

**EASTERN PLUMAS HEALTH CARE DISTRICT
MEETING OF THE STANDING FINANCE COMMITTEE
OF THE BOARD OF DIRECTORS
MINUTES
Thursday, April 27, 2023 at 8:00 a.m.**

1. Call to Order

Meeting was called to order at 8:06 a.m.

2. Roll Call

Present: Paul Swanson, M.D., Committee Chair/Board Member; Augustine Corcoran, Board Chair.

Staff in attendance: Doug McCoy, CEO; Katherine Pairish, CFO; Penny Holland, Chief Nursing Officer; Barbara Sokolov, Executive Assistant/Clerk of the Board.

3. Consent Calendar

The consent calendar items were approved as submitted.

Motion: Director Swanson, seconded by Director Corcoran.

4. Board Comments

None.

5. Public Comments

None.

6. CFO Report

Katherine Pairish, CFO

Summary

Year to Date gross revenue exceeded last year to date gross revenue by \$1,038,845. Revenue increases have been primarily impacted by increased swing bed, SNF, clinic and outpatient volumes. For the month of March 2023, we posted net income in the amount of \$760,921, thanks to the receipt of \$604,704 in IGT monies and the recognition of \$958,444 in CARES Act monies. We anticipate receipt of the remaining IGT monies prior to the end of the fiscal year in the amount of approximately \$3 million.

Revenues

For the month of March 2023, Gross Revenues were under budget by \$253,385. Inpatient Revenues were under budget by \$53,552. Skilled Nursing Revenues were over budget by \$60,800. Outpatient Revenues were under budget by \$371,381 and Clinic Revenues were over budget by \$171,548.

Expenses

Salaries and Benefits: Combined Salaries and Benefits were over budget by \$113,669.

Professional Fees: Professional Fees were over budget by \$34,694.

Repairs & Maintenance: Repairs & Maintenance were over budget by \$46,184.

Utilities: Utilities were over budget by \$7,257.

Supplies: Supplies were under budget by \$58,763.

Purchased Services: Purchased Services were over budget by \$192,047.

Depreciation Expense: Depreciation Expense was under budget by \$75,793.

Other Expenses: Other Expenses were over budget by \$1,027. These include training, travel, and dues and subscriptions.

Revenue Cycle

Gross Accounts Receivable as of March 31, 2023, was \$9.8 million. Gross Accounts Receivable days were 74. We budgeted 62 and best practice is 55. The increase is due to challenges with certain payers. We continue to work to rectify this and hope to have it resolved prior to the end of our current fiscal year.

Balance Sheet

Total Assets decreased by 25.72% compared to March 2022. Cash decreased 51.69% as last year's cash included \$6,596,979 in IGT monies. The decrease in cash is also due to the challenges with the payers as mentioned above.

Additional Information

Days cash on hand on March 31, 2023, was 135. March 31, 2022, days cash on hand was 321. Our cash position is still very strong. To date, we have spent \$2,810,638 on capital equipment with \$2,285,836 of that going towards the construction of the new Loyalton Clinic.

Katherine was also pleased to report that \$1,800,000 in IGTs had been received last week. A check from Anthem, to resolve outstanding monies owed by that payer, should be received in a week or two. This is something other hospitals are also struggling with. In addition, Katherine noted that an error in by the state in QIP resulted in underpayment of \$78k and this money should be paid by the end of June. Doug asked if Medicare money was still pending. Katherine replied that it was on the balance sheet but not accounted for/applied to revenue and that there was the potential for \$250,000 more coming in. Dr. Swanson asked if IGTs obscured operations month to month and Katherine responded that she'd be happy to pull them out for the Finance Committee. Dr. Swanson also asked if the new system was easier to use. Katherine explained that Multiview was definitely an improvement but that the Finance team was still learning how to push Cerner into Multiview. Cerner implementation was creating delays in the business office but a Cerner consultant was coming out to work with them in the next few weeks. Doug noted that he was a fan of year over year reviews and that IGTs and Cares Act monies have had a big impact. The goal is for revenue increases year over year. From 2021 to 2022, 17-19% increase in patient revenues. He is confident that EPHC will make budget before the end of the year. Katherine added that she was hoping for budget approvals for the June BOD meeting but that Cerner delays may mean July. Doug reminded everyone that meal break penalties are still an issue with \$40-50k per month in penalties and \$520,000 annually. He also reported that Penny was driving an increase in the Swing census that was offsetting inpatient revenue. SNF census was at 58, an all-time high. Last year at this time the SNF census was 46. No travelers in the hospital and almost none in Loyalton. 3D Mammography currently being installed, a plus for women's health. Clinic was working its way

Meeting of the Standing Finance Committee of Eastern Plumas Health Care
April 27, 2023 MINUTES - Continued

back post Cerner. Director Corcoran stated that the Loyalton Clinic renovation had been the right move for the community and it was a solid business move and revenue source. Doug shared that licensing for Loyalton had been fast-tracked and now was only 2-3 weeks away. Katherine asked that everyone keep an eye on efficiencies going forward especially as technology helps with tasks and that we use smart, prudent analysis for sound fiscal management.

7. Adjournment

Meeting adjourned at 8:50 a.m.