during the transition. Total Compensation, including Salaries and Wages and Employee Benefits, are budgeted to increase by 4.3%, with employed FTEs increasing by 3.6%. Contract Labor is budgeted to decrease by 40% in costs and 50% in FTEs. (This reduction in Contract Labor also includes a decrease of 299.4 FTEs in EVS and Food Service as these will now be recorded in Purchased Services.)

COVID-19

The COVID-19 virus impact has been unpredictable due to its variants and the national polarization surrounding the vaccine. The FY 2023 Operating Budget includes fewer seasonal COVID-19 hospitalizations, and longer respite intervals with low COVID-19 census. This forecast, along with the continued staffing challenges, has been reflected in the FY 2023 budget causing very conservative growth.

- After significant recovery in FY 2022 over FY 2021, Surgical, Endoscopy and Emergency Room volumes for FY 2023 are forecasted to remain stable with only minor growth;
- The Average Length of Stay for both Acute and Behavior Health are forecasting improvements due to fewer extended COVID-19 stays;
- The COVID-19 census continues at a low level throughout the year, with a seasonal increase in January forecasted at less than previous January peak levels;
- With fewer COVID-19 admissions and the cessation of the COVID-19 Uninsured Program, the FY 2023 Payer Mix includes a lesser portion of Other Government revenue;
- The Payer Mix also includes an increase to Uninsured due to the projected end of the Public Health Emergency (PHE) in FY 2023. While the PHE is currently set to end on July 15, 2022, the Biden administration has not yet provided states with the promised 60-day notice at this time, leading to forecasts of a 90-day extension to October 13, 2022. The PHE has allowed for Medicaid continuous coverage, so its termination will result in disenrollments from AHCCCS, either temporarily through the re-enrollment process or permanently.
- The Federal Medical Assistance Percentage (FMAP) was temporarily increased in the Families First Coronavirus Response Act (FFCRA) in March 2020. This is projected to return to previous levels with the new federal fiscal year. This is expected to impact the Access to Professional Services Initiative (APSI) program, effectively increasing net Medical Services Fees.
- Savings are expected in COVID-19 related Supplies and Medical Equipment rentals due to the forecasted fewer COVID-19 hospitalizations.

Care Reimagined

Valleywise Health has continued its plans to provide healthcare to areas of need in Maricopa County as envisioned by "Care Reimagined" and supported by the Proposition 480 approval in 2014.

This year, new Community Health Centers opened in West Maryvale and Mesa, and both are steadily growing their patient panels. The Comprehensive Health Center – Peoria, which opened in FY 2021, has an 8% projected growth in ambulatory visits for FY 2023, while Surgeries and Endoscopies adjust with provider stabilization.

On the Roosevelt campus, the Support Services Building is expected to complete construction near the close of FY 2023. Construction will continue on the new hospital tower throughout the year, with operational planning intensifying. Operating budget impacts include increased Utilities costs and some additional Security and Facilities FTEs required to support the project.

Patient Activity and Revenue

Total Net Patient Service Revenue is expected to have a slight decrease -0.6% over the FY 2022 projection. While the budget includes conservative growth, the changes to the Payer Mix outlined in the COVID-19 section of this summary will reduce reimbursement for services provided. Uncompensated Care, comprised of Charity and Bad Debt, is projected at 11.7% of Gross Revenue, an increase over the FY 2022 projection of 9.5% due to the forecasted increase in Uninsured.

Patient volume at Maryvale is projected to decrease to 39,435 Behavioral Health patient days due to continued closed units from the staffing shortage. In addition, 29,371 Emergency Department visits are planned at this location, continuing its steady recovery from the low pandemic volumes of FY 2021.

Behavioral Health days at the Phoenix and Mesa campuses are projected to increase by 10.8% and 4.0% respectively due to decreased blocked beds due to COVID-19, shorter average lengths of stay, and the completion of the unit renovations at the Phoenix campus. The Behavioral Health average length of stay is expected to decrease to 21.6 days due to fewer extended stays related to COVID-19.

On the Roosevelt campus, acute admissions are budgeted to increase by 3.4%. This is due to a slight increase in Emergency Department (ED) visits and return to a normal average length of stay of 5.1 days with the decrease in COVID-19 census. Total ED visits at the Roosevelt campus are anticipating only a slight increase of 0.6%.

Total Ambulatory visits are projected to increase by 2.1% due to growth in the Comprehensive Health Center – Peoria visits and Outpatient Behavioral Health, mostly Integrated Behavioral Health in the FQHCs.

Lastly, Other Operating Revenue is expected to be 13.1% higher next year driven by GME Revenue, Grants/Research Revenue and Provider Assessment Revenue.

In sum, Total Operating Revenues are projected to increase by only 1.8% due to the conservative volume growth and payer mix changes.

Expenses

Overall operating expenses are projected to remain a flat 0.1% over the current year projection.

Total Labor costs are projected to decrease -6.3%. The outsourced services for Dietary and EVS previously included in Contract Labor will now be accounted for in Purchased Services. If this accounting change was excluded, the Labor costs would be a decrease of -5.0% due to the decrease in Contract Labor. Employee benefits are projected to be 29.7% of salaries, including the decrease of ASRS from 12.41% to 12.17%. For productivity, FTEs/AOB will decrease to 4.7 excluding Residents, a 3.0% improvement.

Medical Service Fees are expected to increase 6% due to increases in providers for the FQHCs and Service Lines, and a projected decrease in Access to Professional Services Initiative (APSI) offsetting revenue forecasted to occur at the start of the next federal fiscal year.

Supply Expense will decrease by 7.8%, with most of the decrease due to an accounting change of supply expenses for outsourced services moving to Purchased Services. It also includes a decrease related to COVID-19 related supplies, offset by higher inflationary costs.

Purchased Services are estimated to increase by 84% next year, due to the accounting change for outsourced services. Repair and Maintenance are increasing by 9% due mostly to IT related expenses.

Utilities are increasing by 29% due the additional utilities required for the Roosevelt buildings under construction and inflationary increases. Rent is decreasing 13% due to fewer COVID-19 related rental equipment needs.

Other Expenses are increasing by 11%, due mainly to Web-based Subscription Software and Risk Premium Claim Expense. The annual Provider Assessment from AHCCCS is projected to decrease 75% with an exemption submission for the new federal fiscal year. Depreciation is budgeted to increase by 7.4%, mostly due to a full year of Depreciation for the FQHC clinics opened in FY 2022.

Non-Operating Revenue (Expense)

The Non-Operating Revenue (Expense) includes Grants/Research, the Match program, Interest Income/Expense, and Tax levies. For FY 2023, this budget includes \$92.1M in operating tax support and \$37.1M in bond levy support. Other Nonoperating Revenues (Expenses) will decrease due primarily to the absence of the COVID-19 Provider Relief that was received in late FY 2022. Investment Income is estimated to be \$2.7M based upon average operating and bond cash on hand and current interest rate experience. Interest Expense will increase over normalized current year expense to \$28.0M due to expected amortization costs.

FQHCs

Two new Community Health Centers opened in FY 2022, West Maryvale and Mesa. Visits are estimated for a 3.5% increase mostly due to the growth in Integrated Behavioral Health, offset by decreased visits in the newer locations in comparison to FY 2022 pre-opening levels. These clinics will be progressively increasing their visits throughout the year. The American Rescue Plan

grant supported the significant increase in the Integrated Behavioral Health program through new provider funding.

The AHCCCS qualified visit rate is expected to increase by 3.0%, based on an average of historical rate increases. Other Operating Revenue is increasing due to the American Rescue Plan grant. Expenses are budgeted to increase 12%, driven by compensation increases and number of providers. The Operating Margin results in a -\$1.6M contribution before overhead.

Capital Plan & Cash Position

The capital budget plan of \$10.0M includes \$2.2M in contingency to provide for potential equipment replacements, as needed. The Capital Plan excludes “Care Reimagined” bond-supported capital which is accounted for separately.

This budget projects a decrease in the Valleywise Health cash position for FY 2023 due to the operating loss from the overlap of investment in compensation with gradual reduction in Contract labor, and the final repayment of the Medicare Accelerated Payment program and the Employer Federal deferred tax withholds. Operating days cash on hand at June 30, 2023, year-end is projected to be approximately 98.2 days.

Margin

The FY 2023 budgeted total margin is \$-19,558,593, calculated as the Earnings before Interest, Depreciation and Amortization (EBIDA) offset by the Management & Operations subsidy. This negative margin is not taken lightly but is required for Valleywise Health to address the national workforce issues felt acutely in our facilities. The FY 2023 Operating and Capital budget is a responsible and conservative financial plan, reflecting the organization's priorities, supporting the operational requirements and linked to its strategic objectives.

I want to take this opportunity to thank the entire leadership team for their work and support, including the support of our CEO and President, Steve Purves, CCO, Dr. Michael White, and CAO, Lia Christiansen. A special thanks to Matt Meier, Christie Markos, and the Decision Support Team for their tireless efforts in building this Operating and Capital budget alongside our clinical and support leaders, and in developing our financial guide for next year.

Sincerely,



Claire Agnew, CPA, MBA
EVP, Chief Financial Officer



**FY 2023
Annual
Budget**

Financial Statements



Maricopa County Special Health Care District

Budget FY 2023

Income Statement

	FY 2021 Total Actual	FY 2022 Total Budget	FY 2022 Projected Full Year	FY 2023 Total Budget	Variance Fav / (Unfav) Budg 23-Proj 22	% Variance Fav / (Unfav) Budg 23-Proj 22
OPERATING REVENUE						
Net Patient Service Revenue	\$ 489,209,495	\$ 501,615,211	\$ 525,760,368	\$ 522,474,936	\$ (3,285,432)	(0.6 %)
Other Revenue	117,889,439	117,648,724	113,421,345	128,272,476	14,851,132	13.1 %
Total Operating Revenue	607,098,933	619,263,935	639,181,712	650,747,412	11,565,699	1.8 %
OPERATING EXPENSES						
Salaries and Wages	278,443,621	275,603,288	291,738,348	303,877,813	(12,139,466)	(4.2 %)
Contract Labor	24,706,444	34,362,127	79,821,084	47,935,783	31,885,301	39.9 %
Employee Benefits	105,599,319	84,983,018	85,881,167	90,149,121	(4,267,954)	(5.0 %)
Medical Service Fees	85,573,526	100,834,210	97,481,997	103,644,932	(6,162,935)	(6.3 %)
Supplies	95,262,465	99,112,364	101,489,265	93,579,490	7,909,775	7.8 %
Purchased Services	34,080,775	30,575,788	29,361,263	54,023,625	(24,662,361)	(84.0 %)
Repair and Maintenance	20,731,750	23,513,082	21,800,682	23,751,268	(1,950,586)	(8.9 %)
Utilities	8,378,566	7,508,519	7,178,544	9,248,627	(2,070,083)	(28.8 %)
Rent	6,054,456	5,729,610	6,728,445	5,877,183	851,262	12.7 %
Other Expenses	18,542,731	21,594,912	21,958,386	24,407,573	(2,449,187)	(11.2 %)
Provider Assessment	18,864,906	23,447,424	23,423,408	5,891,876	17,531,532	74.8 %
Depreciation	58,845,414	46,518,287	44,428,208	47,710,480	(3,282,272)	(7.4 %)
Total Operating Expense	755,083,972	753,782,628	811,290,797	810,097,772	1,193,025	0.1 %
Operating Income (Loss)	(147,985,038)	(134,518,693)	(172,109,085)	(159,350,360)	12,758,725	7.4 %
NONOPERATING REVENUES (EXPENSES)						
NonCapital Grants	5,890,625	6,120,309	5,739,561	4,913,584	(825,977)	(14.4 %)
NonCapital Transfers from County/State	3,547,896	3,547,896	3,547,896	3,547,896	(0)	(0.0 %)
Investment Income	2,031,886	3,121,000	3,320,963	2,686,925	(634,038)	(19.1 %)
Other NonOperating Revenues (Expenses)	3,212,369	(16,232,376)	(4,901,926)	(8,699,909)	(3,797,984)	(77.5 %)
Interest Expense	(15,027,454)	(28,041,130)	(17,150,599)	(29,330,857)	(12,180,258)	(71.0 %)
Tax Levy	139,606,198	145,022,045	145,022,046	129,214,055	(15,807,991)	(10.9 %)
Total NonOperating Revenues (Expenses)	139,261,520	113,537,743	135,577,941	102,331,693	(33,246,248)	(24.5 %)
Excess of Revenues over Expenses	\$ (8,723,518)	\$ (20,980,950)	\$ (36,531,144)	\$ (57,018,667)	\$ (20,487,523)	(56.1 %)
Bond-Related Revenues and Expenses	(39,442,823)	(30,118,582)	(42,150,864)	(9,478,792)	32,672,072	77.5 %
Increase in Net Assets (normalized)	\$ (48,166,341)	\$ (51,099,532)	\$ (78,682,008)	\$ (66,497,459)	\$ 12,184,549	15.5 %



