

**EASTERN PLUMAS HEALTH CARE DISTRICT
REGULAR MEETING OF THE BOARD OF DIRECTORS
Thursday, June 27, 2013
10:00 A.M.
EPHC Education Center, Portola, CA**

Agenda

REASONABLE ACCOMMODATIONS: In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting please contact the Clerk of the Board at (530) 832-6564. Notification 72 hours prior to the meeting will enable the Eastern Plumas Health Care to make reasonable arrangements to ensure accessibility.

	<u>Presenter(s)</u>	<u>I/D/A</u>	<u>Page(s)</u>
1. Call to Order	Gail McGrath	A	
2. Roll Call	Gail McGrath	I	
3. Consent Calendar (A) Agenda	Gail McGrath	A	1-2
4. Board Chair Comments	Gail McGrath	I/D	
5. Board Comments	Board Members	I	
6. Public Comment	Members of the Public	I	
7. Auxiliary Report	Katie Tanner	I/D	
8. Extension of CEO Contract	Larry Fites	I/D	
9. Policies and Procedures Reviewed on	Tom Hayes	I/D/A	
<ul style="list-style-type: none"> • Fentanyl Patch Order • Light Sensitive Medications • Shift Trades/Substitutions • Ambulance Cleaning/Decontamination • Dietary “Manual” 			
10. Committee Reports	Board Members	I/D	
<ul style="list-style-type: none"> • Standing Finance Committee 	Skutt/ McBride		
11. Chief Financial Officer Report	Jeri Nelson	I/D	3-13
<ul style="list-style-type: none"> • May Financials • Other 			
12. 2013/2014 Budget	Jeri Nelson	I/D/A	14

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|--|--------------|-------|
| 13. Chief Executive Officer Report | Tom Hayes | I/D |
| <ul style="list-style-type: none"> • DP/SNF reimbursement cuts update • Employee Satisfaction Committee update • California Department of Public Health Recertification Survey • Director of Nursing Update • Capital Budget • Other | | |
| | | 15 |
| | | |
| 14. Closed Session | Gail McGrath | I/D/A |
| <p>I. Closed Session, pursuant to Health and Safety Code 32155, to review reports on Quality Assurance.</p> <p>II. Closed Session, pursuant to Government Code Section 54957 to consider the following privileges and appointments to the medical staff:</p> | | |
| <p>Provisional One Year Appointment</p> <ul style="list-style-type: none"> • Anne L. Williams, MD (Family Medicine) | | |
| <p>Active Two Year Appointment</p> <ul style="list-style-type: none"> • Michelle Kim, MD (Family Practice) | | |
| <p>Courtesy Two Year Re-Appointment</p> <ul style="list-style-type: none"> • Jack Bertman, MD (Emergency/Hospitalist) | | |
| <p>Allied Health - Provisional One Year Privileges</p> <ul style="list-style-type: none"> • Robin Jaquez, FNP | | |
| | | |
| 15. Open Session Report of Actions Taken in Closed Session | Gail McGrath | I |
| | | |
| 16. Adjournment | Gail McGrath | A |

EASTERN PLUMAS HEALTH CARE DISTRICT

MEMORANDUM

Date: June 14, 2013
To: Board of Directors
From: Jeri Nelson, Chief Financial Officer
Subject: Summary of Financial Results – May 2013

Table 1. Consolidated Financial Results – May 2013

	Actual	Budget	Variance
Total Revenue	\$2,993,465	\$3,308,262	\$(314,797)
Contractual Adjustments	\$1,323,692	\$1,416,015	\$(92,323)
Bad Debt/Admin Adjustments	\$134,603	\$147,774	\$(13,171)
Net Revenue	\$1,535,170	\$1,744,473	\$(209,303)
Total Expenses	\$1,605,587	\$1,751,213	\$(145,626)
Operating Income (Loss)	\$(70,418)	\$(6,740)	\$(63,678)
Non-Operating Income(Expense)	\$65,247	\$49,758	\$15,489
Net Income (Loss)	\$(5,170)	\$43,019	\$(48,189)

Table 2. Consolidated Financial Results – Eleven Months Ended May 2013

	Actual	Budget	Variance
Total Revenue	\$34,900,666	\$35,787,048	\$(886,382)
Contractual Adjustments	\$14,835,209	\$15,300,514	\$(465,305)
Bad Debt/Admin Adjustments	\$1,777,742	\$1,598,498	\$179,244
Net Revenue	\$18,287,715	\$18,888,036	\$(600,321)
Total Expenses	\$18,588,084	\$19,018,347	\$(430,263)
Operating Income (Loss)	\$(300,369)	\$(130,311)	\$(170,058)
Non-Operating Income (Expense)	\$839,208	\$747,342	\$91,866
Net Income (Loss)	\$538,839	\$617,031	\$(78,192)

With the exception of Radiology and Emergency services, all revenue departments were at or under budget in May. Actual net revenue for May is 51.1% of patient revenue and 52.3% year-to-date; budget is 52.7%. We are continuing to realign staffing for the reduced volumes in Skilled Nursing and Acute. Our census at month end was 22 residents at Portola and 21 residents at Loyaltan. We will continue to accept and budget for 24 residents at each campus. Cash receipts were very low in May causing our A/R days to increase to 58.

**EASTERN PLUMAS HEALTH CARE
BALANCE SHEET
FOR THE MONTH ENDED
MAY 31, 2013**

DESCRIPTION

ASSETS

CURRENT ASSETS

CASH	636,548
INVESTMENTS	1,109,498
ACCOUNTS RECEIVABLE NET	3,006,717
ACCOUNTS RECEIVABLE OTHER	135,877
INVENTORY	215,316
PREPAID EXPENSES	64,411
TOTAL CURRENT ASSETS	5,168,368

PROPERTY AND EQUIPMENT

LAND AND IMPROVEMENTS	934,164
BUILDINGS AND IMPROVEMENTS	10,080,726
EQUIPMENT	10,894,841
IN PROGRESS	141,976
TOTAL PROPERTY AND EQUIPMENT	22,051,707
ACCUMULATED DEPRECIATION	13,994,679
NET PROPERTY AND EQUIPMENT	8,057,028

COSTS OF ISSUANCE NET	14,162
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TOTAL	13,239,558
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LIABILITIES AND FUND BALANCE

