

**Winchester House**  
**Budget Variance Reconciliation**  
**[Without Medicaid County Subsidy & Property Tax Levy]**  
**12/1/2013 - 11/30/2014**

**ACCRUAL BASIS FORMAT (PCC)**

		<b>Total \$'s</b>
Approved Budgeted Net Income (Without Medicaid Subsidy and Property Tax Levy)		<b>\$ (3,985,564)</b>
<b><u>REVENUE RELATED VARIANCES:</u></b>		
Private Revenue under budget - Lower than budgeted levels of care and 241 days over budget	\$ (201,900)	
Medicaid Revenue over budget- Higher than budgeted rate, 1,466 days under budget	205,026	
Medicare A Revenue under budget- 3,641 days under budget, net of higher than budgeted RUGs	(1,653,363)	
Medicare B Revenue under budget- Lower than budgeted # of Part B services	(146,825)	
Managed Care Revenue under budget - Lower than budgeted levels of care and 264 days under budget	(195,108)	
Other Care Revenue over budget- Prior year adjustment	<u>45,214</u>	
<b>Total Revenue Variance</b>		<b>\$ (1,946,955)</b>
<b><u>EXPENSE RELATED VARIANCES:</u></b>		
Ancillary Expenses under budget - Primarily due to lower than budgeted Medicare census and coding of supplies	\$ 507,730	
Nurse Agency over budget	(96,340)	
SDL Purchased Services under budget - Primarily due to lower than budgeted census	444,183	
Other Purchased Services under budget - Primarily due to lower than budgeted census	36,984	
Supplies over budget - Primarily due to the coding of nursing supplies	(102,436)	
Utilities under budget -	115,328	
Management Fees under budget - Due to spread of budgeted Incentive portion of fees	154,000	
Marketing and Promotions under budget - Not yet incurred	24,236	
Taxes and Licenses over budget - Primarily due to timing of bed tax recoupment and monetary penalties related to the survey	(17,004)	
All Other Expenses under budget	<u>28,573</u>	
<b>Total Expense Variance</b>		<b>\$ 1,095,255</b>
Actual Net Operating Income (w/o Medicaid Subsidy, Property Tax Levy and Capital Expenditures)		<b>\$ (4,837,264)</b>

**Winchester House**  
**Budget Variance Summary**  
**12/1/2013 - 11/30/2014**  
**ACCRUAL BASIS (PCC)**

	12/1/2013 - 11/30/2014 Actual	Approved 12/1/2013 - 11/30/2014 Budget	Variance
<b>REVENUE</b>			
<b>Care Related Revenue</b>			
Private Pay Revenue	\$ 2,179,814	\$ 2,381,714	\$ (201,900)
Medicaid Revenue	6,648,397	6,443,370	205,026
Medicare A Revenue	2,551,337	4,204,700	(1,653,363)
Medicare B Revenue	178,812	325,637	(146,825)
Managed Care Revenue	117,952	313,061	(195,108)
Other Care Related Revenue	44,693	-	44,693
<b>Total Care Related Revenue</b>	<b>\$ 11,721,006</b>	<b>\$ 13,668,482</b>	<b>\$ (1,947,476)</b>
Other Income *	3,277	2,756	521
<b>TOTAL REVENUE</b>	<b>\$ 11,724,282</b>	<b>\$ 13,671,238</b>	<b>\$ (1,946,955)</b>
<b>EXPENSES</b>			
Ancillary Expenses	\$ 930,443	\$ 1,438,173	\$ 507,730
Nursing	8,119,097	8,309,633	190,537
Activities	280,056	292,110	12,054
Social Services	147,214	143,429	(3,785)
Other Care Related	93,335	184,491	91,156
Dietary	1,718,433	1,765,288	46,855
Laundry	269,240	294,177	24,938
Housekeeping	585,229	586,164	935
Plant Operations & Maintenance	1,288,265	1,360,596	72,331
Taxes and Licenses	471,750	454,747	(17,004)
Property & Related	18,229	12,400	(5,829)
General & Administrative	2,639,067	2,815,593	176,525
Payroll Taxes & Fringe	1,188	-	(1,188)
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 16,561,547</b>	<b>\$ 17,656,802</b>	<b>\$ 1,095,255</b>
<b>NET OPERATING INCOME</b>	<b>\$ (4,837,264)</b>	<b>\$ (3,985,564)</b>	<b>\$ (851,701)</b>
Capital Outlay	29,694	-	(29,694)
<b>NET INCOME</b>	<b>\$ (4,866,959)</b>	<b>\$ (3,985,564)</b>	<b>\$ (881,395)</b>