	Projected 2022 Total	Full Year 2022 Budget	Variance	Var %		FY 2023 Budget Excluding MVH and CHC Peoria	FY 2023 Budget MVH	FY 2023 Budget CHC Peoria	FY 2023 Budget Consolidated	Variance	Var %
OPERATING REVENUE											
Gross Revenue Inpatient	\$ 1,426,289,890	\$ 1,282,421,825	\$ 143,868,065	11.2 %		\$ 1,245,988,765	\$ 147,602,479	\$ 16,921	\$ 1,393,608,165	\$ (32,681,725)	(2.3 %)
Gross Revenue Outpatient	1,125,545,140	1,084,423,074	41,122,066	3.8 %		924,501,855	141,738,676	72,280,723	1,138,521,253	12,976,113	1.2 %
Total Gross Patient Revenue	2,551,835,030	2,366,844,899	184,990,131	7.8 %		2,170,490,620	289,341,155	72,297,643	2,532,129,418	(19,705,612)	(0.8 %)
Total Deductions	(1,785,839,143)	(1,663,777,639)	(122,061,504)	(7.3 %)		(1,488,866,504)	(198,785,355)	(44,844,046)	(1,732,495,906)	53,343,238	3.0 %
Patient Service Revenue	765,995,887	703,067,260	62,928,627	9.0 %		681,624,116	90,555,800	27,453,597	799,633,513	33,637,626	4.4 %
Charity Care	(205,086,073)	(164,075,574)	(41,010,499)	(25.0 %)		(204,480,470)	(21,580,530)	(15,647,766)	(241,708,765)	(36,622,692)	(17.9 %)
Bad Debt	(35,149,446)	(37,376,475)	2,227,029	6.0 %		(30,386,868)	(4,050,776)	(1,012,167)	(35,449,812)	(300,366)	(0.9 %)
Total Charity Care and Bad Debt	(240,235,519)	(201,452,049)	(38,783,470)	(19.3 %)		(234,867,338)	(25,631,306)	(16,659,933)	(277,158,577)	(36,923,058)	(15.4 %)
Net Patient Service Revenue	525,760,368	501,615,211	24,145,157	4.8 %		446,756,778	64,924,493	10,793,664	522,474,936	\$ (3,285,432)	(0.6 %)
Other Revenue	113,421,345	117,648,724	(4,227,379)	(3.6 %)		126,051,777	935,968	1,284,731	128,272,476	14,851,132	13.1 %
Total Operating Revenue	639,181,712	619,263,935	19,917,778	3.2 %		572,808,555	65,860,461	12,078,396	650,747,412	11,565,699	1.8 %
OPERATING EXPENSES											
Salaries and Wages	291,738,348	275,603,288	(16,135,060)	(5.9 %)		272,200,931	24,592,866	7,084,016	303,877,813	(12,139,466)	(4.2 %)
Contract Labor	79,821,084	34,362,127	(45,458,957)	(132.3 %)		45,292,627	2,643,157	0	47,935,783	31,885,301	39.9 %
Employee Benefits	85,881,167	84,983,018	(898,149)	(1.1 %)		80,487,638	7,475,811	2,185,672	90,149,121	(4,267,954)	(5.0 %)
Medical Service Fees	97,481,997	100,834,210	3,352,212	3.3 %		91,574,951	4,389,864	7,680,117	103,644,932	(6,162,935)	(6.3 %)
Supplies	101,489,265	99,112,364	(2,376,901)	(2.4 %)		87,354,948	3,753,317	2,471,225	93,579,490	7,909,775	7.8 %
Purchased Services	29,361,263	30,575,788	1,214,524	4.0 %		48,608,369	4,207,071	1,208,185	54,023,625	(24,662,361)	(84.0 %)
Repair and Maintenance	21,800,682	23,513,082	1,712,400	7.3 %		22,997,129	568,335	185,804	23,751,268	(1,950,586)	(8.9 %)
Utilities	7,178,544	7,508,519	329,976	4.4 %		7,888,883	860,432	499,312	9,248,627	(2,070,083)	(28.8 %)
Rent	6,728,445	5,729,610	(998,836)	(17.4 %)		4,785,216	589,180	502,788	5,877,183	851,262	12.7 %
Other Expenses	21,958,386	21,594,912	(363,474)	(1.7 %)		24,397,762	3,767	6,044	24,407,573	(2,449,187)	(11.2 %)
Provider Assessment	23,423,408	23,447,424	24,016	0.1 %		5,891,876	0	0	5,891,876	17,531,532	74.8 %
Depreciation	44,428,208	46,518,287	2,090,079	4.5 %		37,363,660	5,404,800	4,942,020	47,710,480	(3,282,272)	(7.4 %)
Total Operating Expense	811,290,797	753,782,628	(57,508,169)	(7.6 %)		728,843,990	54,488,600	26,765,182	810,097,772	1,193,025	0.1 %
Operating Income (Loss)	(172,109,085)	(134,518,693)	(37,590,392)	(27.9 %)		(156,035,435)	11,371,862	(14,686,786)	(159,350,360)	12,758,725	7.4 %
NONOPERATING REVENUES (EXPENSES)											
NonCapital Grants	5,739,561	6,120,309	(380,748)	(6.2 %)		4,913,584	0	0	4,913,584	(825,977)	(14.4 %)
NonCapital Transfers from County/State	3,547,896	3,547,896	0	0.0 %		3,547,896	0	0	3,547,896	(0)	(0.0 %)
Investment Income	3,320,963	3,121,000	199,963	6.4 %		2,686,925	0	0	2,686,925	(634,038)	(19.1 %)
Other NonOperating Revenues (Expenses)	(4,901,926)	(16,232,376)	11,330,451	69.8 %		(8,699,909)	0	0	(8,699,909)	(3,797,984)	(77.5 %)
Interest Expense	(17,150,599)	(28,041,130)	10,890,531	38.8 %		(29,330,857)	0	0	(29,330,857)	(12,180,258)	(71.0 %)
Tax Levy	145,022,046	145,022,045	1	0.0 %		129,214,055	0	0	129,214,055	(15,807,991)	(10.9 %)
Total NonOperating Revenues (Expenses)	135,577,941	113,537,743	22,040,198	19.4 %		102,331,693	0	0	102,331,693	(33,246,248)	(24.5 %)
Excess of Revenues over Expenses	\$ (36,531,144)	\$ (20,980,950)	\$ (15,550,194)	(74.1 %)		\$ (53,703,742)	\$ 11,371,862	\$ (14,686,786)	\$ (57,018,667)	\$ (20,487,523)	(56.1 %)
Bond-Related Revenues and Expenses	(42,150,864)	(30,118,582)	(12,032,282)	(39.9 %)		(9,478,792)	0	0	(9,478,792)	32,672,072	77.5 %
Increase in Net Assets (normalized)	\$ (78,682,008)	\$ (51,099,532)	\$ (27,582,476)	(54.0 %)		\$ (63,182,535)	\$ 11,371,862	\$ (14,686,786)	\$ (66,497,459)	\$ 12,184,549	15.5 %



Maricopa County Special Health Care District
Budget FY 2023
Dashboard

PERFORMANCE MEASURE	FY 2021 Total Actual	FY 2022 Total Budget	FY 2022 Projected Full Year	FY 2023 Total Budget	Variance Fav / (Unfav) Budg 23-Proj 22	% Variance Fav / (Unfav) Budg 23-Proj 22
Total Adjusted Admissions	27,797	32,531	29,360	30,899	1,539	5.2%
Net Patient Revenue/AA	\$ 17,599	\$ 15,420	\$ 17,907	\$ 16,909	(\$ 998)	(5.6%)
Self Pay & Bad Debt/AA	(7,104)	(6,193)	(8,182)	(8,970)	(787)	(9.6%)
Operating Revenue/AA (incl. other rev)	21,840	19,036	21,771	21,060	(710)	(3.3%)
Operating Expense/AA	27,164	23,171	27,633	26,217	1,415	5.1%
Labor/AA	10,017	8,472	9,937	9,834	102	1.0%
Supply/AA	3,427	3,047	3,457	3,029	428	12.4%
Operating Income (Loss)/AA	(5,324)	(4,135)	(5,862)	(5,157)	705	12.0%
Net Income (Loss) Without Bond Levy/AA	(1,733)	(1,571)	(2,680)	(2,152)	528	19.7%
EBIDA with M&O	1,941	1,431	163	911	748	459.7%

* FY 2021 - Includes Maryvale and the opening of Comprehensive Health Center Peoria

* FY 2022 & FY2023 - Includes Maryvale and Comprehensive Health Center Peoria

Maricopa County Special Health Care District District Property Tax History Fiscal Year 2023

Fiscal Year	Amt Levied	Tax Rate	Rate Change
2006	\$40.0M	0.1206	
2007	\$42.9M	0.1184	-0.0022
2008	\$46.3M	0.0935	-0.0249
2009	\$49.9M	0.0856	-0.0079
2010	\$53.0M	0.0914	0.0058
2011	\$55.7M	0.1122	0.0208
2012	\$57.9M	0.1494	0.0372
2013	\$57.9M	0.1683	0.0189
2014	\$62.5M	0.1939	0.0256
2015	\$65.1M	0.1856	-0.0083
2016	\$67.3M	0.1943	0.0087
2017	\$70.8M	0.1959	0.0016
2018	\$73.8M	0.1930	-0.0029
2019	\$76.9M	0.1903	-0.0027
2020	\$80.4M	0.1863	-0.0040
2021	\$84.2M	0.1843	-0.0020
2022	\$88.0M	0.1807	-0.0036
2023	\$92.1M	0.1785	-0.0022



Maricopa County Special Health Care District Property Tax Comparison Fiscal Year 2023

	FY22	No rate change from FY22	Same \$ as FY22	FY23 Max \$
Based on Primary Assessed Value				
Tax levy (Maintenance & Operation)	\$88.0M	\$93.2M	\$88.0M	\$92.1M
Rate per \$100	0.1807	0.1807	0.1707	0.1785
Rate change year over year	-0.0022	0.0000	-0.0114	-0.0036
% Rate change from inception	49.8%	49.8%	41.5%	48.0%

* FY23 maximum tax levy capped at \$92.1M



Maricopa County Special Health Care District Recommended Levy Worksheet Fiscal Year 2023

EDDIE COOK
Assessor



Office of the
Maricopa County
Assessor

2022 Recommended Levy Worksheet

County Health Care

A. Maximum Levy

A1. Maximum Allowable Secondary Tax Levy	88,031,823
A2. A1 multiplied by 4.6	92,081,287

B. Current Net Assessed Value Subject to Taxation in Prior Year

B5. Net Assessed Value	50,294,320,576
------------------------	----------------

C. Current Net Assessed Value

C5. Net Assessed Value	51,575,018,185
------------------------	----------------

D. Levy Limit Calculation

D3. Maximum Allowable Tax Rate (A2. divided by C5. times 100)	0.1785
D5. Maximum Allowable Levy Limit	\$ 92,081,287
D6. Excess Collections / Excess Levy	0
D7. Amount in Excess of Expenditure Limit	0
D8. Allowable Levy Limit (D5. - D6. -D7.)	\$ 92,081,287

E. Adjusted Allowable Levy Limit Calculation

E1. Accepted Torts	0
E2. Adjusted Allowable Levy Limit (D8. Plus E1.)	\$ 92,081,287
E3. Percent Change in Allowable Levy Limit	4.6%



Maricopa County Special Health Care District
Budget FY 2023
Summary of Other Revenue

	FY 2021	FY 2022	FY 2022	FY 2023	Variance	% Variance
	Total	Total	Projected	Total	Fav / (Unfav)	Fav / (Unfav)
	Actual	Budget	Full Year	Budget	Budg 23-Proj 22	Budg 23-Proj 22
GME Revenue	\$ 51,866,779	\$ 40,603,661	\$ 40,603,661	\$ 49,142,859	\$ 8,539,198	21.0 %
Provider Assessment	10,924,809	19,026,863	19,026,863	21,282,943	2,256,080	11.9 %
340B Program Revenue	22,020,770	21,398,919	19,957,926	18,435,409	(1,522,517)	(7.6 %)
Offsetting Revenue Grants/Research	5,430,250	10,892,011	6,849,932	14,438,764	7,588,832	110.8 %
Retail Rx Sales	11,607,426	12,558,689	13,105,274	13,163,111	57,838	0.4 %
Disproportionate Share (DSH)	4,202,300	4,202,300	4,202,300	4,202,300	0	0.0 %
Trauma Services	1,796,302	1,800,000	2,828,214	2,161,472	(666,742)	(23.6 %)
Cafeteria Sales	2,204,617	2,574,886	2,403,049	2,005,092	(397,957)	(16.6 %)
Other Misc Operating Revenue	5,369,171	2,151,451	2,120,953	1,435,823	(685,130)	(32.3 %)
Interns & Residents Program	947,268	950,000	1,126,100	1,048,000	(78,100)	(6.9 %)
Rental Income	586,725	596,554	662,552	660,830	(1,723)	(0.3 %)
Medical Students Rotation Program	341,060	345,263	100,966	162,138	61,173	60.6 %
Gift Shop Sales	86,733	230,000	113,204	107,339	(5,865)	(5.2 %)
Sales Of Copies	29,903	4,313	32,030	26,397	(5,633)	(17.6 %)
Meaningful Use Revenue	399,500	295,000	265,200	0	(265,200)	(100.0 %)
PCMH Revenue	75,826	18,814	23,122	0	(23,122)	(100.0 %)
Total	\$ 117,889,439	\$ 117,648,724	\$ 113,421,345	\$ 128,272,476	\$ 14,851,132	13.1 %



Maricopa County Special Health Care District
Budget FY 2023
Summary of Non-Operating Revenues

	FY 2021	FY 2022	FY 2022	FY 2023	Variance	% Variance
	Total	Total	Projected	Total	Fav / (Unfav)	Fav / (Unfav)
	Actual	Budget	Full Year	Budget	Budg 23-Proj 22	Budg 23-Proj 22
Noncapital Grants - Grants	\$ 5,538,449	\$ 5,687,091	\$ 5,325,506	\$ 4,598,199	\$ (727,306)	(13.7 %)
Noncapital Grants - Research	352,176	433,218	414,055	315,384	(98,671)	(23.8 %)
Noncapital Transfers From County/State	3,547,896	3,547,896	3,547,896	3,547,896	(0)	(0.0 %)
Other nonoperating revenue (expenses) Grants	683,460	2,723,883	1,155,553	1,674,613	519,060	44.9 %
Other nonoperating revenue (expenses) Research	0	0	0	0	0	0.0 %
Other nonoperating revenue (expenses) House Staff	(2,076,723)	(2,600,000)	(2,383,932)	(2,500,000)	(116,067)	(4.9 %)
Investment Income	2,031,886	3,121,000	3,320,963	2,686,925	(634,038)	(19.1 %)
Match Programs *	(12,850,077)	(16,356,260)	(13,304,757)	(7,874,523)	5,430,234	40.8 %
Interest Expense	(15,027,454)	(28,041,130)	(17,150,599)	(29,330,857)	(12,180,258)	(71.0 %)
Covid Related Subsidy	17,455,709	0	9,631,210	0	(9,631,210)	100.0 %
Tax Levy - M&O	84,240,979	88,031,823	88,031,823	92,081,287	4,049,464	4.6 %
Tax Levy - Bonds	55,365,219	56,990,222	56,990,223	37,132,768	(19,857,455)	(34.8 %)
Total	\$ 139,261,520	\$ 113,537,743	\$ 135,577,941	\$ 102,331,693	\$ (33,246,248)	(24.5 %)

*APSI - Access to Professional Services Initiative (Dignity Health, District Medical Group)
MCCS - Maricopa County Clinical Services
PCH - Phoenix Children's Hospital (Pediatric Residency)



Maricopa County Special Health Care District
Budget FY 2023
Summary of Other Expenses