CURRENT LIABILITIES

LEASES PAYABLE	128,181
ACCOUNTS PAYABLE	649,532
ACCRUED PAYROLL/RELATED TAXES	896,682
OTHER CURRENT LIABILITIES	680,683
TOTAL CURRENT LIABILITIES	2,355,077

LEASES PAYABLE	303,787
USDA REPAIRS & DEFEASANCE	352,706
CHFFA - EMR & ENDO EQUIP LOAN	67,183
CITY OF PORTOLA- PROPERTY LOAN	348,000
USDA LOANS SNF	3,518,087
USDA LOAN REPAIRS	18,649
USDA LOAN LOYALTON	496,594
USDA LOAN LOYALTON & PORTOLA	113,026
TOTAL LIABILITIES	7,573,109

FUND BALANCE	5,127,609
NET INCOME (LOSS)	538,839

TOTAL	13,239,558
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**EASTERN PLUMAS HEALTH CARE
COMPARATIVE BALANCE SHEET
FOR THE MONTHS ENDED**

	APRIL 2013	MAY 2013	CHANGE
ASSETS			
CURRENT ASSETS			
CASH	\$ 1,066,602	\$ 636,548	\$ (430,054)
LAIF SAVINGS	\$ 1,109,498	\$ 1,109,498	\$ -
ACCOUNTS RECEIVABLE NET	\$ 2,808,792	\$ 3,006,718	\$ 197,926
ACCOUNTS RECEIVABLE OTHER	\$ 303,080	\$ 135,877	\$ (167,203)
INVENTORY	\$ 215,316	\$ 215,316	\$ -
PREPAID EXPENSES	\$ 70,232	\$ 64,411	\$ (5,821)
TOTAL CURRENT ASSETS	<u>\$ 5,573,520</u>	<u>\$ 5,168,368</u>	<u>\$ (405,152)</u>
PROPERTY AND EQUIPMENT			
LAND AND IMPROVEMENTS	\$ 934,164	\$ 934,164	\$ -
BUILDINGS AND IMPROVEMENTS	\$ 10,080,726	\$ 10,080,726	\$ -
EQUIPMENT	\$ 10,849,798	\$ 10,894,841	\$ 45,043
IN PROGRESS	\$ 169,998	\$ 141,976	\$ (28,022)
	<u>\$ 22,034,686</u>	<u>\$ 22,051,707</u>	<u>\$ 17,021</u>
ACCUMULATED DEPRECIATION	\$ 13,953,166	\$ 13,994,679	\$ 41,513
TOTAL PROPERTY AND EQUIPMENT	<u>\$ 8,081,520</u>	<u>\$ 8,057,028</u>	<u>\$ (24,492)</u>
COSTS OF ISSUANCE NET	\$ 14,414	\$ 14,162	\$ (252)
TOTAL	<u>\$ 13,669,454</u>	<u>\$ 13,239,558</u>	<u>\$ (429,896)</u>
LIABILITIES AND FUND BALANCE			
CURRENT LIABILITIES			
LEASES PAYABLE	\$ 131,062	\$ 128,181	\$ (2,881)
ACCOUNTS PAYABLE	\$ 782,311	\$ 649,532	\$ (132,779)
ACCRUED PAYROLL/RELATED TAXES	\$ 1,089,271	\$ 896,682	\$ (192,589)
OTHER CURRENT LIABILITIES	\$ 734,072	\$ 680,683	\$ (53,389)
TOTAL CURRENT LIABILITIES	<u>\$ 2,736,716</u>	<u>\$ 2,355,078</u>	<u>\$ (381,638)</u>
LEASES PAYABLE	\$ 303,787	\$ 303,787	\$ -
CHFFA LOAN	\$ 73,809	\$ 67,183	\$ (6,626)
CITY OF PORTOLA	\$ 348,000	\$ 348,000	\$ -
USDA LOANS	\$ 4,535,523	\$ 4,499,062	\$ (36,461)
TOTAL LIABILITIES	<u>\$ 7,997,835</u>	<u>\$ 7,573,110</u>	<u>\$ (424,725)</u>
FUND BALANCE	\$ 5,127,609	\$ 5,127,609	\$ -
NET INCOME (LOSS)	\$ 544,010	\$ 538,839	\$ (5,171)
TOTAL	<u>\$ 13,669,454</u>	<u>\$ 13,239,558</u>	<u>\$ (429,896)</u>

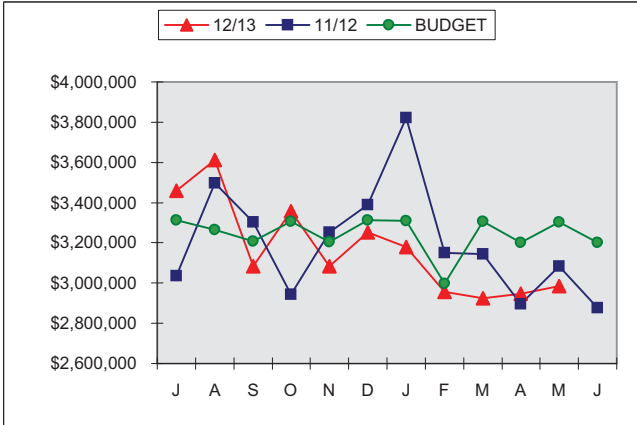
**EASTERN PLUMAS HEALTH CARE
STATEMENT OF REVENUE & EXPENSE
FOR THE MONTH ENDED
MAY 31, 2013**

