

# EvergreenHealth Financial Stewardship

In 2018, EvergreenHealth invested in several initiatives to expand and enhance patient care, including its Master Facilities Plan project to upgrade the health system's infrastructure and facilities, to meet the community's needs as they grow and evolve.

The organization realized a net income of \$43.1 million in 2018, while investing \$16.2 million in charity care and subsidized health services, and contributing \$33.3 million toward significant capital improvement projects across the EvergreenHealth system.

## EvergreenHealth

### 2018 Significant Capital Projects

#### Primary Projects: \$19.7 million

- Master Facility Plan Phase I
- Master Facility Plan Phase II
- Cerner Electronic Medical Record Project
- IT Hardware and System Upgrades
- Department Relocations
- Cerner Surginet Module for Evergreen Surgical Center
- Navio Surgical Robot
- Cerner Conversion and Upgrade Projects
- Surgical Microscope
- IT Server, Storage, Network Replacement
- Medical Office Building TI Allowances
- Clinic Onboarding

#### Other: \$13.6 million

- Other Clinical Equipment and Facility Improvements

**Total: \$33.3 million**

### Community Care & Services (net cost)

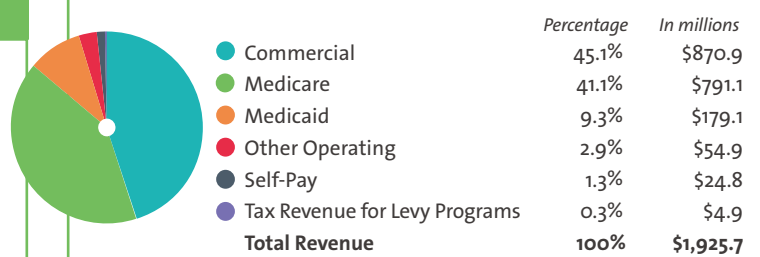


\*Before Levy Funding

### Levy Program Funding Allocations



### 2018 Gross Revenue Sources



### 2018 EvergreenHealth Revenue and Expenses

#### Sources of Revenue (In millions)

In 2018 we billed patients for:

- \$1,865.9** Inpatient and outpatient care
- <\$1,170.2>** Less amounts written off for discounts to payers, including commercial insurances, Medicare and Medicaid
- <\$30.9>** Less amounts written off to charity care and bad debt

**\$664.8 Net Revenue**

We also had additional sources of revenue:

- \$54.9** Other operating revenue and proceeds from sale of assets
- \$4.9** Levy funds for operations
- \$21.3** Levy funds for debt repayment

**\$745.9 Total Revenue**

#### Expenses (In millions)

In 2018 we had expenses for:

- \$449.3** Salaries and benefits
- \$199.9** Supplies, services and other operating expenses
- \$12.0** Levy supported programs
- \$35.4** Depreciation expenses
- \$6.2** Interest expense and other non-operating expenses

**\$702.8 Total Expenses**

#### Net Income (In millions)

**\$43.1 million Total Net Income available, after expenses, for improvement of services and repayment of debt.**