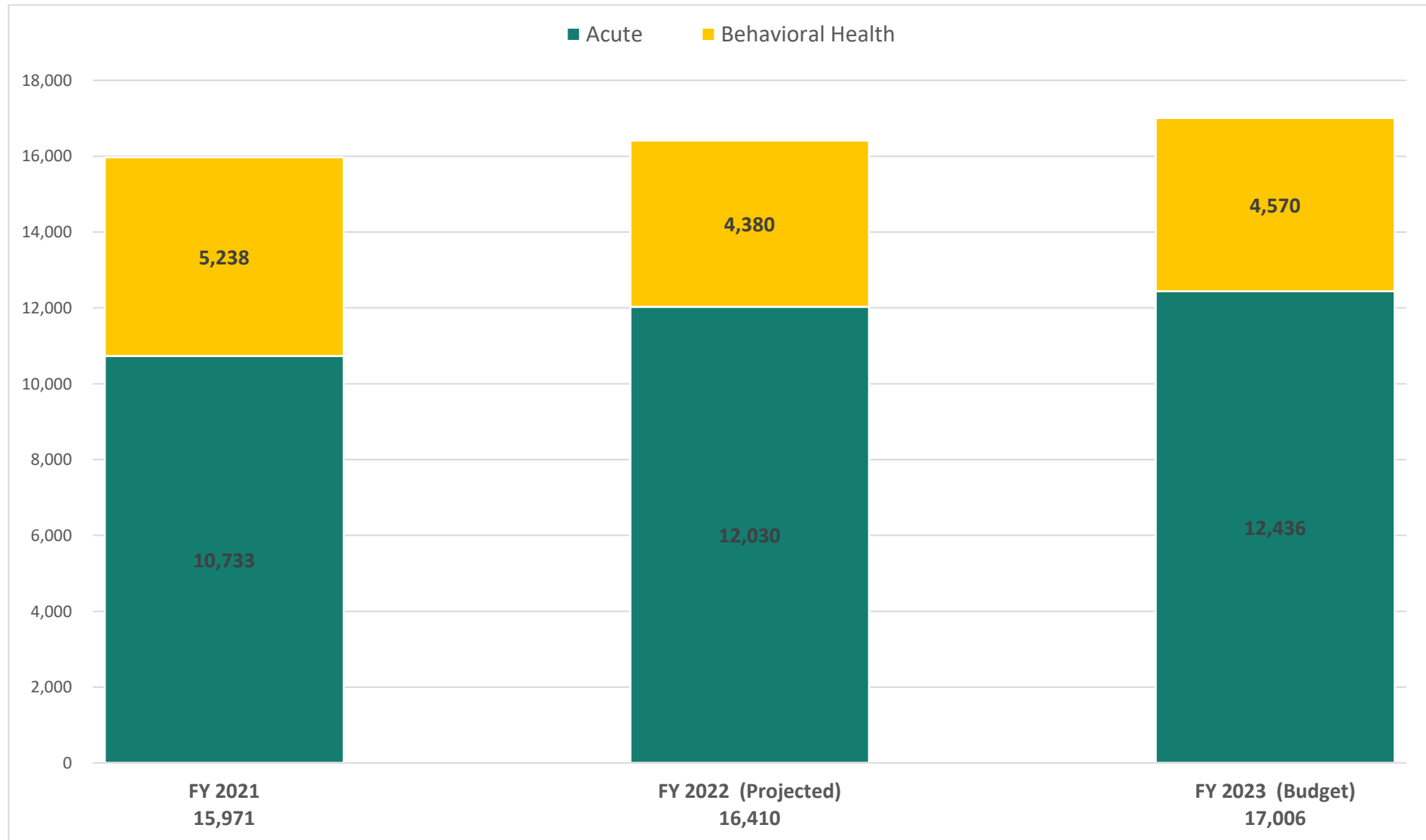
	FY 2021	FY 2022	FY 2022	FY 2023	Variance	% Variance
	Total	Total	Projected	Total	Fav / (Unfav)	Fav / (Unfav)
	Actual	Budget	Full Year	Budget	Budg 23-Proj 22	Budg 23-Proj 22
Other Expenses:						
Risk Premiums and Claims Expenses	\$ 4,915,078	\$ 7,676,863	7,825,453	\$ 8,706,336	\$ (880,882)	(11.3 %)
Web-based Subscriptions	5,174,726	6,412,125	6,440,938	7,634,089	(1,193,151)	(18.5 %)
Patient Transport Services	2,078,738	1,969,133	2,005,199	2,061,370	(56,171)	(2.8 %)
Organizational Memberships/Certifications/Licenses	1,140,218	1,124,169	856,430	1,010,764	(154,333)	(18.0 %)
Freight	656,520	530,127	784,925	709,678	75,247	9.6 %
Printing, Binding, and Duplicating	171,440	24,140	761,710	638,151	123,559	16.2 %
Bank-related Charges and Fees	638,495	650,000	521,399	600,000	(78,601)	(15.1 %)
Books, Pamphlets, and Subscriptions	1,130,156	834,490	234,187	296,078	(61,891)	(26.4 %)
Travel Reimbursement	11,684	233,846	30,494	242,965	(212,471)	(696.8 %)
Records Management	171,500	171,298	204,130	196,568	7,562	3.7 %
Employee Recognition Rewards	42,132	39,445	75,911	173,063	(97,152)	(128.0 %)
Mileage Allowance	101,756	129,287	112,797	116,514	(3,717)	(3.3 %)
Study Sponsor Expense (Research programs)	129,396	164,334	116,800	101,925	14,875	12.7 %
Seminar Fees	28,855	79,945	20,064	72,504	(52,440)	(261.4 %)
Intern/Resident Allowance	585,538	0	0	0	0	0.0 %
Other Expenses not listed	1,566,498	1,555,709	1,967,948	1,847,569	120,379	6.1 %
Total	\$ 18,542,731	\$ 21,594,912	\$ 21,958,386	\$ 24,407,573	\$ (2,449,187)	(11.2 %)



**FY 2023
Annual
Budget**

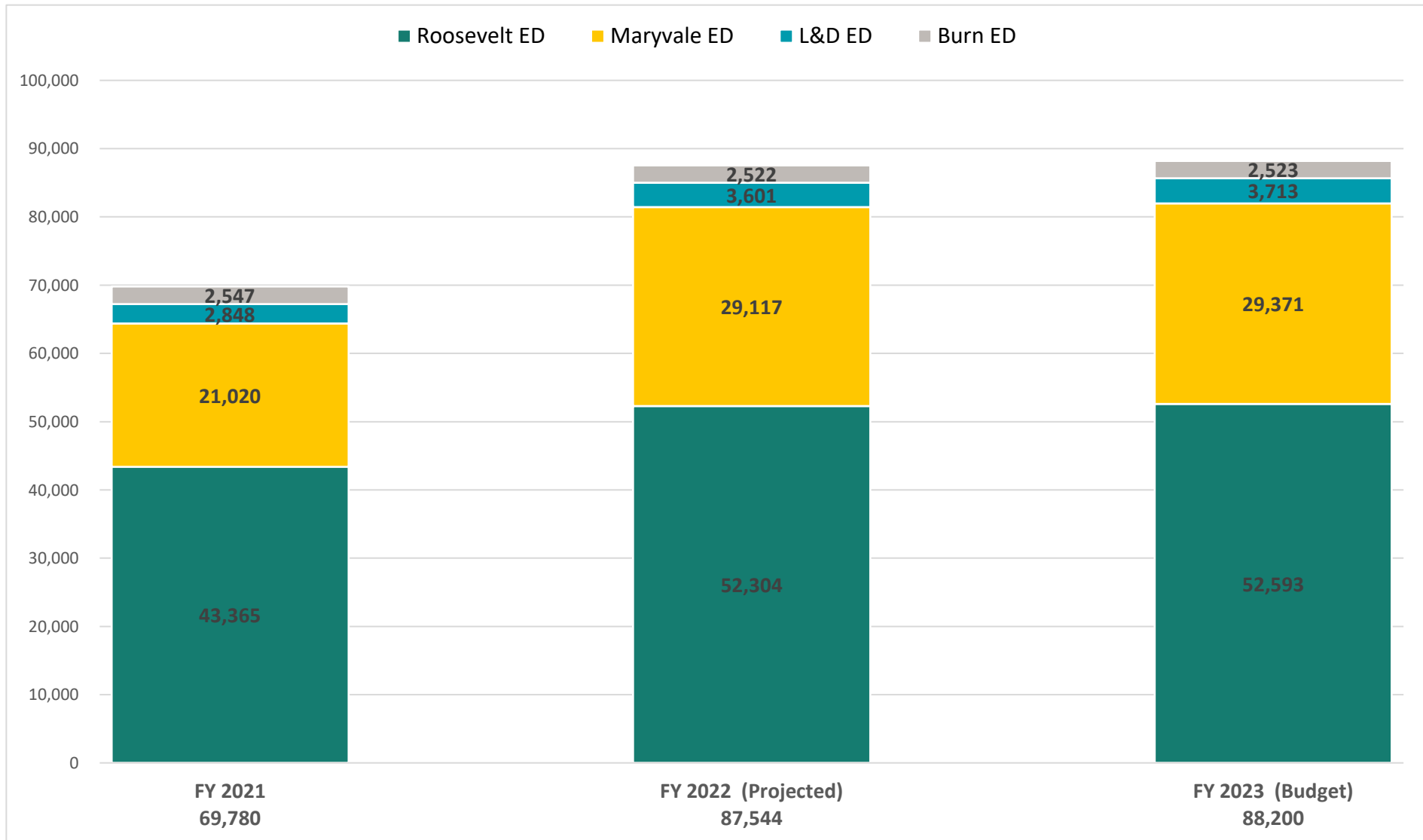
Service Volumes

Maricopa County Special Health Care District Budget FY 2023 Admissions



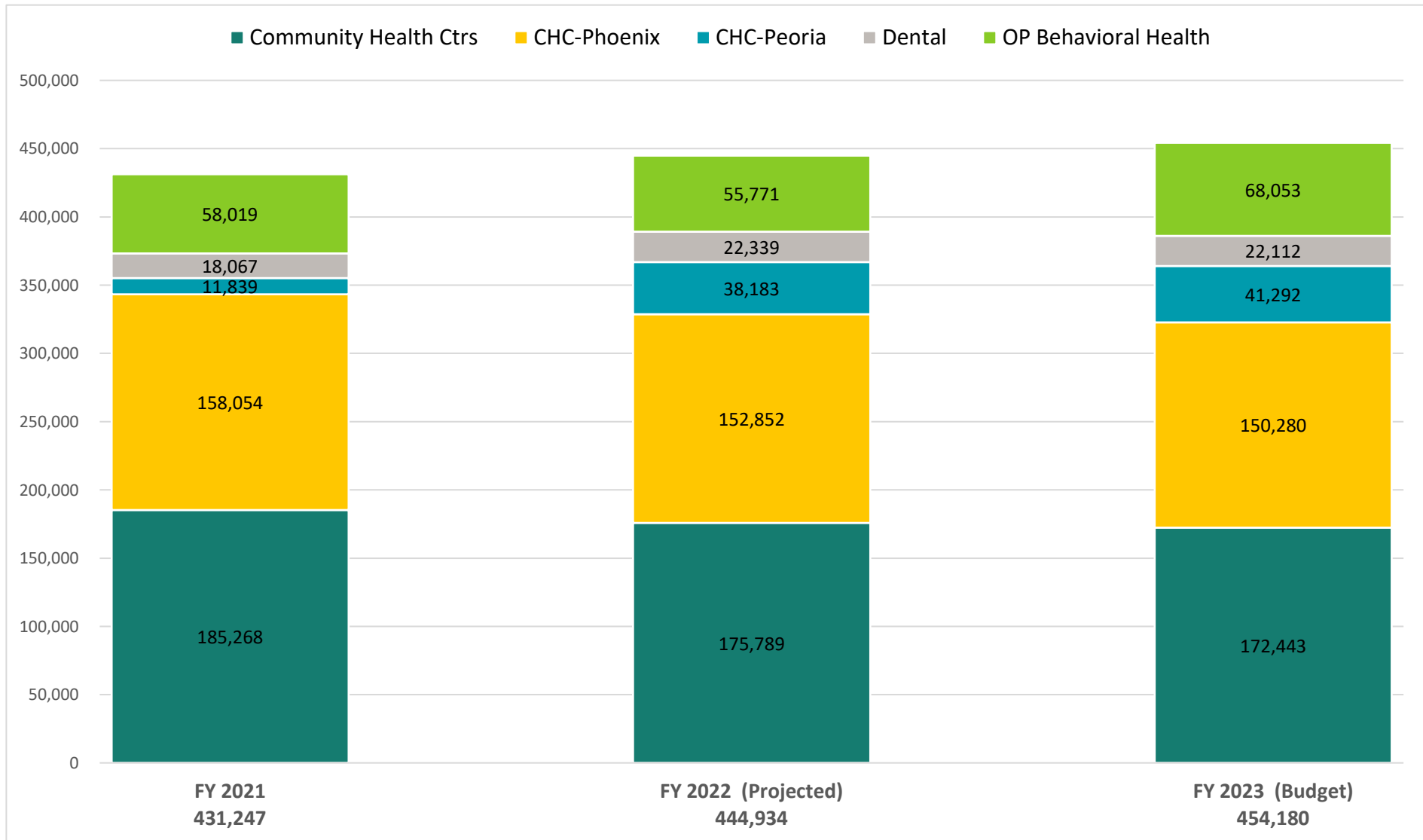
* Projection based on April 2022 YTD Annualized

Maricopa County Special Health Care District Budget FY 2023 Emergency Department Visits



* Projection based on April 2022 YTD Annualized

Maricopa County Special Health Care District Budget FY 2023 Ambulatory Visits



* Projection based on April 2022 YTD Annualized

* Telehealth visits are included



Maricopa County Special Health Care District
Budget FY 2023
Summary Statistical Data

Volume	FY 2021 Actual	FY 2022 Budget	FY 2022 Projected*	FY 2023 Budget	Variance Fav / (Unfav) Budg 23-Proj 22	% Variance Fav / (Unfav) Budg 23-Proj 22
Acute						
Admissions	10,733	11,375	12,030	12,436	406	3.4%
Length of Stay	5.6	4.9	5.7	5.1	0.6	-9.8%
Patient Days	60,012	56,024	68,573	63,921	(4,652)	-6.8%
Average Daily Census - IP	164.4	153.5	188.4	175.1	(13.3)	-7.0%
Observation Days	4,375	4,820	5,478	5,235	(243)	-4.4%
Average Daily Census w/ Obs	176.4	166.7	203.4	189.5	(14.0)	-6.9%
Adjusted Admissions	27,673	32,651	29,700	30,611	910	3.1%
Adjusted Patient Days	286,303	323,796	305,255	292,722	(12,533)	-4.1%
Behavioral Health						
Admissions	5,238	6,251	4,380	4,570	190	4.3%
Length of Stay	20.1	19.0	22.9	21.6	1.3	-5.5%
Patient Days	105,221	118,772	100,088	98,704	(1,384)	-1.4%
Valleywise BHC-Phoenix	25,967	29,740	22,117	24,510	2,393	10.8%
Valleywise BHC-Mesa	33,701	34,880	33,428	34,759	1,331	4.0%
Valleywise BHC-Maryvale	45,553	54,152	44,543	39,435	(5,108)	-11.5%