DESCRIPTION	CURRENT PERIOD			YEAR TO DATE			ANNUAL BUDGET
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE	
OPERATING REVENUE							
INPATIENT ROUTINE	163237	223479	-60242	1959998	2415015	-455017	2631285
INPATIENT ANCILLARY	208751	261455	-52704	2328019	2833718	-505699	3087405
TOTAL INPATIENT	371988	484934	-112946	4288017	5248733	-960716	5718690
SWING ROUTINE	46000	61490	-15490	692000	664493	27507	724000
SWING ANCILLARY	38015	48916	-10901	471281	532615	-61334	579962
TOTAL SWING BED	84015	110406	-26391	1163281	1197108	-33827	1303962
SKILLED NURSING ROUTINE	428612	493360	-64748	5234312	5331486	-97174	5808932
SKILLED NURSING ANCILLARY	83052	86291	-3239	831849	934850	-103001	1018367
TOTAL SKILLED NURSING	511664	579651	-67987	6066161	6266336	-200175	6827299
OUTPATIENT SERVICES	2017356	2127768	-110412	23322985	23014335	308650	25078792
TOTAL PATIENT REVENUES	2985023	3302758	-317735	34840444	35726512	-886068	38928743
OTHER OPERATING REVENUE	8442	5503	2939	60222	60537	-315	66040
TOTAL REVENUE	2993465	3308262	-314797	34900666	35787048	-886382	38994783
DEDUCTIONS FROM REVENUE							
BAD DEBT/ADMINISTRATIVE ADJ'S	134603	147774	-13171	1777742	1598498	179244	1741774
CONTRACTUAL ADJUSTMENTS	1323692	1416015	-92323	14835209	15300514	-465305	16671008
TOTAL DEDUCTIONS	1458295	1563789	-105494	16612951	16899012	-286061	18412782
NET REVENUE	1535170	1744473	-209303	18287715	18888036	-600321	20582001
OPERATING EXPENSES							
SALARIES	794227	821314	-27087	8695126	8814794	-119668	9594815
BENEFITS	164868	217616	-52748	2161376	2367691	-206315	2580428
SUPPLIES	133202	151106	-17904	1504511	1705933	-201422	1857037
PROFESSIONAL FEES	219776	236555	-16779	2539723	2566493	-26770	2796024
REPAIRS & MAINTENANCE	31032	38465	-7433	473901	423109	50792	461574
PURCHASED SERVICES	99130	61738	37392	946269	679391	266878	741129
UTILITIES/TELEPHONE	54834	57872	-3038	640176	639954	222	697826
INSURANCE	33215	33280	-65	338789	366085	-27296	399366
RENT/LEASE EXPENSE	2135	18654	-16519	204448	205192	-744	223846
DEPRECIATION/AMORTIZATION	41765	75748	-33983	699467	797227	-97760	872975
INTEREST EXPENSE	21177	26098	-4921	242525	287082	-44557	313180
OTHER EXPENSES	10226	12766	-2540	141773	165396	-23623	178099
TOTAL EXPENSES	1605587	1751213	-145626	18588084	19018347	-430263	20716299
OPERATING INCOME (LOSS)	-70418	-6740	-63678	-300369	-130311	-170058	-134298
MISCELLANEOUS	2874	2383	491	53856	26217	27639	28600
CONTRIBUTIONS	15000	0	15000	264244	200000	64244	200000
PROPERTY TAX REVENUE	47373	47375	-2	521108	521125	-17	568500
NON-OPERATING INCOME	65247	49758	15489	839208	747342	91866	797100
NET INCOME (LOSS)	-5170	43019	-48189	538839	617031	-78192	662802

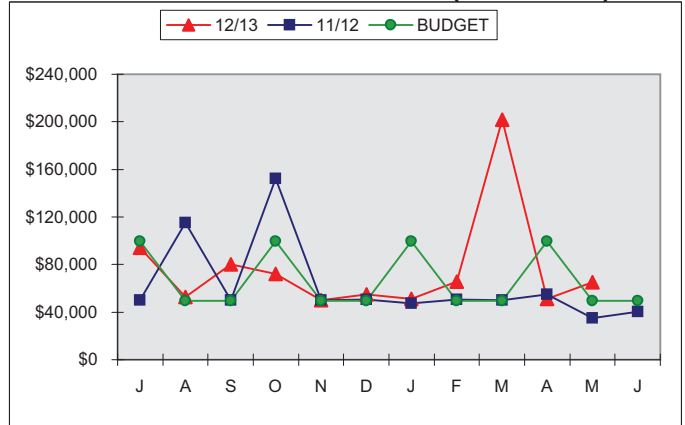
DESCRIPTION	CURRENT PERIOD			YEAR TO DATE			ANNUAL BUDGET
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE	
STATISTICAL DATA							
ACUTE INPATIENT ADMISSIONS	17	34	-17	216	377	-161	411
ACUTE PATIENT DAYS	59	82	-23	706	895	-189	975
SKILLED NURSING PATIENT DAYS	1291	1488	-197	15766	16080	-314	17520
SWING BED DAYS	23	30	-7	346	332	14	362
E.R. VISITS	288	268	20	3177	2898	279	3160
CLINIC VISITS	2179	2312	-133	25327	24987	340	27230

EASTERN PLUMAS HEALTH CARE
 MONTHLY FINANCIAL GRAPHS
 FOR THE YEAR ENDED JUNE 30, 2013

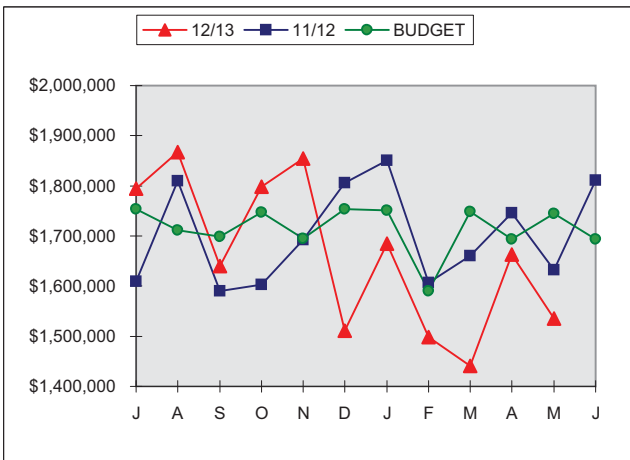
1. GROSS PATIENT REVENUE



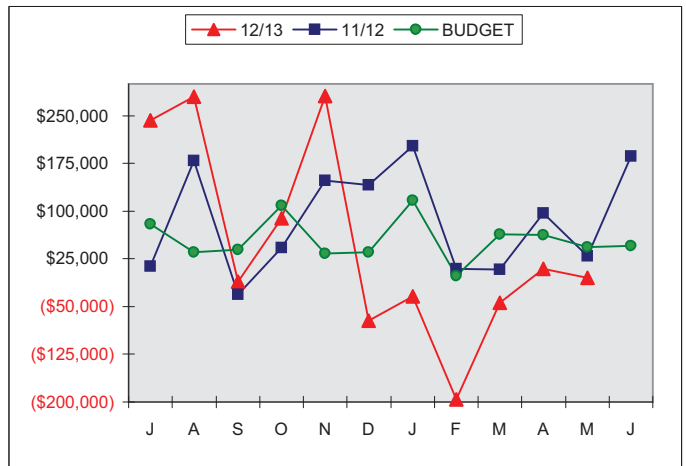
4. NON-OPERATING INCOME (EXPENSE)



