
Not-For-Profit Hospital Corporation

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Description	FY 2014 Approved	FY 2015 Proposed	% Change from FY 2014
Operating Budget	\$110,000,000	\$112,000,000	1.8

Note: Prior year actuals are not reported for the Not-For-Profit Hospital Corporation, because the agency does not use the District's financial system for its actual transactions.

The mission of the Not-For-Profit Hospital Corporation (NFPHC) is dedicated to the health and well-being of individuals and communities entrusted to our care. NFPHC will be an efficient, high value, patient-focused provider of high-quality healthcare to improve the lives of District residents. We will employ innovative approaches that yield excellent experiences and will empower healthcare professionals as they work to care for our patients. We will pursue this vision through collaboration with other providers and as part of a larger District-based delivery system.

NFPHC, commonly known as United Medical Center (UMC) and United Medical Nursing Center, is an independent District instrumentality, created by legislation adopted by the Council of the District of Columbia. It provides inpatient, outpatient, psychiatric, and emergency care, and a skilled nursing facility (SNF). NFPHC is located east of the Anacostia River in the Southeastern section of Washington, D.C. Its primary service market includes residents of Wards 7 and 8 and the state of Maryland's Prince George's County. Approximately 80 percent of United Medical Center's hospital admissions were paid for by the public programs Medicare or Medicaid.

NFPHC is governed by a 14-member board of directors, 11 of whom are voting members and three of whom are non-voting members. Six members are appointed by the Mayor and three members are appointed by the Council of the District of Columbia. The Chief Financial Officer of the District, or his or her designee, and a representative of the entity maintaining the largest collective bargaining agreement with the corporation serve as ex officio voting members. The Chief Executive Officer and Chief Medical Officer of NFPHC and the President of the District of Columbia Hospital Association serve as non-voting ex officio members.

NFPHC, unlike certain other District Enterprise and Other Funds such as the Washington Convention and Sports Authority and the University of the District of Columbia, does not receive a regular subsidy from General Fund taxes.

NFPHC, after a considerable effort (assisted by Huron Healthcare), conducted a comprehensive community needs assessment resulting in a new Strategic Vision and Plan. Five major areas within this plan of focus over the next three to five years are:

- Align with a partner(s) and position UMC to thrive under healthcare reform;
- Achieve financial stability;
- Recruit, deploy, and retain talented and enthusiastic personnel focused on providing excellent patient experiences;
- Achieve superior quality and patient safety outcomes; and
- Contribute to overall health within the communities that UMC serves.

The agency’s FY 2015 proposed budget is presented in the following tables:

FY 2015 Proposed Gross Funds Operating Budget, by Revenue Type

Table HW0-1 contains the proposed FY 2015 agency budget compared to the FY 2014 approved budget.

Table HW0-1
(dollars in thousands)

Appropriated Fund	Approved FY 2014	Proposed FY 2015	Change from FY 2014	Percent Change*
General Fund				
Special Purpose Revenue Funds	110,000	0	-110,000	-100.0
Total for General Fund	110,000	0	-110,000	-100.0
Enterprise and Other				
Enterprise and Other Funds	0	112,000	112,000	N/A
Total for Enterprise and Other	0	112,000	112,000	N/A
Gross Funds	110,000	112,000	2,000	1.8

*Percent change is based on whole dollars.

Note: If applicable, for a breakdown of each Grant (Federal and Private), Special Purpose Revenue type and Intra-District agreement, please refer to **Schedule 80 Agency Summary by Revenue Source** in the **FY 2015 Operating Appendices** located on the Office of the Chief Financial Officer’s website.

FY 2015 Proposed Operating Budget, by Comptroller Source Group

Table HW0-2 contains the proposed FY 2015 budget at the Comptroller Source Group (object class) level compared to the FY 2014 approved budget.

Table HW0-2
(dollars in thousands)

Comptroller Source Group	Approved FY 2014	Proposed FY 2015	Change from FY 2014	Percent Change*
50 - Subsidies and Transfers	110,000	112,000	2,000	1.8
Subtotal Nonpersonal Services (NPS)	110,000	112,000	2,000	1.8
Gross Funds	110,000	112,000	2,000	1.8

*Percent change is based on whole dollars.

Program Description

The Not-For-Profit Hospital Corporation operates through revenues generated primarily, though not exclusively, through its Hospital patient and SNF resident operations.