* Projection is based on YTD APR 2022 Annualized



Maricopa County Special Health Care District
Budget FY 2023
Summary Statistical Data

Volume	FY 2021 Actual	FY 2022 Budget	FY 2022 Projected*	FY 2023 Budget	Variance Fav / (Unfav) Budg 23-Proj 22	% Variance Fav / (Unfav) Budg 23-Proj 22
ED Visits						
Roosevelt	43,365	51,096	52,304	52,593	289	0.6%
Maryvale	21,020	24,276	29,117	29,371	254	0.9%
L&D	2,848	2,795	3,601	3,713	112	3.1%
Burn	2,547	2,659	2,522	2,523	1	0.0%
Total	69,780	80,826	87,544	88,200	656	0.7%
Deliveries	1,691	1,706	2,081	2,145	64	3.1%
Surgeries - Main OR						
Inpatient	4,180	4,300	4,432	4,550	118	2.7%
Outpatient	3,072	3,687	3,178	3,137	(41)	-1.3%
Total	7,252	7,987	7,610	7,687	77	1.0%
Endoscopy Procedures - Roosevelt						
Inpatient	1,050	1,001	1,286	1,286	(0)	0.0%
Outpatient	2,996	3,408	2,995	2,995	0	0.0%
Total	4,046	4,409	4,281	4,281	0	0.0%
Surgeries - Peoria						
Outpatient	66	492	371	351	(20)	-5.4%
Endoscopy Procedures - Peoria						
Outpatient	204	726	1,026	1,026	-	0.0%

* Projection is based on YTD APR 2022 Annualized



Maricopa County Special Health Care District
Budget FY 2023
Ambulatory Summary Statistical Data

Volume	FY 2021 Actual	FY 2022 Budget	FY 2022 Projected*	FY 2023 Budget	Variance Fav / (Unfav) Budg 23-Proj 22	% Variance Fav / (Unfav) Budg 23-Proj 22
Ambulatory Visits						
Valleywise Community Health Centers	185,268	165,610	175,789	172,443	(3,346)	-1.9%
Valleywise Comprehensive Health Center-Phoenix	158,054	154,545	152,852	150,280	(2,572)	-1.7%
Valleywise Comprehensive Health Center-Peoria	11,839	46,939	38,183	41,292	3,109	8.1%
Outpatient Behavioral Health	58,019	63,457	55,771	68,053	12,282	22.0%
Dental	18,067	21,810	22,339	22,112	(227)	-1.0%
Total	431,247	452,361	444,934	454,180	9,246	2.1%

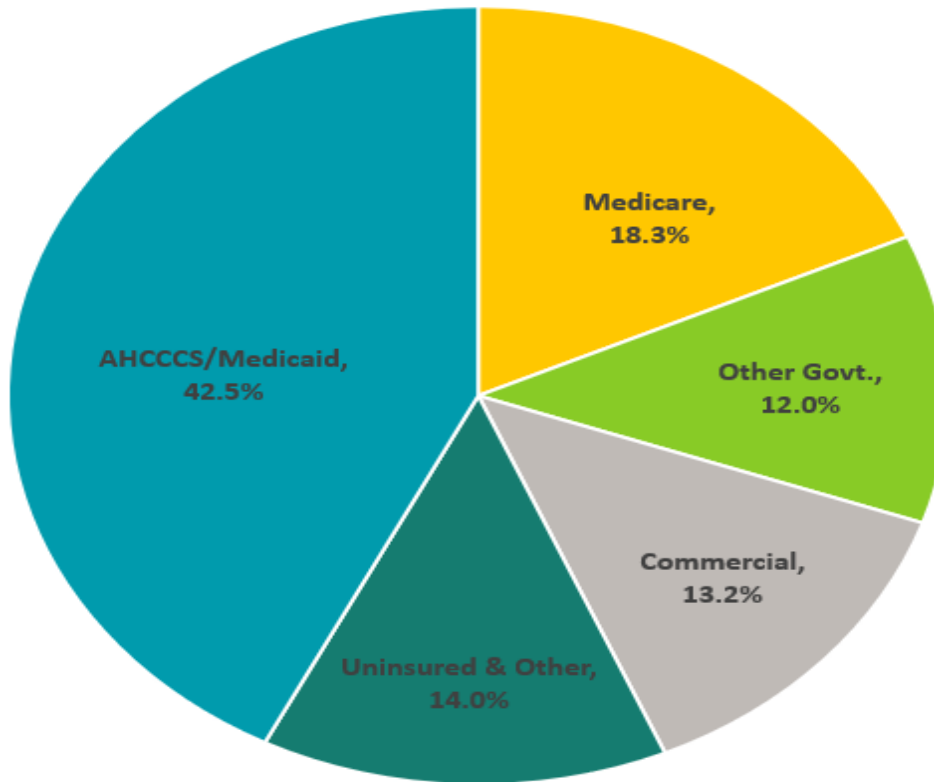
* Projection is based on YTD APR 2022 Annualized



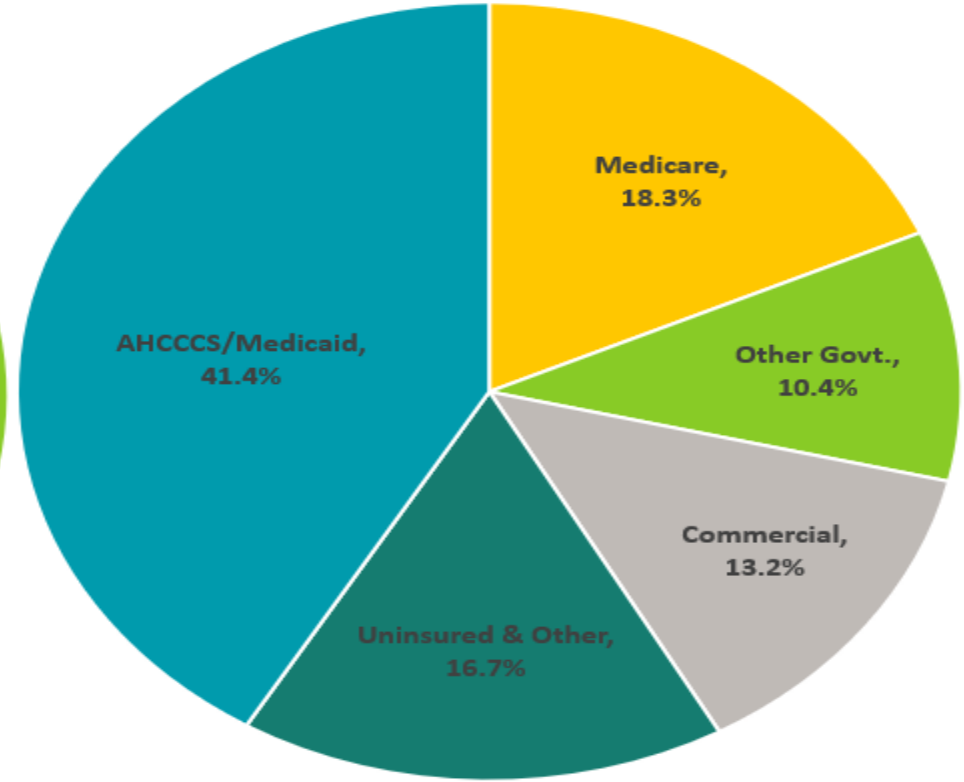
**FY 2023
Annual
Budget**

Revenue

Maricopa County Special Health Care District
Budget FY 2023
Gross Revenue Payor Mix Assumption - All Patients

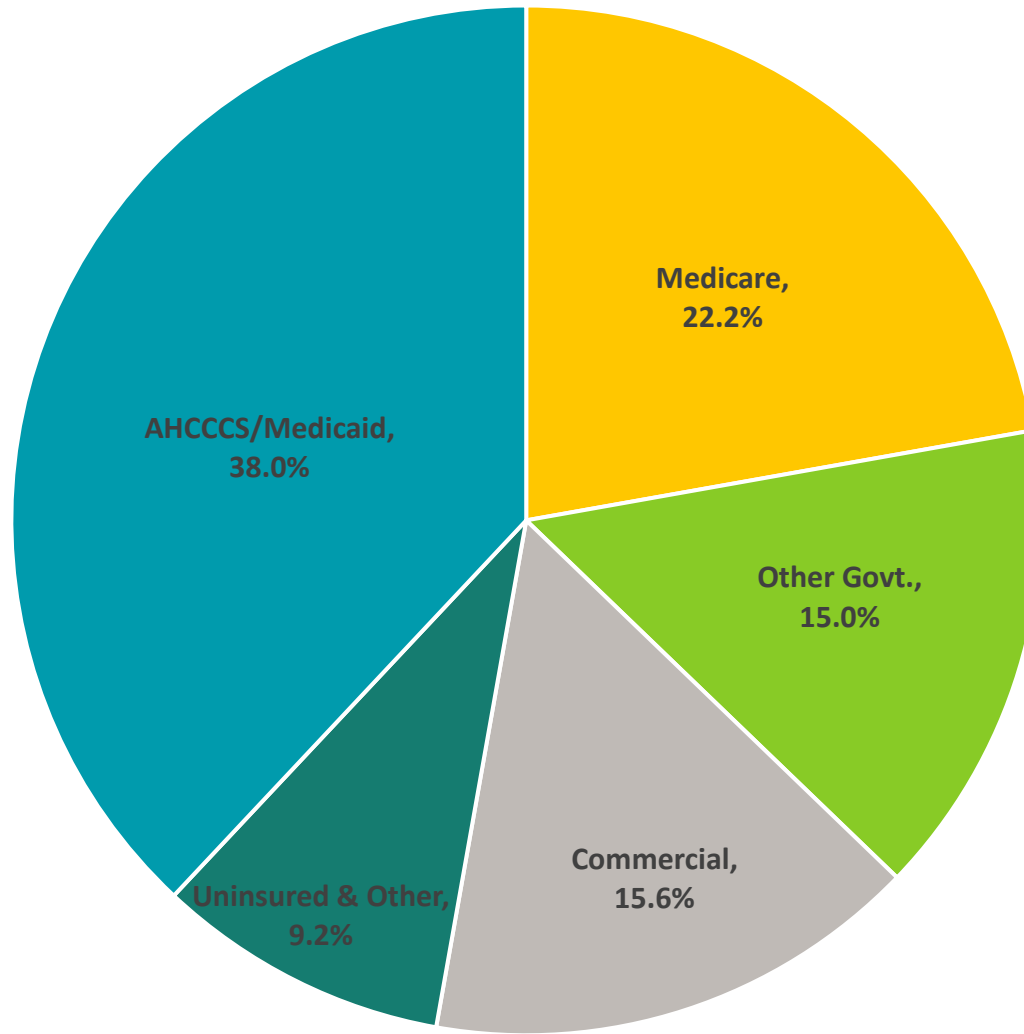


FY 2022
Projected



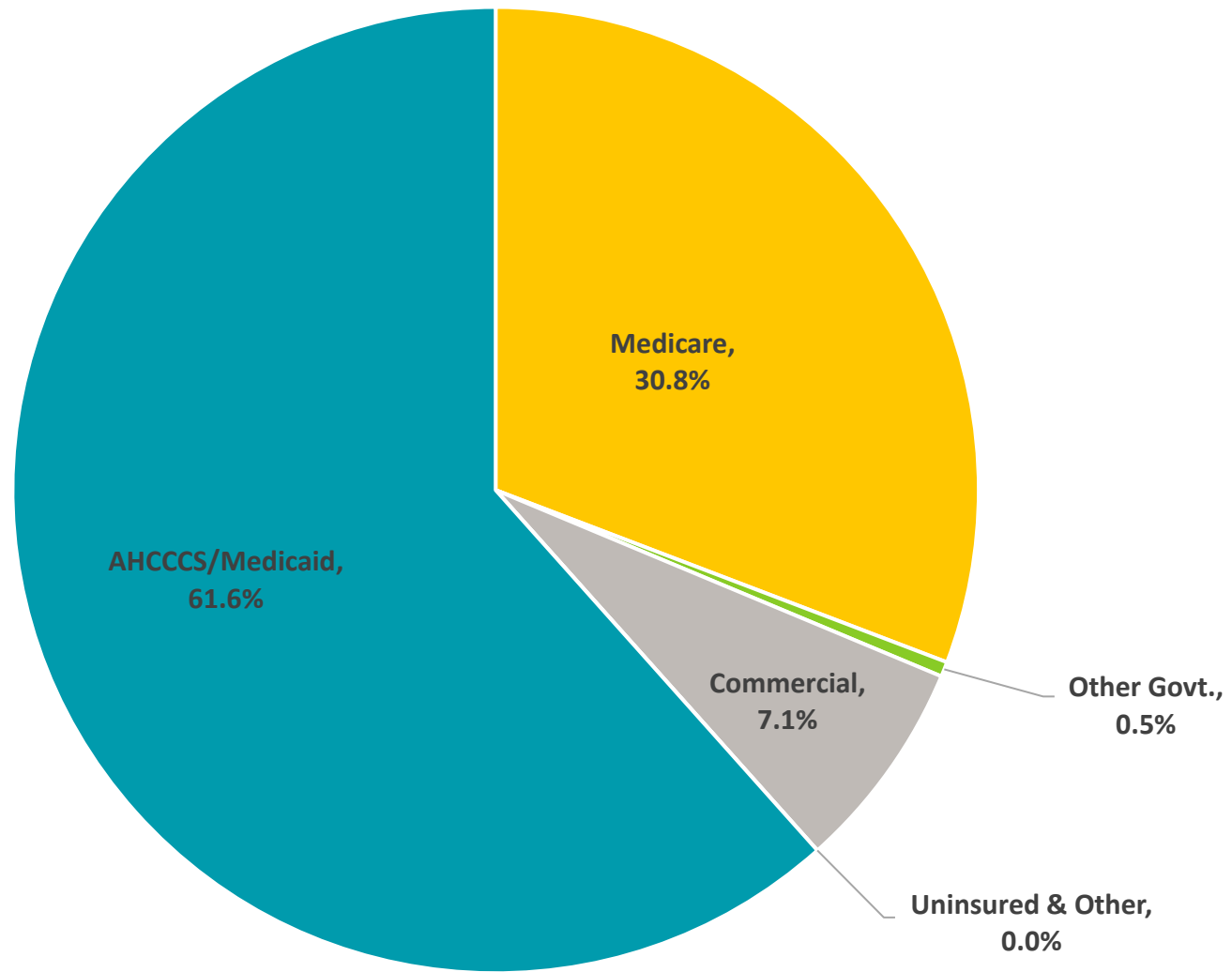
FY 2023
Budget

Maricopa County Special Health Care District
Budget FY 2023
Gross Revenue Payor Mix Assumption - Inpatient Acute