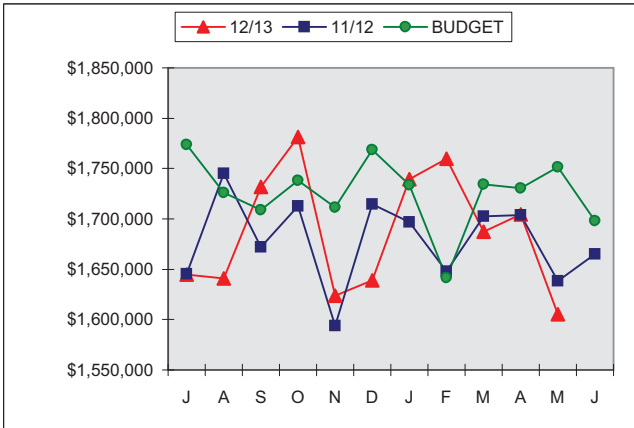
2. ESTIMATED NET REVENUE



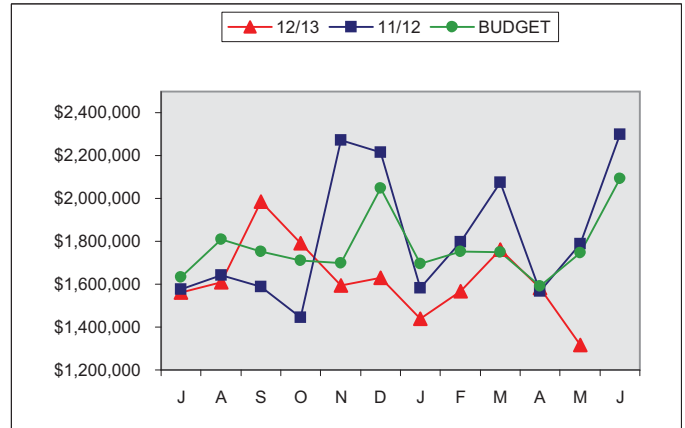
5. NET INCOME (LOSS)