\* excludes property taxes

**WINCHESTER HOUSE**  
**CENSUS BY PAYOR**  
**ACTUAL VS. BUDGET**  
**12/1/2013 - 11/30/2014**

	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Total	Payor Mix %
<b>Actual Census Days (By Payor)</b>														
Medicare	348	434	282	316	321	564	511	531	411	447	473	573	5,211	8.9%
Private	1,042	942	836	878	836	961	1,024	1,025	794	817	969	1,067	11,191	19.1%
Medicaid	3,463	3,419	3,008	3,358	3,432	3,426	3,279	3,412	3,793	3,723	3,907	3,657	41,877	71.3%
Managed Care	62	62	86	33	33	14		9	67	67	15	18	466	0.8%
<b>Total Actual Census</b>	<b>4,915</b>	<b>4,857</b>	<b>4,212</b>	<b>4,585</b>	<b>4,622</b>	<b>4,965</b>	<b>4,814</b>	<b>4,977</b>	<b>5,065</b>	<b>5,054</b>	<b>5,364</b>	<b>5,315</b>	<b>58,745</b>	<b>100.00%</b>
<b>Total Capacity</b>	<b>6,944</b>	<b>6,944</b>	<b>6,272</b>	<b>6,944</b>	<b>6,720</b>	<b>6,944</b>	<b>6,720</b>	<b>6,944</b>	<b>6,944</b>	<b>6,720</b>	<b>6,944</b>	<b>6,720</b>	<b>81,760</b>	
<b>Actual Occupancy %</b>	<b>70.8%</b>	<b>69.9%</b>	<b>67.2%</b>	<b>66.0%</b>	<b>68.8%</b>	<b>71.5%</b>	<b>71.6%</b>	<b>71.7%</b>	<b>72.9%</b>	<b>75.2%</b>	<b>77.2%</b>	<b>79.1%</b>	<b>71.85%</b>	
<b>Budgeted Census Days (By Payor)</b>														
Medicare	713	713	644	713	690	713	720	760	775	780	822	810	8,852	13.9%
Private	930	930	840	930	900	930	900	930	930	900	930	900	10,950	17.1%
Medicaid	3,720	3,720	3,360	3,720	3,600	3,720	3,570	3,674	3,658	3,510	3,612	3,480	43,343	67.9%
Managed Care	62	62	56	62	60	62	60	62	62	60	62	60	730	1.1%
<b>Total Budgeted Census Days</b>	<b>5,425</b>	<b>5,425</b>	<b>4,900</b>	<b>5,425</b>	<b>5,250</b>	<b>5,425</b>	<b>5,250</b>	<b>5,425</b>	<b>5,425</b>	<b>5,250</b>	<b>5,425</b>	<b>5,250</b>	<b>63,875</b>	<b>100.00%</b>
<b>Total Capacity</b>	<b>6,944</b>	<b>5,735</b>	<b>5,180</b>	<b>5,735</b>	<b>5,550</b>	<b>5,735</b>	<b>5,550</b>	<b>5,735</b>	<b>5,735</b>	<b>5,550</b>	<b>5,735</b>	<b>5,550</b>	<b>68,734</b>	
<b>Budgeted Occupancy %</b>	<b>78.1%</b>	<b>94.6%</b>	<b>94.6%</b>	<b>94.6%</b>	<b>94.6%</b>	<b>94.6%</b>	<b>94.6%</b>	<b>94.6%</b>	<b>94.6%</b>	<b>94.6%</b>	<b>94.6%</b>	<b>94.6%</b>	<b>92.93%</b>	
<b>Census Days (By Payor) Variance</b>														
Medicare	(365)	(279)	(362)	(397)	(369)	(149)	(209)	(229)	(364)	(333)	(349)	(237)	(3,641)	-70.97%
Private	112	12	(4)	(52)	(64)	31	124	95	(136)	(83)	39	167	241	4.70%
Medicaid	(257)	(301)	(352)	(362)	(168)	(294)	(291)	(262)	135	213	296	177	(1,466)	-28.58%
Managed Care	-	-	30	(29)	(27)	(48)	(60)	(53)	5	7	(47)	(42)	(264)	-5.15%
<b>Total Census Days Variance</b>	<b>(510)</b>	<b>(568)</b>	<b>(688)</b>	<b>(840)</b>	<b>(628)</b>	<b>(460)</b>	<b>(436)</b>	<b>(448)</b>	<b>(360)</b>	<b>(196)</b>	<b>(61)</b>	<b>65</b>	<b>(5,130)</b>	<b>-100.00%</b>
<b>Total Capacity</b>	<b>5,735</b>	<b>5,735</b>	<b>5,180</b>	<b>5,735</b>	<b>5,550</b>	<b>5,735</b>	<b>5,550</b>	<b>5,735</b>	<b>5,735</b>	<b>5,550</b>	<b>5,735</b>	<b>5,550</b>	<b>67,525</b>	
<b>Budgeted Occupancy %</b>	<b>-8.9%</b>	<b>-9.9%</b>	<b>-13.3%</b>	<b>-14.6%</b>	<b>-11.3%</b>	<b>-8.0%</b>	<b>-7.9%</b>	<b>-7.8%</b>	<b>-6.3%</b>	<b>-3.5%</b>	<b>-1.1%</b>	<b>1.2%</b>	<b>-7.60%</b>	