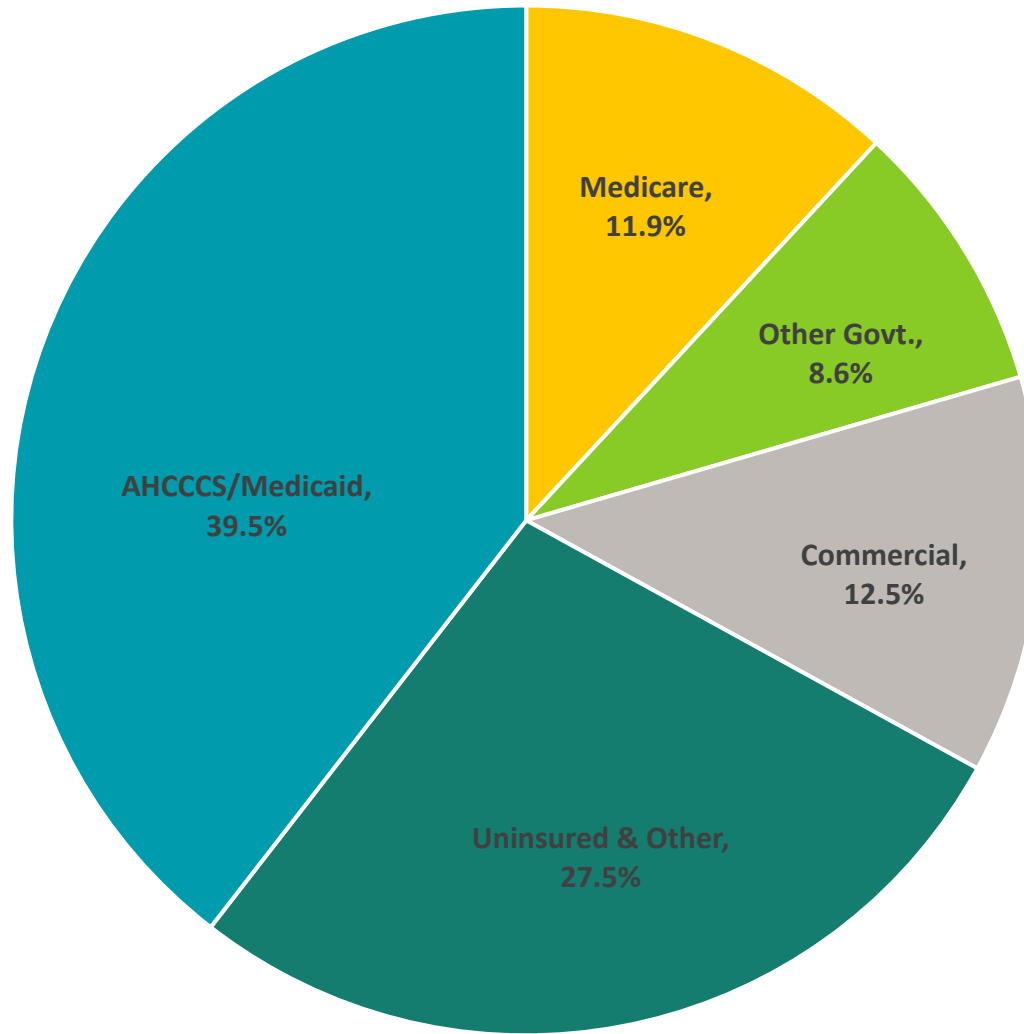
Maricopa County Special Health Care District Budget FY 2023

Gross Revenue Payor Mix Assumption - Inpatient Behavioral Health



Maricopa County Special Health Care District Budget FY 2023

Gross Revenue Payor Mix Assumption - Ambulatory (Includes Outpatient and Emergency)





**FY 2023
Annual
Budget**

Labor



Maricopa County Special Health Care District

Budget FY 2023

Labor Cost and FTE Dashboard

	FY 2021 Total Actual	FY 2022 Total Budget	FY 2022 Projected Full Year	FY 2023 Total Budget	Variance Fav / (Unfav) Budg 23-Proj 22	% Variance Fav / (Unfav) Budg 23-Proj 22
FTE/AOB WO Residents	4.9	4.6	4.8	4.7	0.1	3.0 %
FTE/AOB	5.2	4.8	5.0	4.9	0.1	2.8 %
Payroll FTEs	3,723.7	3,774.7	3,497.0	3,621.8	(124.8)	(3.6 %)
Contract FTEs	344.0	509.2	660.1	331.1	329.0	49.8 %
Total FTEs	4,067.7	4,283.9	4,157.1	3,952.9	204.2	4.9 %
OT Hours as a % of Worked Hours	3.6 %	2.5 %	4.3 %	3.0 %	1.3 %	29.6 %
Benefits as a % of Salary	37.9 %	30.8 %	29.4 %	29.7 %	(0.2 %)	(0.8 %)
Annual Cost per Payroll FTE						
Salaries	74,775	73,012	83,425	83,902	(477)	(0.6 %)
Benefits	28,358	22,514	24,558	24,891	(332)	(1.4 %)
Total	103,134	95,526	107,984	108,793	(809)	(0.7 %)
Cost per Contract FTE	71,822	67,484	120,922	144,776	(23,855)	(19.7 %)
Cost per Contract FTE - Average	71,822	67,484	120,922	144,776	(23,855)	(19.7 %)

* FY 2021 - Includes Maryvale and the opening of Comprehensive Health Center Peoria

* FY 2022 & FY 2023 - Includes Maryvale and Comprehensive Health Center Peoria



Maricopa County Special Health Care District
Budget FY 2023
Paid FTE Report - Summary

	FY 2021 Total Actual	FY 2022 Total Budget	FY 2022 Projected Full Year	FY 2023 Total Budget	Variance Fav / (Unfav) Budg 23-Proj 22	% Variance Fav / (Unfav) Budg 23-Proj 22
Nursing	804.5	837.5	828.0	866.8	(38.8)	(4.7 %)
Ancillary	565.9	639.3	596.1	648.6	(52.5)	(8.8 %)
Support	1,266.5	1,358.3	1,294.8	1,112.1	182.8	14.1 %
Residents	202.8	188.2	189.0	187.0	2.0	1.1 %
Grants and Research	69.2	125.4	76.4	101.1	(24.6)	(32.2 %)
Behavioral Health	862.5	950.0	850.6	844.2	6.4	0.7 %
Subtotal	3,771.4	4,098.7	3,834.9	3,759.7	75.2	2.0 %
Comprehensive Health Center - Phoenix	119.7	141.7	126.2	142.5	(16.3)	(12.9 %)
Comprehensive Health Center - Peoria	9.9	48.5	32.4	42.4	(10.0)	(30.7 %)
Community Health Centers	122.1	131.7	120.6	145.8	(25.2)	(20.9 %)
Dental	33.1	37.9	36.5	37.1	(0.6)	(1.7 %)
Start up	0.5	0.0	0.0	15.2	(15.2)	(100.0 %)
COVID-19	11.1	6.0	6.5	0.0	6.5	100.0 %
Vacancy Adjustment	0.0	(180.6)	0.0	(189.8)	189.8	100.0 %
Total Paid FTEs	4,067.7	4,283.9	4,157.1	3,952.9	204.2	4.9 %



Maricopa County Special Health Care District
Budget FY 2023
Paid FTE Report - Summary by Area

	FY 2021 Total Actual	FY 2022 Total Budget	FY 2022 Projected Full Year	FY 2023 Total Budget	Variance Fav / (Unfav) Budg 23-Proj 22	% Variance Fav / (Unfav) Budg 23-Proj 22
NURSING						
Adult Progressive Care Unit	60.9	60.4	58.7	66.5	(7.8)	(13.3 %)
Burn Services	110.1	123.6	116.7	131.7	(15.0)	(12.9 %)
Critical Care	96.2	71.7	95.6	79.3	16.2	17.0 %
Maternal Child	117.7	122.4	134.4	136.6	(2.2)	(1.6 %)
Med/Surg	160.5	132.0	145.1	141.7	3.4	2.3 %
Pediatric Services - Hospital	23.2	43.4	25.5	25.9	(0.4)	(1.5 %)
Adult Emergency	108.8	137.2	116.9	142.1	(25.2)	(21.6 %)
Trauma Services	6.8	7.0	6.4	7.0	(0.6)	(8.6 %)
Nursing Other	120.3	139.9	128.7	135.9	(7.2)	(5.6 %)
	804.5	837.5	828.0	866.8	(38.8)	(4.7 %)
ANCILLARY						
Burn Ancillary	19.4	20.5	20.6	28.4	(7.7)	(37.5 %)
Ancillary Other	24.4	28.7	24.6	29.8	(5.2)	(21.3 %)
Clinical Laboratory	126.1	134.9	132.4	131.9	0.5	0.4 %
Dialysis	26.3	27.7	28.8	30.7	(1.9)	(6.7 %)
Hospital Pharmacy	82.9	94.4	86.7	91.9	(5.2)	(6.0 %)
Ambulatory Pharmacy	30.9	33.4	30.9	34.9	(3.9)	(12.8 %)
Imaging / Cath Lab / Angio	103.3	126.9	115.0	125.6	(10.6)	(9.2 %)
Perioperative Services - Hospital	95.9	113.1	95.1	108.0	(12.9)	(13.5 %)
Respiratory / Rehab	56.8	59.8	62.0	67.5	(5.5)	(8.9 %)
	565.9	639.3	596.1	648.6	(52.5)	(8.8 %)



Maricopa County Special Health Care District
Budget FY 2023
Paid FTE Report - Summary by Area

	FY 2021 Total Actual	FY 2022 Total Budget	FY 2022 Projected Full Year	FY 2023 Total Budget	Variance Fav / (Unfav) Budg 23-Proj 22	% Variance Fav / (Unfav) Budg 23-Proj 22
SUPPORT						
Care Management	72.3	82.0	73.4	83.0	(9.6)	(13.0 %)
Compliance	4.0	4.0	4.0	4.0	(0.0)	(0.1 %)
Environmental Services	159.9	166.5	166.5	0.0	166.5	100.0 %
Financial Services	37.2	43.0	40.4	47.0	(6.6)	(16.2 %)
Facilities	48.0	52.0	47.2	53.2	(6.0)	(12.8 %)
Food Services	126.8	135.8	132.9	1.0	131.9	99.2 %
Guests, Gifts, Safety & Lang Svcs	56.7	71.3	58.7	82.3	(23.5)	(40.1 %)
Hospital Administration	28.6	31.7	29.3	33.0	(3.7)	(12.6 %)
Human Resources	40.3	42.3	38.0	45.5	(7.5)	(19.8 %)
Information Technology	192.6	196.0	187.8	198.0	(10.2)	(5.4 %)
Medical Staff Affairs	12.3	13.0	12.4	9.0	3.4	27.4 %
Revenue Cycle	350.2	377.0	369.6	403.6	(34.0)	(9.2 %)
Security	76.6	80.0	76.1	80.0	(3.9)	(5.2 %)
Strategic Development	8.9	9.0	8.1	9.0	(0.9)	(10.7 %)
Supply Chain	31.5	33.6	31.1	42.5	(11.4)	(36.7 %)
Quality Management	20.7	21.0	19.3	21.0	(1.7)	(8.8 %)
	1,266.5	1,358.3	1,294.8	1,112.1	182.8	14.1 %
RESIDENTS						
Residents	202.8	188.2	189.0	187.0	2.0	1.1 %
	202.8	188.2	189.0	187.0	2.0	1.1 %
GRANTS & RESEARCH						
Grants	50.7	105.8	57.9	78.7	(20.8)	(35.9 %)
Research	18.5	19.6	18.5	22.4	(3.9)	(20.8 %)
	69.2	125.4	76.4	101.1	(24.6)	(32.2 %)
BEHAVIORAL HEALTH						
Behavioral Health	862.5	950.0	850.6	844.2	6.4	0.7 %
	862.5	950.0	850.6	844.2	6.4	0.7 %



Maricopa County Special Health Care District
Budget FY 2023
Paid FTE Report - Summary by Area

	FY 2021 Total Actual	FY 2022 Total Budget	FY 2022 Projected Full Year	FY 2023 Total Budget	Variance Fav / (Unfav) Budg 23-Proj 22	% Variance Fav / (Unfav) Budg 23-Proj 22
COMPREHENSIVE HEALTH CENTER - PHOENIX						
CHCs	83.4	104.0	90.6	107.9	(17.2)	(19.0 %)
Pediatric Services - CHC	15.9	15.7	16.5	14.8	1.7	10.3 %
Perioperative Services - CHC-Phoenix	20.4	22.0	19.1	19.9	(0.8)	(4.1 %)
	119.7	141.7	126.2	142.5	(16.3)	(12.9 %)
COMPREHENSIVE HEALTH CENTER - PEORIA						
CHCs	6.9	25.9	17.5	26.2	(8.8)	(50.3 %)
Perioperative Services - CHC-Peoria	2.7	20.6	13.2	14.4	(1.2)	(9.1 %)
Endoscopy - Peoria	0.3	2.0	1.8	1.7	0.0	2.0 %
	9.9	48.5	32.4	42.4	(10.0)	(30.7 %)
COMMUNITY HEALTH CENTERS						
Community Health Centers	122.1	131.7	120.6	145.8	(25.2)	(20.9 %)
	122.1	131.7	120.6	145.8	(25.2)	(20.9 %)
DENTAL						
Dental	33.1	37.9	36.5	37.1	(0.6)	(1.7 %)
	33.1	37.9	36.5	37.1	(0.6)	(1.7 %)
COVID-19						
COVID-19	11.1	6.0	6.5	0.0	6.5	100.0 %
	11.1	6.0	6.5	0.0	6.5	100.0 %
START UP						
START UP	0.5	0.0	0.0	15.2	(15.2)	(100.0 %)
	0.5	0.0	0.0	15.2	(15.2)	(100.0 %)
VACANCY ADJUSTMENTS						
Vacancy Adjustments	0.0	(180.6)	0.0	(189.8)	189.8	100.0 %
	0.0	(180.6)	0.0	(189.8)	189.8	100.0 %
Grand Total	4,067.7	4,283.9	4,157.1	3,952.9	204.2	4.9 %