3. OPERATING EXPENSES

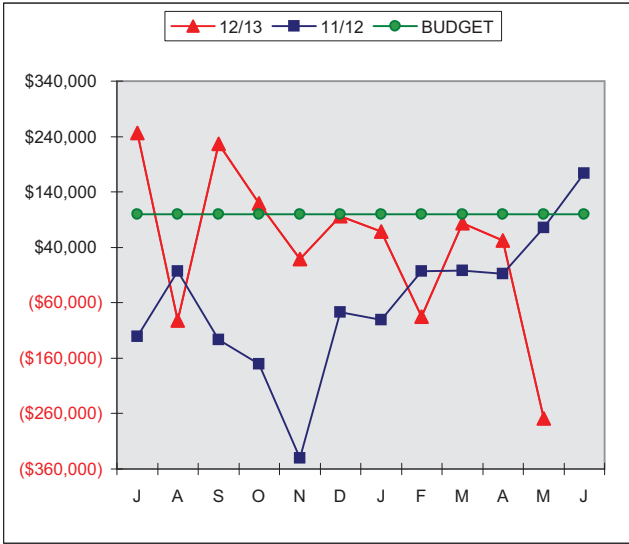


6. CASH RECEIPTS

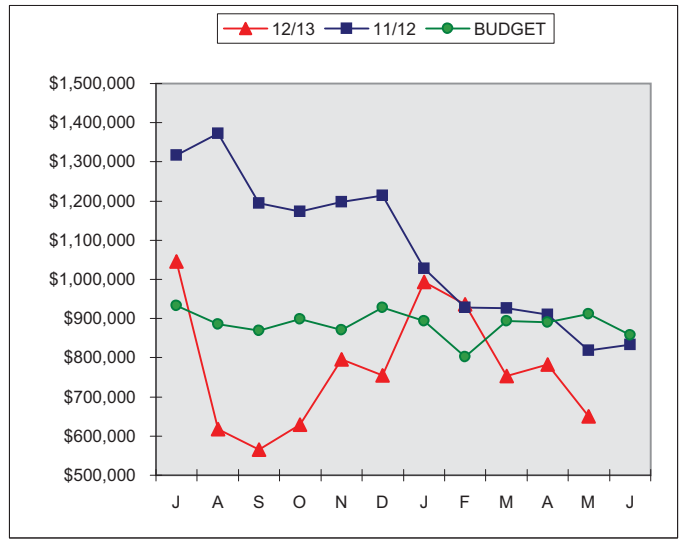


EASTERN PLUMAS HEALTH CARE
MONTHLY FINANCIAL GRAPHS
FOR THE YEAR ENDED JUNE 30, 2013

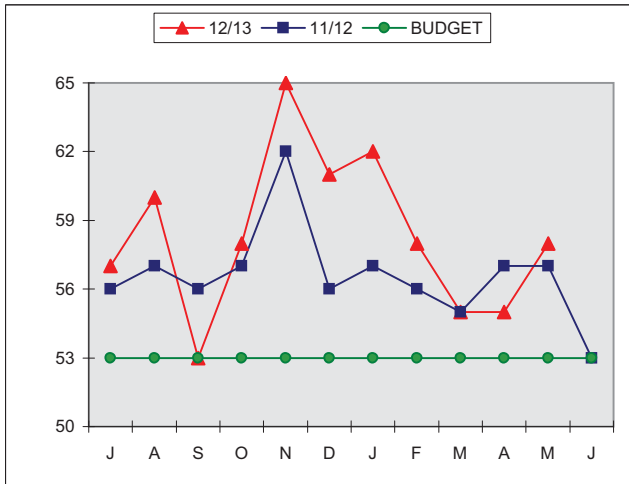
7. OPERATING CASH



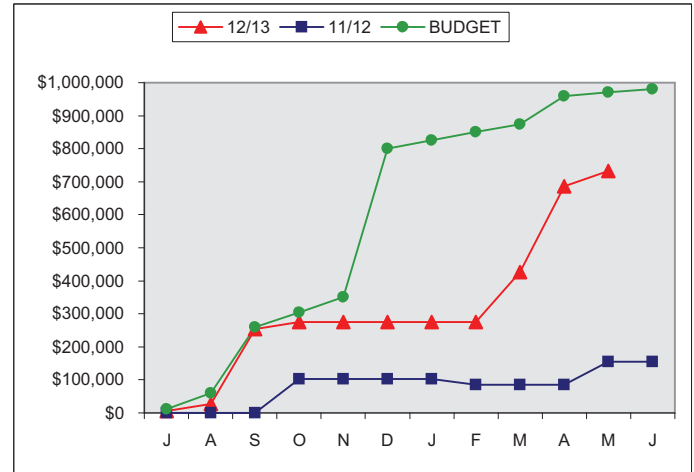
10. ACCOUNTS PAYABLE



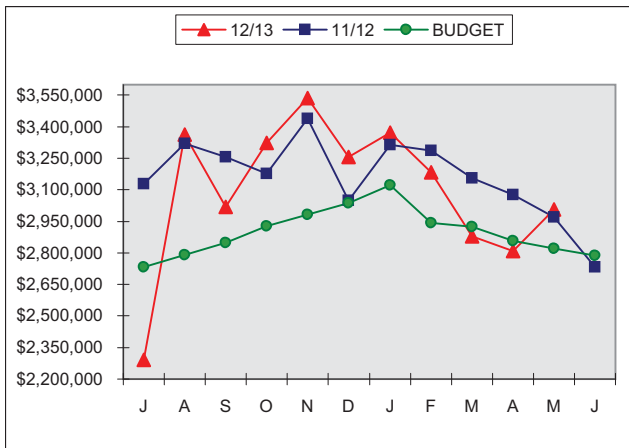
8. ACCOUNTS RECEIVABLE-DAYS



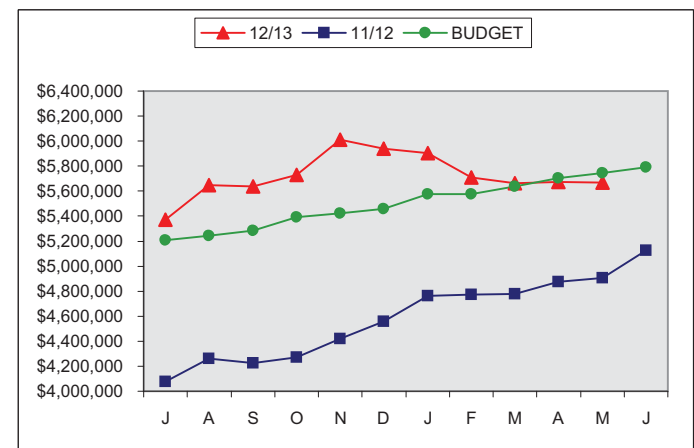
11. CAPITAL EXPENDITURES-YTD



9. ACCOUNTS RECEIVABLE, NET