Hospital Services - NFPHC operates an acute care program with 234 acute care beds, which provides medical, surgical, psychiatric, and obstetric care. Other hospital services include adult emergency care and outpatient Land diagnostic services. Children's National Medical Center, through a lease arrangement, provides pediatric emergency care on the campus of NFPHC.

SNF Services - With a capacity of 120 beds, the SNF provides skilled nursing services to chronically ill residents, with a significant percentage of the patients being the elderly.

Program Structure Change

The Not-For-Profit Hospital Corporation has no program structure changes in the FY 2015 proposed budget.

FY 2015 Proposed Operating Budget and FTEs, by Program and Activity

Table HW0-3 contains the proposed FY 2015 budget by program and activity compared to the FY 2014 approved budget.

Table HW0-3

(dollars in thousands)

Program/Activity	Dollars in Thousands			Full-Time Equivalents		
	Approved FY 2014	Proposed FY 2015	Change from FY 2014	Approved FY 2014	Proposed FY 2015	Change from FY 2014
(1000) Not-For-Profit Hospital Corporation						
(1001) Not-For-Profit Hospital Corporation	110,000	112,000	2,000	0.0	0.0	0.0
Subtotal (1000) Not-For-Profit Hospital Corporation	110,000	112,000	2,000	0.0	0.0	0.0
Total Proposed Operating Budget	110,000	112,000	2,000	0.0	0.0	0.0

(Change is calculated by whole numbers and numbers may not add up due to rounding)

Note: For more detailed information regarding the proposed funding for the activities within this agency's programs, please see **Schedule 30-PBB Program Summary by Activity** in the **FY 2015 Operating Appendices** located on the Office of the Chief Financial Officer's website.

FY 2015 Proposed Budget Changes

The Not-For-Profit Hospital Corporation's (NFPHC) proposed FY 2015 gross budget is \$112,000,000, which represents a 1.8 percent increase over its FY 2014 approved gross budget of \$110,000,000. The budget is comprised entirely of Enterprise and Other funds.

Note: For FY 2015, a new appropriated fund, Enterprise and Other Funds, was created to replace the appropriated fund previously associated with the General Fund. In tables that categorized changes by fund, the budget associated with the original appropriated funds, Special Purpose Revenue, is reflected as a decrease. As the budget shifts from the General Fund to the new Enterprise and Other appropriated fund, the budget is shown as a corresponding increase.

Agency Budget Submission

Shift: The budget shows a shift from Special Purpose Revenue funds to Enterprise and Other Funds, a decrease of \$110,000,000 offset by an increase of \$112,000,000. Included in the shift, additional funding of \$2,000,000 accounts for additional revenue NFPHC expects to collect in FY 2015.

Mayor's Proposed Budget

No Change: The Not-For-Profit Hospital Corporation's budget proposal reflects no change from the agency budget submission to the Mayor's proposed budget.

District's Proposed Budget

No Change: The Not-For-Profit Hospital Corporation's budget proposal reflects no change from the Mayor's

FY 2014 Approved Budget to FY 2015 Proposed Budget, by Revenue Type

Table HW0-4 itemizes the changes by revenue type between the FY 2014 approved budget and the FY 2015 proposed budget.

Table HW0-4
(dollars in thousands)

DESCRIPTION	PROGRAM	BUDGET	FTE
SPECIAL PURPOSE REVENUE FUNDS: FY 2014 Approved Budget and FTE		110,000	0.0
Shift: To align budget with projected revenues	Not-For-Profit Hospital Corporation	-110,000	0.0
SPECIAL PURPOSE REVENUE FUNDS: FY 2015 Agency Budget Submission		0	0.0
ENTERPRISE AND OTHER FUNDS: FY 2014 Approved Budget and FTE		0	0.0
Shift: To align budget with projected revenues	Not-For-Profit Hospital Corporation	112,000	0.0
ENTERPRISE AND OTHER FUNDS: FY 2015 Agency Budget Submission		112,000	0.0
No Change		0	0.0
ENTERPRISE AND OTHER FUNDS: FY 2015 Mayor's Proposed Budget		112,000	0.0
No Change		0	0.0
ENTERPRISE AND OTHER FUNDS: FY 2015 District's Proposed Budget		112,000	0.0
Gross for HW0 - Not-For-Profit Hospital Corporation		112,000	0.0

(Change is calculated by whole numbers and numbers may not add up due to rounding)