**FY 2023
Annual
Budget**

Operating Expenses



Maricopa County Special Health Care District
Budget FY 2023
Operating Expenses - Summary (excludes Depreciation)

	FY 2021 Total Actual	FY 2022 Total Budget	FY 2022 Projected Full Year	FY 2023 Total Budget	Variance Fav / (Unfav) Budg 23-Proj 22	% Variance Fav / (Unfav) Budg 23-Proj 22
Nursing	\$ 114,228,314	\$ 110,890,175	\$ 152,453,413	\$ 136,424,011	\$ 16,029,402	10.5 %
Ancillary	156,865,500	169,385,333	171,918,682	177,654,179	(5,735,497)	(3.3 %)
Support	241,606,506	239,036,642	243,001,617	257,075,240	(14,073,624)	(5.8 %)
Residents	21,403,425	23,191,684	22,430,645	23,759,593	(1,328,948)	(5.9 %)
Grants and Research	7,794,678	14,085,588	9,275,303	12,045,024	(2,769,721)	(29.9 %)
Behavioral Health	97,638,581	104,883,522	106,859,438	102,520,143	4,339,295	4.1 %
Subtotal	639,537,003	661,472,942	705,939,097	709,478,190	(3,539,092)	(0.5 %)
Comprehensive Health Center - Phoenix	16,212,845	18,252,698	17,746,995	20,895,591	(3,148,596)	(17.7 %)
Comprehensive Health Center - Peoria	2,092,495	11,908,011	9,956,273	12,317,411	(2,361,138)	(23.7 %)
Community Health Centers	26,189,827	27,340,988	26,957,208	31,690,271	(4,733,062)	(17.6 %)
Dental	4,293,701	4,714,638	4,760,963	5,152,626	(391,664)	(8.2 %)
Start up	980,213	400,000	712,740	4,138,616	(3,425,876)	(480.7 %)
COVID-19	3,002,969	359,158	788,754	0	788,754	100.0 %
Vacancy Adjustment	0	(17,184,096)	0	(21,285,413)	21,285,413	100.0 %
Total Operating Expenses	\$ 692,309,052	\$ 707,264,340	\$ 766,862,030	\$ 762,387,292	\$ 4,474,738	0.6 %



Maricopa County Special Health Care District
Budget FY 2023
Operating Expenses - Summary by Area (excludes Depreciation)

NURSING

	FY 2021 Total Actual	FY 2022 Total Budget	FY 2022 Projected Full Year	FY 2023 Total Budget	Variance Fav / (Unfav) Budg 23-Proj 22	% Variance Fav / (Unfav) Budg 23-Proj 22
Adult Progressive Care Unit	\$ 6,637,063	\$ 6,684,569	\$ 9,511,346	\$ 9,216,887	\$ 294,459	3.1 %
Burn Services	15,146,032	15,743,634	21,141,338	16,473,586	4,667,752	22.1 %
Critical Care	16,449,013	10,333,751	21,557,365	14,897,280	6,660,085	30.9 %
Maternal Child	15,132,392	15,891,040	22,012,586	21,056,164	956,422	4.3 %
Med/Surg	18,963,988	13,867,670	24,284,743	19,247,116	5,037,627	20.7 %
Pediatric Services - Hospital	2,991,825	5,233,399	4,208,509	3,250,600	957,909	22.8 %
Adult Emergency	24,355,099	27,774,522	32,922,683	34,407,042	(1,484,359)	(4.5 %)
Trauma Services	738,334	760,138	748,438	827,670	(79,232)	(10.6 %)
Nursing Other	13,814,567	14,601,451	16,066,405	17,047,666	(981,261)	(6.1 %)
	114,228,314	110,890,175	152,453,413	136,424,011	16,029,402	10.5 %

ANCILLARY

Burn Ancillary	2,586,300	2,731,590	2,980,010	3,980,918	(1,000,907)	(33.6 %)
Ancillary Other	3,870,338	3,444,034	3,235,945	3,860,664	(624,719)	(19.3 %)
Clinical Laboratory	27,182,381	26,946,004	30,333,413	30,072,942	260,471	0.9 %
Dialysis	3,437,366	3,423,162	4,286,766	4,373,240	(86,475)	(2.0 %)
Hospital Pharmacy	49,091,013	51,061,580	51,348,563	51,301,924	46,639	0.1 %
Ambulatory Pharmacy	8,120,766	9,135,994	9,966,527	10,247,419	(280,891)	(2.8 %)
Imaging / Cath Lab / Angio	21,090,356	25,072,097	23,489,716	26,004,302	(2,514,586)	(10.7 %)
Perioperative Services - Hospital	33,688,817	40,293,767	37,048,763	38,116,808	(1,068,045)	(2.9 %)
Respiratory / Rehab	7,798,163	7,277,107	9,228,979	9,695,963	(466,983)	(5.1 %)
	156,865,500	169,385,333	171,918,682	177,654,179	(5,735,497)	(3.3 %)



Maricopa County Special Health Care District
Budget FY 2023
Operating Expenses - Summary by Area (excludes Depreciation)

	FY 2021 Total Actual	FY 2022 Total Budget	FY 2022 Projected Full Year	FY 2023 Total Budget	Variance Fav / (Unfav) Budg 23-Proj 22	% Variance Fav / (Unfav) Budg 23-Proj 22
SUPPORT						
Care Management	8,445,537	9,471,687	8,825,463	10,663,688	(1,838,225)	(20.8 %)
Compliance	533,237	627,103	625,154	679,181	(54,028)	(8.6 %)
Environmental Services	11,430,059	12,295,676	12,275,961	12,751,267	(475,305)	(3.9 %)
Financial Services	61,656,831	50,065,371	54,144,412	48,584,052	5,560,360	10.3 %
Facilities	13,245,322	14,878,436	13,401,620	15,083,904	(1,682,283)	(12.6 %)
Food Services	9,760,274	9,196,174	11,148,175	12,614,279	(1,466,104)	(13.2 %)
Guests, Gifts, Safety & Lang Svcs	5,392,639	5,990,897	6,091,590	7,604,355	(1,512,765)	(24.8 %)
Hospital Administration	17,048,244	16,971,460	18,177,498	19,889,073	(1,711,575)	(9.4 %)
Human Resources	6,984,978	7,245,728	7,152,697	8,375,897	(1,223,201)	(17.1 %)
Information Technology	54,490,511	57,894,047	57,955,784	61,105,609	(3,149,825)	(5.4 %)
Medical Staff Affairs	1,794,676	1,845,198	1,868,537	1,583,323	285,214	15.3 %
Revenue Cycle	32,341,051	34,133,969	33,350,715	37,097,871	(3,747,156)	(11.2 %)
Security	6,158,405	6,317,310	6,483,169	6,952,683	(469,514)	(7.2 %)
Strategic Development	6,719,102	5,961,851	5,445,904	6,396,834	(950,931)	(17.5 %)
Supply Chain	2,384,028	2,776,861	2,909,224	4,198,297	(1,289,074)	(44.3 %)
Quality Management	3,221,613	3,364,872	3,145,712	3,494,925	(349,212)	(11.1 %)
	241,606,506	239,036,642	243,001,617	257,075,240	(14,073,624)	(5.8 %)
RESIDENTS						
Residents	21,403,425	23,191,684	22,430,645	23,759,593	(1,328,948)	(5.9 %)
	21,403,425	23,191,684	22,430,645	23,759,593	(1,328,948)	(5.9 %)
GRANTS & RESEARCH						
Grants	5,621,433	11,825,780	7,021,125	9,394,492	(2,373,367)	(33.8 %)
Research	2,173,245	2,259,807	2,254,177	2,650,531	(396,354)	(17.6 %)
	7,794,678	14,085,588	9,275,303	12,045,024	(2,769,721)	(29.9 %)
BEHAVIORAL HEALTH						
Behavioral Health	97,638,581	104,883,522	106,859,438	102,520,143	4,339,295	4.1 %
	97,638,581	104,883,522	106,859,438	102,520,143	4,339,295	4.1 %



Maricopa County Special Health Care District
Budget FY 2023
Operating Expenses - Summary by Area (excludes Depreciation)

	FY 2021 Total Actual	FY 2022 Total Budget	FY 2022 Projected Full Year	FY 2023 Total Budget	Variance Fav / (Unfav) Budg 23-Proj 22	% Variance Fav / (Unfav) Budg 23-Proj 22
COMPREHENSIVE HEALTH CENTER - PHOENIX						
CHCs	11,058,737	13,013,611	12,668,682	15,765,852	(3,097,170)	(24.4 %)
Pediatric Services - CHC	3,401,175	3,417,477	3,258,046	3,126,567	131,479	4.0 %
Perioperative Services - CHC-Phoenix	1,752,933	1,821,609	1,820,268	2,003,172	(182,904)	(10.0 %)
	16,212,845	18,252,698	17,746,995	20,895,591	(3,148,596)	(17.7 %)
COMPREHENSIVE HEALTH CENTER - PEORIA						
CHCs	1,282,226	5,407,081	4,237,550	5,867,045	(1,629,495)	(38.5 %)
Perioperative Services - CHC-Peoria	737,247	6,196,492	5,477,178	6,217,037	(739,859)	(13.5 %)
Endoscopy - Peoria	73,022	304,438	241,545	233,329	8,216	3.4 %
	2,092,495	11,908,011	9,956,273	12,317,411	(2,361,138)	(23.7 %)
COMMUNITY HEALTH CENTERS						
Community Health Centers	26,189,827	27,340,988	26,957,208	31,690,271	(4,733,062)	(17.6 %)
	26,189,827	27,340,988	26,957,208	31,690,271	(4,733,062)	(17.6 %)
DENTAL						
Dental	4,293,701	4,714,638	4,760,963	5,152,626	(391,664)	(8.2 %)
	4,293,701	4,714,638	4,760,963	5,152,626	(391,664)	(8.2 %)
COVID-19						
COVID-19	3,002,969	359,158	788,754	0	788,754	100.0 %
	3,002,969	359,158	788,754	0	788,754	100.0 %
START UP						
START UP	980,213	400,000	712,740	4,138,616	(3,425,876)	(480.7 %)
	980,213	400,000	712,740	4,138,616	(3,425,876)	(480.7 %)
VACANCY ADJUSTMENTS						
Vacancy Adjustments	0	(17,184,096)	0	(21,285,413)	21,285,413	100.0 %
	0	(17,184,096)	0	(21,285,413)	21,285,413	100.0 %
Grand Total	\$ 692,309,052	\$ 707,264,340	\$ 766,862,030	\$ 762,387,292	\$ 4,474,738	0.6 %



**FY 2023
Annual
Budget**

FQHC



Valleywise Health Federally Qualified Health Center Clinics

Fiscal Year 2023 Operating and
Capital Budget

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Mission

Provide exceptional care, without exception, every patient, every time.



Vision

Be nationally recognized for transforming care to improve community health.



Values

They guide how we treat each other, our patients, families and visitors.

Accountability • Compassion • Excellence • Safety

Major operational focus areas

- Major operational focus areas
 - Decline in COVID-19 Cases
 - Rebuild of staffing for a reduction in Contract Labor
 - Continued focus on Expenses
- Concurrent construction activities
 - Outpatient Behavioral Health expansion
 - Multiple FQHC clinic renovations

DMG Providers

COST CENTER and DESCRIPTION		FYE 2021	FYE 2022	FYE 2023
416601	FQHC CLINIC - SOUTH CENTRAL PHOENIX	6.31	6.52	6.58
416602	FQHC CLINIC - 7TH AVENUE	0.00	0.00	0.00
416603	FQHC CLINIC - AVONDALE	5.69	6.26	5.70
416604	FQHC CLINIC - MARYVALE	6.95	2.31	0.00
416704	FQHC CLINIC - WEST MARYVALE	0.00	3.28	5.61
416605	FQHC CLINIC - GLENDALE	2.89	0.00	0.00
416606	FQHC CLINIC - EL MIRAGE	2.82	0.00	0.00
416607	FQHC CLINIC - MSA	5.54	0.00	0.00
416707	FQHC CLINIC - MESA	0.00	4.47	5.92
476707	FQHC MCDOWELL SERVICES - MESA	0.00	0.13	0.40
416608	FQHC CLINIC - CHANDLER	6.20	6.03	6.32
416609	FQHC CLINIC - GUADALUPE	2.96	2.81	2.93
416611	FQHC CLINIC - SUNNYSLOPE	1.61	0.00	0.00
416711	FQHC CLINIC - NORTH PHOENIX	3.31	6.74	7.85
416613	FQHC CLINIC - MCDOWELL	9.63	9.80	9.07
416701	FQHC CLINIC - SOUTH PHOENIX LAVERN	4.44	5.36	6.39
476101	FQHC WOMENS CARE - PHOENIX	6.61	6.79	7.40
476105	FQHC PEDIATRIC CLINIC - PHOENIX	5.65	5.69	5.80
476106	FQHC MEDICINE CLINIC - PHOENIX	5.68	6.00	6.38
576101	FQHC PRIMARY CARE - PEORIA	3.51	10.18	11.51
576130	FQHC MCDOWELL SERVICES - PEORIA	0.00	0.40	0.30
476107	FQHC INTERNATIONAL HEALTH CLINIC - PHOENIX	0.00	0.00	0.50
TOTAL		79.78	82.79	88.65

Dental Providers

Dental FTEs by Location

Location	FYE 2021 Actuals	FYE 2022 Actuals	FYE 2023 Budget
FQHC DENTAL - PHOENIX	13.7	11.6	14.9
FQHC DENTAL - CHANDLER	2.7	2.9	4.0
FQHC DENTAL - SOUTH CENTRAL PHOENIX	0.0	-	-
FQHC DENTAL - AVONDALE	3.6	3.4	4.3
FQHC DENTAL - MESA	2.8	1.5	-
FQHC DENTAL - MCDOWELL	5.9	5.5	6.7
FQHC DENTAL - PEORIA	2.3	4.5	5.1
TOTAL	31.1	29.4	34.8