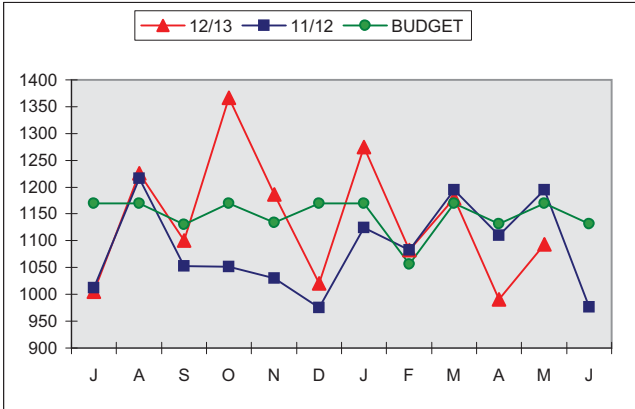


12. FUND BALANCE + NET INCOME (LOSS)

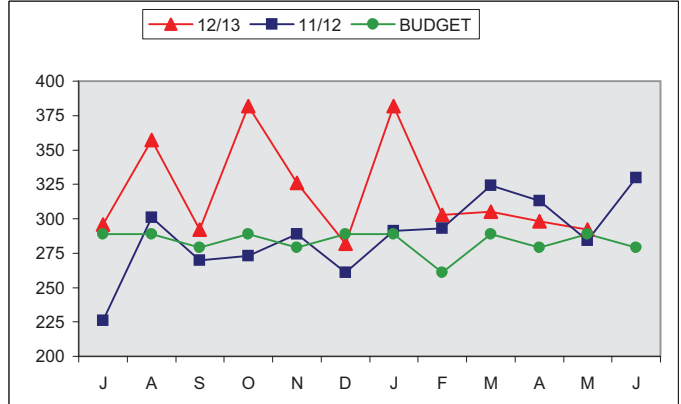


EASTERN PLUMAS HEALTH CARE
 MONTHLY FINANCIAL GRAPHS
 FOR THE YEAR ENDED JUNE 30, 2013

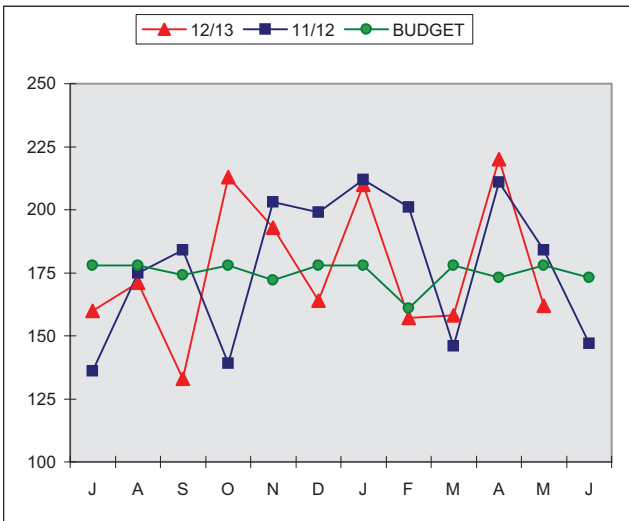
13. PORTOLA MEDICAL CLINIC VISITS



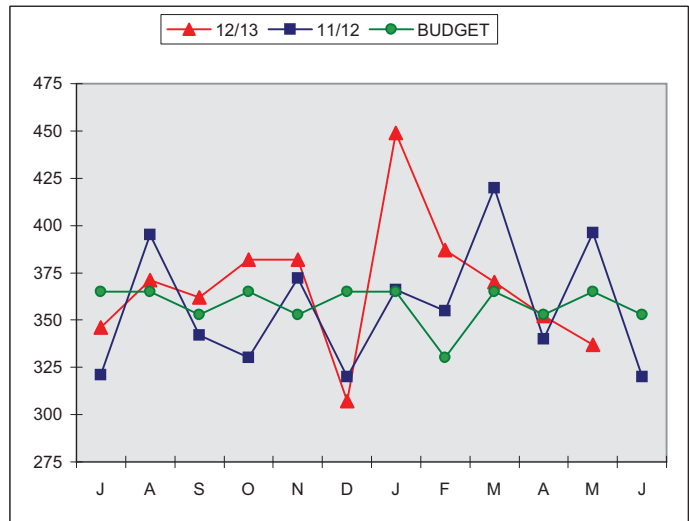
16. LOYALTON MEDICAL CLINIC VISITS



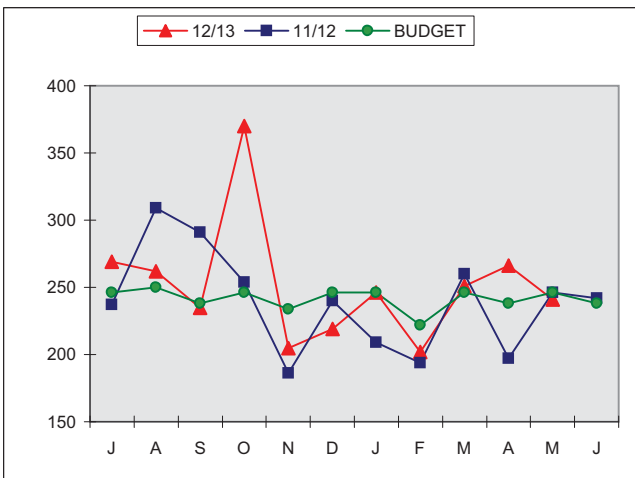
14. PORTOLA DENTAL CLINIC VISITS



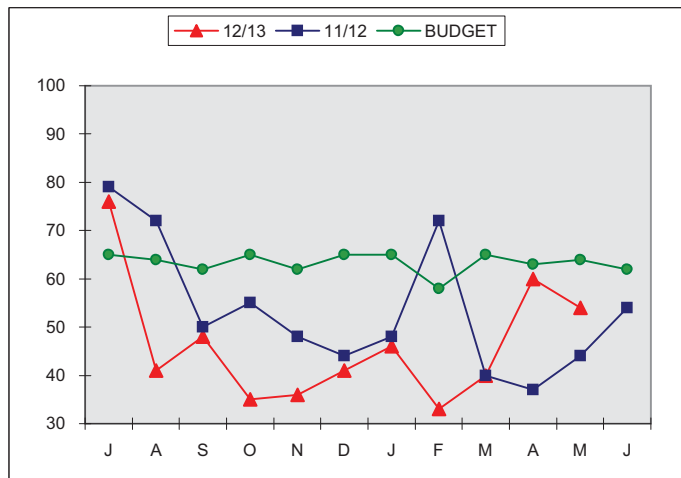
17. INDIAN VALLEY MEDICAL CLINIC VISITS