Behavioral Health Providers

BH Providers by Location			
Location	FYE 2021 Actuals	FYE 2022 Actuals	FYE 2023 Budget
BH FQHC - PSYCHIATRY *DMG	-	0.7	1.3
BH FQHC - SOUTH CENTRAL PHOENIX	0.8	1.7	3.0
BH FQHC - 7TH AVENUE	0.2	-	-
BH FQHC - AVONDALE	1.7	1.7	2.0
BH FQHC - MARYVALE	1.8	0.8	-
BH FQHC - GLENDALE	0.6	-	-
BH FQHC - MSA	2.6	1.8	-
BH FQHC - CHANDLER	1.0	0.7	1.8
BH FQHC - GUADALUPE	0.8	0.6	2.0
BH FQHC - SUNNYSLOPE	0.2	-	-
BH FQHC - PEORIA	0.4	0.9	4.0
BH FQHC - SOUTH PHOENIX LAVERN	0.9	0.9	2.0
BH FQHC - WEST MARYVALE	-	0.8	2.0
BH FQHC - MESA	-	0.3	4.0
BH FQHC - NORTH PHOENIX	0.7	0.9	2.0
TOTAL	11.7	11.8	24.1

Visits

Community Health Center Clinics

	FY2020	FY 2021	FY 2022	FY 2022 Budget		Budget Information				
						FY 2023				
	Actual	Actual	Projection	Budget	Variance from Budget (Projection)	Proposed Budget	Variance from Projection	Variance %	Variance from FY2022 Budget	Variance %
FQHC CLINIC - SOUTH CENTRAL PHOENIX	16,069	19,384	27,409	19,966	37.3%	25,335	(2,074)	1.3%	5,369	26.9%
FQHC CLINIC - SOUTH PHOENIX LAVERN	-	14,306	16,778	20,224	(17.0%)	18,490	1,712	14.9%	(1,734)	(8.6%)
FQHC CLINIC - 7TH AVENUE	23,073	5,474	-	-	0.0%	-	-	0.0%	-	0.0%
FQHC CLINIC - AVONDALE	24,265	22,808	24,479	22,029	11.1%	22,061	(2,418)	(6.8%)	32	0.1%
FQHC CLINIC - MARYVALE	18,483	19,567	6,868	6,017	14.1%	-	(6,868)	(100.0%)	(6,017)	(100.0%)
FQHC CLINIC - GLENDALE	17,350	10,301	-	-	0.0%	-	-	0.0%	-	0.0%
FQHC CLINIC - EL MIRAGE	12,370	7,833	-	-	0.0%	-	-	0.0%	-	0.0%
FQHC CLINIC - MSA	16,412	18,111	9,759	8,866	10.1%	-	(9,759)	(100.0%)	(8,866)	(100.0%)
FQHC CLINIC - CHANDLER	18,413	21,714	20,471	19,441	5.3%	21,411	940	4.2%	1,970	10.1%
FQHC CLINIC - GUADALUPE	7,962	8,470	8,548	7,179	19.1%	8,387	(161)	(2.0%)	1,208	16.8%
FQHC CLINIC - SUNNYSLOPE	15,454	5,475	-	-	0.0%	-	-	0.0%	-	0.0%
FQHC CLINIC - NORTH PHOENIX	-	10,575	20,689	16,882	22.6%	23,446	2,757	17.9%	6,564	38.9%
FQHC CLINIC - MCDOWELL	17,584	21,250	21,518	22,181	(3.0%)	18,740	(2,778)	(13.3%)	(3,441)	(15.5%)
FQHC CLINIC - WEST MARYVALE	-	-	9,686	13,102	(26.1%)	15,862	6,176	110.4%	2,760	21.1%
FQHC CLINIC - MESA	-	-	5,484	7,823	(29.9%)	17,519	12,035	726.1%	9,696	123.9%
FQHC MCDOWELL SERVICES - MESA	-	-	141	290	(51.4%)	711	570	100.0%	421	145.2%
FQHC MCDOWELL SERVICES - PEORIA	-	-	527	1,610	(67.3%)	481	(46)	(28.0%)	(1,129)	(70.1%)
Total	187,435	185,268	172,357	165,610	4.1%	172,443	86	0.0%	6,833	4.1%
% Change compared to Prior Year			-7.0%							

Visits

Outpatient Behavioral Health Clinics

	FY2020	FY 2021	FY 2022	FY 2022 Budget	
	Actual	Actual	Projection	Budget	Variance from Budget (Projection)
BH FQHC - SOUTH CENTRAL PHOENIX	103	950	2,367	1,110	113.2%
BH FQHC - SOUTH PHOENIX LAVERN	-	752	1,096	1,088	0.7%
BH FQHC - 7TH AVENUE	1,002	255	-	-	0.0%
BH FQHC - AVONDALE	1,090	1,959	2,639	2,095	26.0%
BH FQHC - MARYVALE	1,020	1,826	631	572	10.3%
BH FQHC - MSA	1,958	3,210	1,768	1,774	(0.3%)
BH FQHC - CHANDLER	410	1,099	1,238	1,046	18.4%
BH FQHC - GUADALUPE	118	989	439	1,315	(66.6%)
BH FQHC - SUNNYSLOPE	86	133	-	-	0.0%
BH FQHC - NORTH PHOENIX	-	792	1,609	1,046	53.8%
BH FQHC - PEORIA	-	621	2,001	1,046	91.3%
BH FQHC - MESA	-	-	552	1,496	(63.1%)
BH FQHC - WEST MARYVALE	-	-	706	1,383	(49.0%)
BH FQHC - PSYCHIATRY	-	-	1,438	839	71.4%
Total	6,153	13,276	16,484	14,810	11.3%

% Change compared to Prior Year

24.2%

Comprehensive Health Center-Peoria

	FY2020	FY 2021	FY 2022	FY 2022 Budget	
	Actual	Actual	Projection	Budget	Variance from Budget (Projection)
FQHC PRIMARY CARE - PEORIA	-	10,033	29,159	28,344	2.9%
Total	-	10,033	29,159	28,344	2.9%

% Change compared to Prior Year

190.6%

Budget Information				
FY 2023				
Proposed Budget	Variance from Projection	Variance %	Variance from FY2022 Budget	Variance %
3,023	656	27.7%	1,913	172.3%
2,039	943	86.0%	951	87.4%
-	-	0.0%	-	0.0%
2,483	(156)	(5.9%)	388	18.5%
-	(631)	(100.0%)	(572)	(100.0%)
-	(1,768)	(100.0%)	(1,774)	(100.0%)
1,726	488	39.4%	680	65.0%
2,112	1,673	381.1%	797	60.6%
-	-	0.0%	-	0.0%
2,366	757	47.0%	1,320	126.2%
4,569	2,568	128.3%	3,523	336.8%
4,434	3,882	703.3%	2,938	196.4%
2,009	1,303	184.6%	626	45.3%
2,244	806	56.1%	1,405	167.5%
27,005	10,521	63.8%	12,195	82.3%

Budget Information				
FY 2023				
Proposed Budget	Variance from Projection	Variance %	Variance from FY2022 Budget	Variance %
31,969	2,810	9.6%	3,625	12.8%
31,969	2,810	9.6%	3,625	12.8%

Visits

VCHC - Phoenix Clinics

	FY2020	FY 2021	FY 2022	FY 2022 Budget	
	Actual	Actual	Projection	Budget	Variance from Budget (Projection)
FQHC WOMENS CARE - PHOENIX	21,278	22,568	21,636	22,309	(3.0%)
FQHC ANTEPARTUM TESTING - PHOENIX	7,910	8,651	9,036	8,040	12.4%
FQHC ADULT WALK IN CLINIC - PHOENIX	-	-	-	-	0.0%
FQHC DIABETES CARE AND SUPPORT - PHOENIX	1,788	2,772	1,740	2,861	(39.2%)
FQHC PEDIATRIC CLINIC - PHOENIX	17,408	16,392	20,220	16,503	22.5%
FQHC MEDICINE CLINIC - PHOENIX	13,506	19,061	18,877	21,100	(10.5%)
FQHC INTERNATIONAL HEALTH CLINIC - PHOENIX	-	-	-	-	0.0%
Total	61,890	69,444	71,509	70,813	1.0%
% Change compared to Prior Year			3.0%		

Budget Information				
FY 2023				
Proposed Budget	Variance from Projection	Variance %	Variance from FY2022 Budget	Variance %
22,513	877	4.1%	204	0.9%
8,040	(996)	(11.0%)	-	0.0%
-	-	0.0%	-	0.0%
1,739	(1)	(0.1%)	(1,122)	(39.2%)
16,059	(4,161)	(20.6%)	(444)	(2.7%)
19,681	804	4.3%	(1,419)	(6.7%)
1,090	1,090	0.0%	1,090	0.0%
69,122	(2,387)	(3.3%)	(1,691)	(2.4%)

Dental Clinics

	FY2020	FY 2021	FY 2022	FY 2022 Budget	
	Actual	Actual	Projection	Budget	Variance from Budget (Projection)
FQHC DENTAL - PHOENIX	9,268	9,132	9,783	9,089	7.6%
FQHC DENTAL - CHANDLER	1,607	1,468	2,123	2,063	2.9%
FQHC DENTAL - AVONDALE	1,849	2,131	2,606	2,164	20.4%
FQHC DENTAL - MSA	1,733	1,338	960	906	6.0%
FQHC DENTAL - MCDOWELL	3,522	2,865	3,259	4,013	(18.8%)
FQHC DENTAL - PEORIA	-	1,133	3,609	3,575	1.0%
Total	19,338	18,067	22,340	21,810	2.4%
% Change compared to Prior Year			23.7%		

Budget Information				
FY 2023				
Proposed Budget	Variance from Projection	Variance %	Variance from FY2022 Budget	Variance %
9,636	(147)	(1.5%)	547	6.0%
2,571	448	21.1%	508	24.6%
2,767	161	6.2%	603	27.9%
-	(960)	(100.0%)	(906)	(100.0%)
3,742	483	14.8%	(271)	(6.8%)
3,396	(213)	(5.9%)	(179)	(5.0%)
22,112	(228)	(1.0%)	302	1.4%

Grand Totals

	FY2020	FY 2021	FY 2022	FY 2022 Budget	
	274,816	296,088	311,849	301,387	3.5%
% Change compared to Prior Year			5.3%		

322,651	10,802	3.5%	21,264	7.1%
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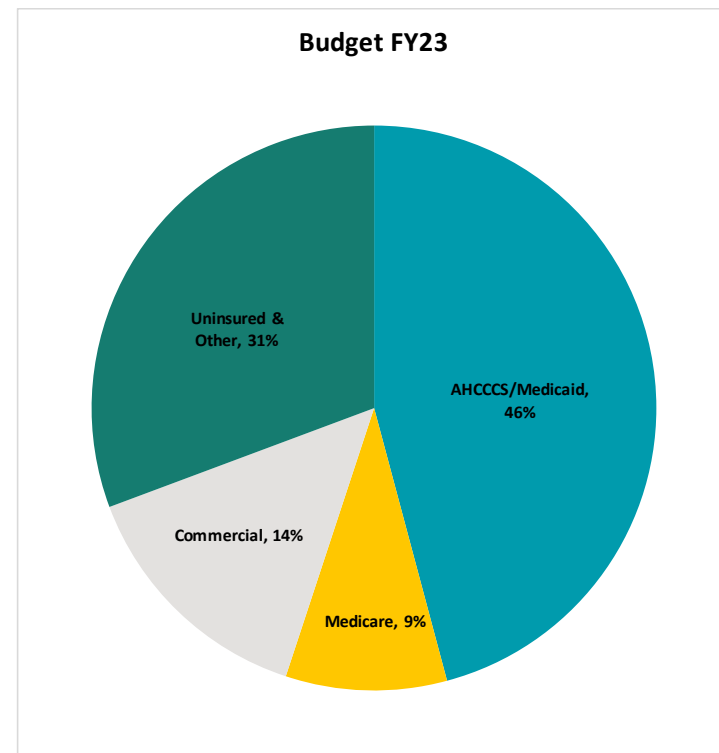
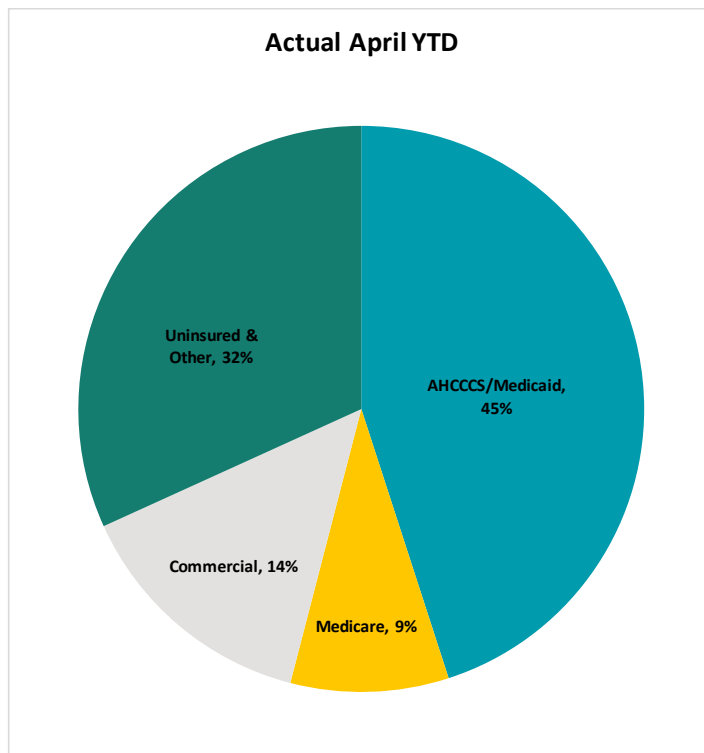
Revenue

- FQHC AHCCCS Reimbursement
 - Rate = \$334.06 or 3% increase

- Commercial and Medicare reflect a 2% increase

- Major areas of Other Revenue are based on funding from the following sources:
 - Service Area Competition Grant
 - HRSA American Rescue Plan
 - Ryan White

Payor Mix



Expenses

- Budgeted expenses increased 12% compared to the FY 2022 projection due to higher volume and increasing of costs.
- Labor costs (salaries, contract labor, and benefits) increased due to higher volume.
 - A vacancy factor applied – approximately 50 FTEs.
 - Merit has been included at 3% in July and January.
 - Some positions were increased to stay competitive in the labor market.
- Medical Service Fees increased due to additional staffing at VCHC's and Peoria in addition to the annual contracted increase. CHC increased due to increased providers in Antepartum Testing.

Expenses

- Purchased services increased due to Primary Care HIV Prevention (PCHP) and Family Resource Center grant programs with offsetting revenue.
- Other expenses projected at current year run rate plus 2.2% inflation unless specifically identified. Examples include:

Pharmacy - 3.1%

Medical Supplies - 2.2%

Office Supplies 8.0%

Other Supplies - 3.4%

Utilities - 3.9%

Income Statement

Valleywise Health FQHC FY2022 Projection vs FY2023 Budget With Ancillary Services

	VCHC			OP BEHAVIORAL HEALTH		
	JUN Month to Date			JUN Month to Date		
	FY22 Projection	FY23 Budget	%	FY22 Projection	FY23 Budget	%
Visits	172,357	172,443	0%	16,484	27,005	64%
Operating Revenues						
Net patient service revenue	\$ 37,772,895	\$ 38,697,380	2%	\$ 3,984,758	\$ 6,864,597	72%
Other Operating Revenue	2,825,787	2,568,804	(9%)	50,219	1,006,953	1,905%
PCMH Revenue	16,756	-	(100%)	-	-	0%
Total operating revenues	\$ 40,615,439	\$ 41,266,185	2%	\$ 4,034,977	\$ 7,871,550	95%
Operating Expenses						
Salaries and wages	11,435,888	12,709,098	(11%)	1,427,056	2,762,064	(94%)
Contract labor	6,559	4,553	31%	539	722	(34%)
Employee benefits	3,925,191	4,248,311	(8%)	455,500	787,059	(73%)
Medical service fees	12,966,261	13,820,099	(7%)	468,960	527,563	(12%)
Supplies	1,802,777	2,007,833	(11%)	2,181	14,835	(580%)
Purchased services	12,971	134,917	(940%)	849	20,604	(2,327%)
Other expenses	799,177	862,016	(8%)	13,148	27,313	(108%)
Allocated ancillary expense	7,818,856	8,484,875	(9%)	747	-	100%
Total operating expenses	\$ 38,767,679	\$ 42,271,702	(9%)	\$ 2,368,979	\$ 4,140,161	(75%)
Margin (before overhead allocation)	\$ 1,847,759	\$ (1,005,518)	(154%)	\$ 1,665,998	\$ 3,731,389	124%
Percent Margin	5%	(2%)		41%	47%	
<i>Overhead Allocation</i>	9,618,883	10,475,420	(9%)	496,001	1,088,418	(119%)
Margin (after overhead allocation)	\$ (7,771,124)	\$ (11,480,938)	48%	\$ 1,169,997	\$ 2,642,971	126%
Percent Margin	(19%)	(28%)		29%	34%	

Income Statement

Valleywise Health
FQHC
FY2022 Projection vs FY2023 Budget
With Ancillary Services

	VCHC - PHOENIX			VCHC - PEORIA		
	JUN Month to Date			JUN Month to Date		
	FY22 Projection	FY23 Budget	%	FY22 Projection	FY23 Budget	%
Visits	71,509	69,122	(3%)	29,159	31,969	10%
Operating Revenues						
Net patient service revenue	\$ 11,832,885	\$ 11,977,105	1%	\$ 5,535,682	\$ 6,475,057	17%
Other Operating Revenue	428,669	563,187	31%	185,735	200,622	8%
PCMH Revenue	-	-	0%	2,512	-	(100%)
Total operating revenues	\$ 12,261,554	\$ 12,540,292	2%	\$ 5,723,928	\$ 6,675,679	17%
Operating Expenses						
Salaries and wages	5,059,665	5,266,003	(4%)	1,801,240	2,128,736	(18%)
Contract labor	1,330	1,842	(39%)	983	849	14%
Employee benefits	1,596,803	1,638,402	(3%)	572,927	657,471	(15%)
Medical service fees	5,260,201	5,951,438	(13%)	2,081,130	2,431,303	(17%)
Supplies	430,616	499,088	(16%)	192,191	231,672	(21%)
Purchased services	6,336	52,667	(731%)	1,895	23,695	(1,151%)
Other expenses	25,595	32,915	(29%)	9,103	17,830	(96%)
Allocated ancillary expense	1,291,186	1,413,492	(9%)	672,733	813,752	(21%)
Total operating expenses	\$ 13,671,731	\$ 14,855,846	(9%)	\$ 5,332,202	\$ 6,305,307	(18%)
Margin (before overhead allocation)	\$ (1,410,177)	\$ (2,315,554)	(64%)	\$ 391,727	\$ 370,373	(5%)
Percent Margin	(12%)	(18%)		7%	6%	
<i>Overhead Allocation</i>	3,267,874	3,513,398	(8%)	1,367,598	1,667,107	(22%)
Margin (after overhead allocation)	\$ (4,678,051)	\$ (5,828,952)	(25%)	\$ (975,872)	\$ (1,296,734)	(33%)
Percent Margin	(38%)	(46%)		(17%)	(19%)	

Income Statement

Valleywise Health FQHC FY2022 Projection vs FY2023 Budget With Ancillary Services

DENTAL			
JUN Month to Date			
	FY22 Projection	FY23 Budget	%
Visits	22,340	22,112	(1%)
Operating Revenues			
Net patient service revenue	\$ 3,108,568	\$ 3,266,773	5%
Other Operating Revenue	303,523	574,937	89%
PCMH Revenue	-	-	0%
Total operating revenues	\$ 3,412,091	\$ 3,841,711	13%
Operating Expenses			
Salaries and wages	3,694,634	3,893,672	(5%)
Contract labor	721	591	18%
Employee benefits	1,126,397	1,152,230	(2%)
Medical service fees	-	-	
Supplies	313,241	334,630	(7%)
Purchased services	170,341	210,027	(23%)
Other expenses	52,244	57,624	(10%)
Allocated ancillary expense	-	-	
Total operating expenses	\$ 5,357,577	\$ 5,648,773	(5%)
Margin (before overhead allocation)	\$ (1,945,487)	\$ (1,807,063)	7%
Percent Margin	(57%)	(47%)	
<i>Overhead Allocation</i>	<i>1,509,648</i>	<i>1,611,963</i>	<i>(7%)</i>
Margin (after overhead allocation)	\$ (3,455,134)	\$ (3,419,026)	1%
Percent Margin	(101%)	(89%)	

Income Statement

Valleywise Health
FQHC
FY2022 Projection vs FY2023 Budget
With Ancillary Services

		ALL CLINICS COMBINED			
		JUN Month to Date			
	FY22 Projection	FY23 Budget	Variance Favorable (Unfavorable)	%	
Visits	311,849	322,651	10,802	3%	
Operating Revenues					
Net patient service revenue	\$ 62,234,787	\$ 67,280,913	\$ 5,046,126	8%	
Other Operating Revenue	3,793,933	4,914,503	1,120,570	23%	
PCMH Revenue	19,268	-	(19,268)	100%	
Total operating revenues	\$ 66,047,988	\$ 72,195,416	\$ 6,147,428	9%	
Operating Expenses					
Salaries and wages	23,418,483	26,759,573	(3,341,091)	(14%)	
Contract labor	10,132	8,556	1,576	16%	
Employee benefits	7,676,817	8,483,472	(806,655)	(11%)	
Medical service fees	20,776,552	22,730,403	(1,953,851)	(9%)	
Supplies	2,741,006	3,088,058	(347,051)	(13%)	
Purchased services	192,390	441,910	(249,520)	(130%)	
Other expenses	899,266	997,698	(98,432)	(11%)	
Allocated ancillary expense	9,783,521	10,712,119	(928,598)	(9%)	
Total operating expenses	\$ 65,498,168	\$ 73,221,790	\$ (7,723,622)	(12%)	
Margin (before overhead allocation)	\$ 549,820	\$ (1,026,373)	\$ (1,576,194)	(287%)	
Percent Margin	1%	(1%)			
<i>Overhead Allocation</i>	<i>16,260,004</i>	<i>18,356,306</i>	<i>(2,096,302)</i>	<i>(13%)</i>	
Margin (after overhead allocation)	\$ (15,710,184)	\$ (19,382,679)	\$ (3,672,496)	(23%)	
Percent Margin	(24%)	(27%)			

Per Visit

Valleywise Health
FQHC
FY2022 Projection vs FY2023 Budget
With Ancillary Services

VCHC		
JUN Month to Date		
FY22 Projection	FY23 Budget	%

OP BEHAVIORAL HEALTH		
JUN Month to Date		
FY22 Projection	FY23 Budget	%

Per Visit Analysis (\$/Visit)						
Net patient service revenue	\$	219.15	\$	224.41	2%	\$ 241.73 \$ 254.20 5%
Other Operating Revenue		16.39		14.90	(9%)	3.05 37.29 1,124%
PCMH Revenue		0.10		-	(100%)	- - 0%
Total operating revenues	\$	235.65	\$	239.30	2%	\$ 244.78 \$ 291.48 19%
Total operating expenses		224.93		245.13	(9%)	143.71 153.31 (7%)
Margin (before overhead allocation)	\$	10.72	\$	(5.83)	(154%)	\$ 101.07 \$ 138.17 37%
<i>Overhead Allocation</i>		55.81		60.75	(9%)	30.09 40.30 (34%)
Margin (after overhead allocation)	\$	(45.09)	\$	(66.58)	(48%)	\$ 70.98 \$ 97.87 38%

Per Visit

Valleywise Health
FQHC
FY2022 Projection vs FY2023 Budget
With Ancillary Services

VCHC - PHOENIX JUN Month to Date		
FY22 Projection	FY23 Budget	%

VCHC - PEORIA JUN Month to Date		
FY22 Projection	FY23 Budget	%

Per Visit Analysis (\$/Visit)						
Net patient service revenue	\$	165.47	\$	173.27	5%	\$ 189.84 \$ 202.54 7%
Other Operating Revenue		5.99		8.15	36%	6.37 6.28 (1%)
PCMH Revenue		-		-	0%	- - 0%
Total operating revenues	\$	171.47	\$	181.42	6%	\$ 196.30 \$ 208.82 6%
Total operating expenses		191.19		214.92	(12%)	182.87 197.23 (7%)
Margin (before overhead allocation)	\$	(19.72)	\$	(33.50)	(70%)	\$ 13.43 \$ 11.59 (14%)
<i>Overhead Allocation</i>		45.70		50.83	(11%)	46.90 52.15 11%
Margin (after overhead allocation)	\$	(65.42)	\$	(84.33)	(29%)	\$ (33.47) \$ (40.56) (21%)

Per Visit

Valleywise Health FQHC <u>FY2022 Projection vs FY2023 Budget</u> With Ancillary Services	DENTAL		
	JUN Month to Date		
	FY22 Projection	FY23 Budget	%
Per Visit Analysis (\$/Visit)			
Net patient service revenue	\$ 139.15	\$ 147.74	6%
Other Operating Revenue	13.59	26.00	91%
PCMH Revenue	-	-	0%
Total operating revenues	\$ 152.73	\$ 173.74	14%
Total operating expenses	239.82	255.46	(7%)
Margin (before overhead allocation)	\$ (87.09)	\$ (81.72)	6%
<i>Overhead Allocation</i>	67.58	72.90	(8%)
Margin (after overhead allocation)	\$ (154.66)	\$ (154.62)	0%

Per Visit

Valleywise Health FQHC <u>FY2022 Projection vs FY2023 Budget</u> With Ancillary Services	ALL CLINICS COMBINED				
	JUN Month to Date				
	FY22 Projection	FY23 Budget	Variance Favorable (Unfavorable)		%
Per Visit Analysis (\$/Visit)					
Net patient service revenue	\$ 199.57	\$ 208.53	\$ 8.96		4%
Other Operating Revenue	12.17	15.23	3.07		25%
PCMH Revenue	0.06	-	(0.06)		(100%)
Total operating revenues	\$ 211.79	\$ 223.76	\$ 11.96		6%
Total operating expenses	210.03	226.94	(16.91)		(8%)
Margin (before overhead allocation)	\$ 1.76	\$ (3.18)	\$ (4.94)		(280%)
<i>Overhead Allocation</i>	52.14	56.89	(4.75)		(9%)
Margin (after overhead allocation)	\$ (50.38)	\$ (60.07)	\$ (9.70)		(19%)



American Rescue Plan

The American Rescue Plan has been removed from the monthly reports and will be discussed in detail quarterly at the Finance Council.

The quarterly reports will provide detail on progression towards milestones and highlight areas of focus.



Capital

FQHC Contingency Capital

\$100,000



**FY 2023
Annual
Budget**

**Capital &
Cash Flow**



Maricopa County Special Health Care District
Budget FY 2023
Capital Budget by Category

Capital Category	Amount
Clinical	\$ 2,760,260
IT	2,896,949
Infrastructure	1,938,679
FQHC	100,000
Other	88,316
Emergency/Contingency	2,215,796
Total	<u>\$ 10,000,000</u>



Maricopa County Special Health Care District
Budget FY 2023
Capital Items \$100k and Over

Description	Capital Category	Amount
CPACS v7 Upgrade	Clinical	\$146,203
EKG Machines	Clinical	162,000
ENDO scopes PEC	Clinical	396,822
ENDO scopes VHMC	Clinical	340,690
ICP Monitors	Clinical	196,998
Medtronic Stealthstation S8	Clinical	343,000
Replacement Echo E9	Clinical	225,392
Zoll Difibrillators	Clinical	333,333
Cisco Nexus 9K	Information Technology	341,332
Cloverleaf Forklift	Information Technology	405,677
Data Domain (DC01)	Information Technology	337,500
End User Device Replacement	Information Technology	437,600
Pure Storage Array	Information Technology	850,000
Quantum (chartmaxx) 9.0 version upgrade	Information Technology	133,560
WOW Replacements	Information Technology	332,280
Install Emergency Power at the Roosevelt CHC	Infrastructure	200,000
PXC Dialysis Renewal	Infrastructure	971,552
Replace Sprinkler Heads to Ligature Resistant non tamper style	Infrastructure	169,518
Replace toilets in Maryvale Hospital Patient Rooms	Infrastructure	395,610
Contingency	FQHC	100,000

Total Approved Capital \$100k and Over

\$ 6,819,066



Maricopa County Special Health Care District
Budget FY 2023
Projected Cash from Operations

	<u>Actual Projected FY 2022</u>	<u>Budget FY 2023</u>
Sources of Cash		
Operations	\$ (78,682,008)	\$ (66,497,459)
Bond Funds	53,921,790	37,132,768
Depreciation - Non Cash Operating Expense	<u>44,428,208</u>	<u>47,710,480</u>
Total Sources of Cash	\$ 19,667,990	\$ 18,345,789
 Uses of Cash		
Repayments - Employer Tax deferral	\$ (5,650,000)	\$ (5,650,000)
Debt Repayments - Medicare Accelerated Payment Program	(15,646,520)	(5,445,734)
Debt Repayments - Bond	(58,892,291)	(55,270,600)
Capital - Emergency/Contingency	<u>(10,000,000)</u>	<u>(10,000,000)</u>
Total Uses of Cash	(90,188,811)	(76,366,334)
 Fiscal Year - Changes in Cash Flow	 <u>\$ (70,520,821)</u>	 <u>\$ (58,020,545)</u>

* Based on April 2022 YTD Annualized