15. GRAEAGLE MEDICAL CLINIC VISITS

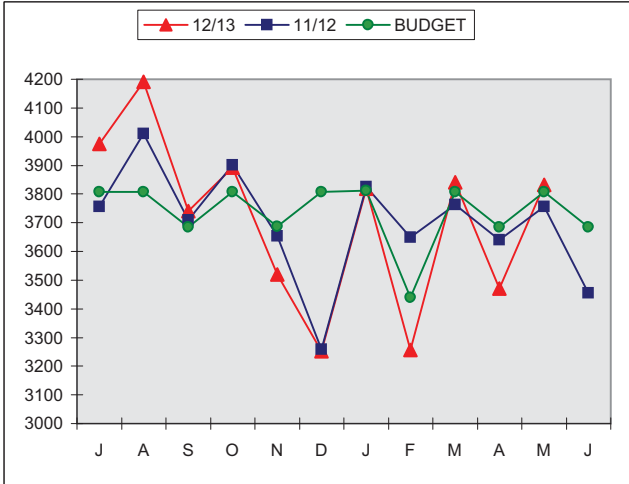


18. PORTOLA ANNEX VISITS

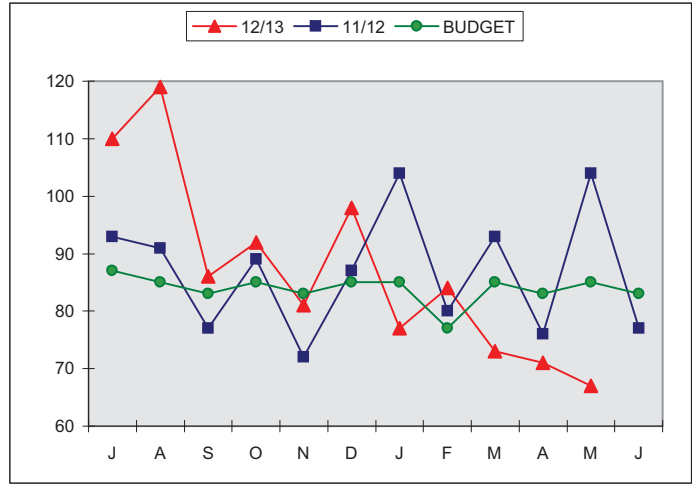


EASTERN PLUMAS HEALTH CARE
 MONTHLY FINANCIAL GRAPHS
 FOR THE YEAR ENDED JUNE 30, 2013

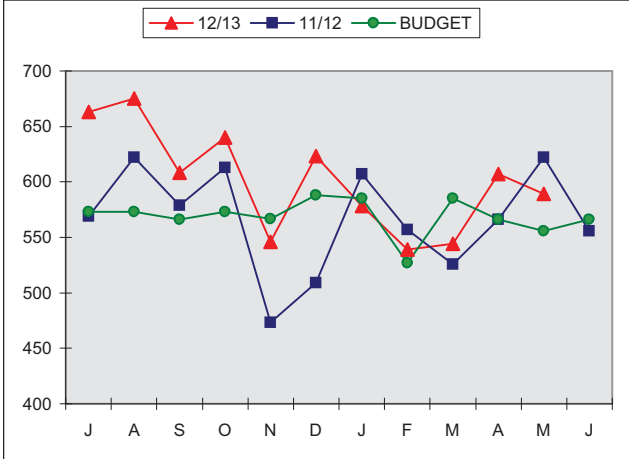
19. LABORATORY PROCEDURES



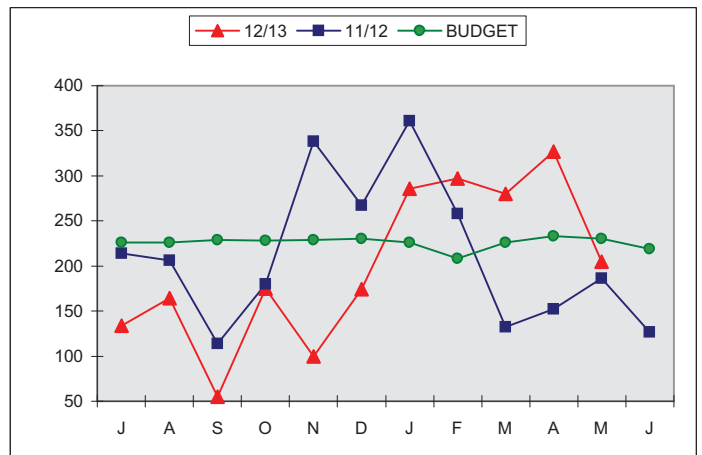
22. AMBULANCE RUNS



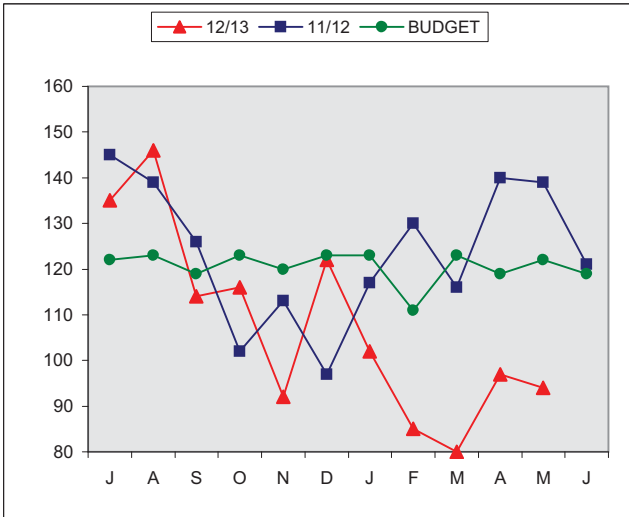
20. RADIOLOGY PROCEDURES



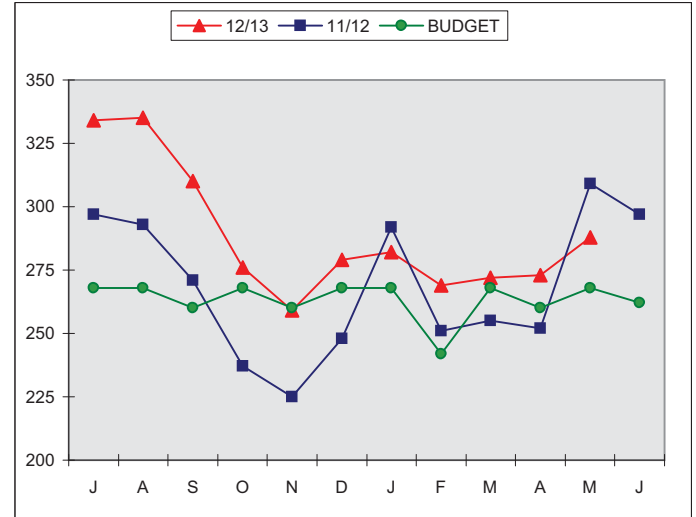
23. RESPIRATORY PROCEDURES



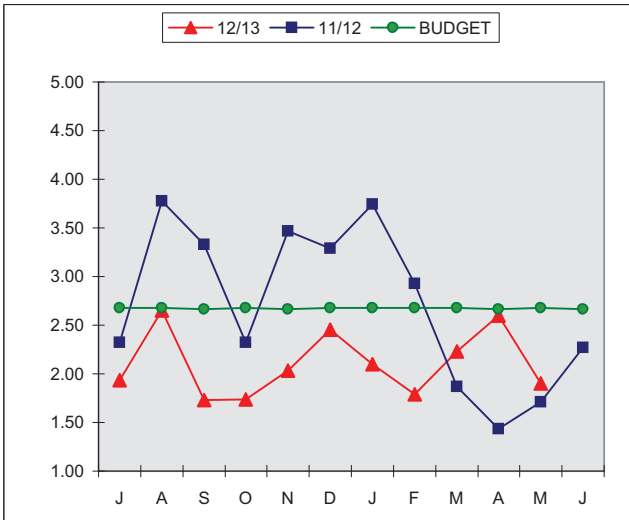
21. ECGS



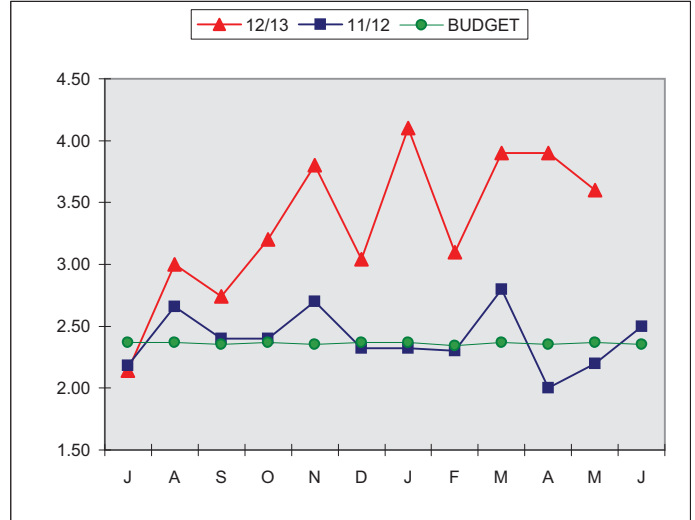
24. EMERGENCY ROOM VISITS



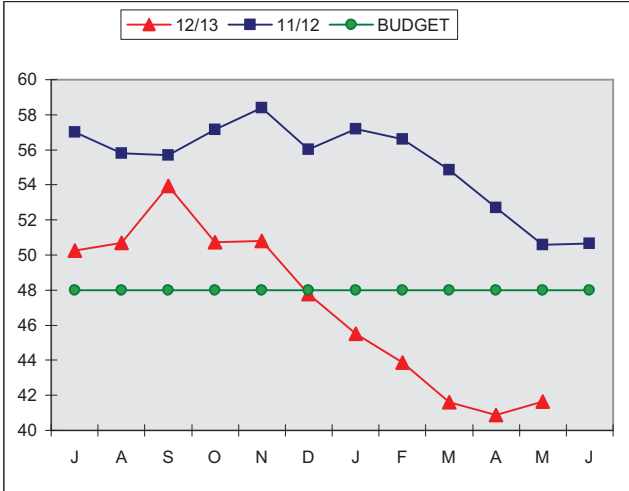
25. AVERAGE DAILY CENSUS - ACUTE



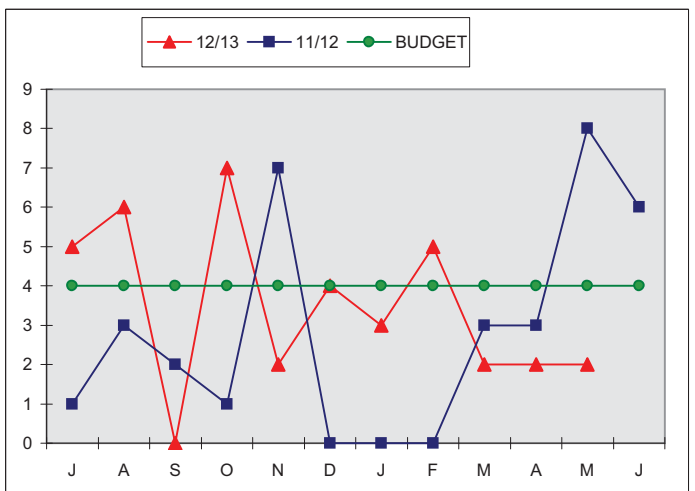
28. AVERAGE LENGTH OF STAY - ACUTE



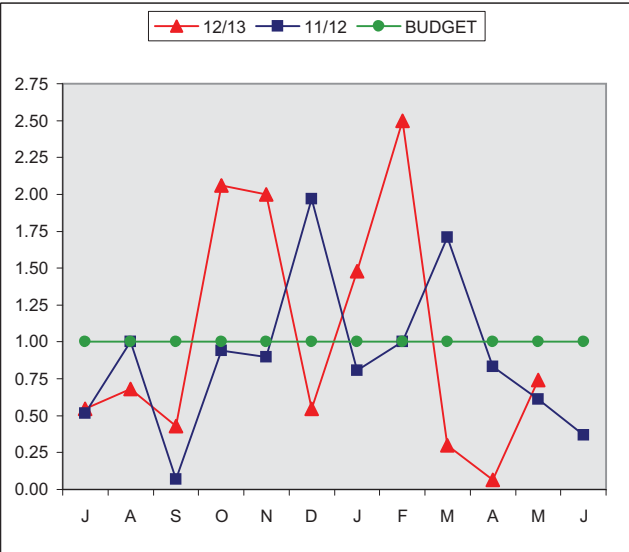
26. AVERAGE DAILY CENSUS - SNF



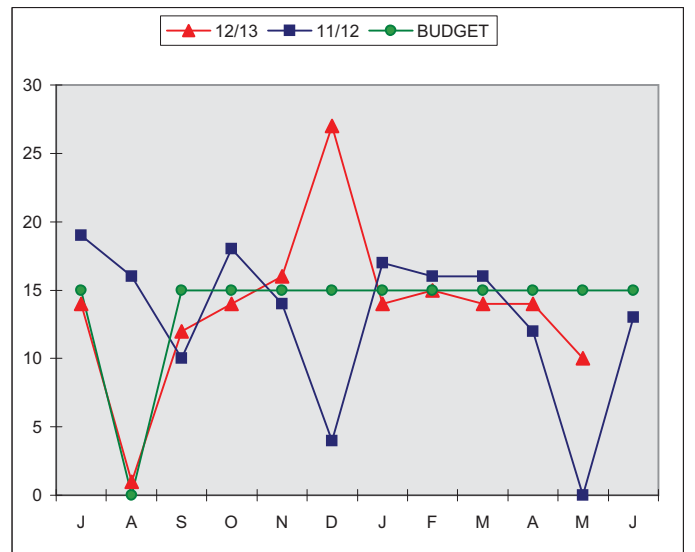
29. SURGERIES - IN & OUTPATIENT



27. AVERAGE DAILY CENSUS-SWING

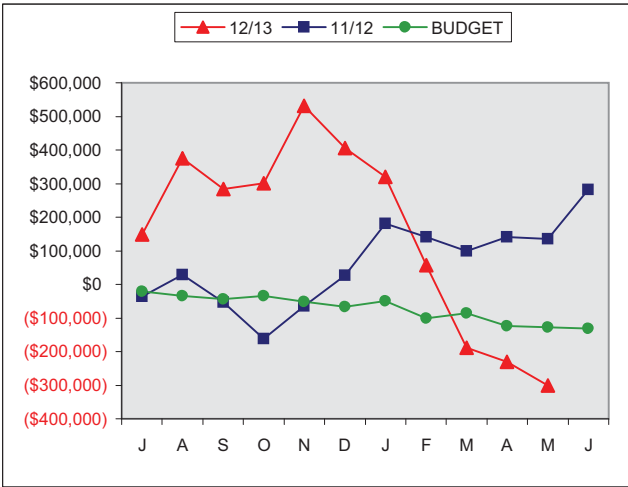


30. ENDOSCOPY PROCEDURES

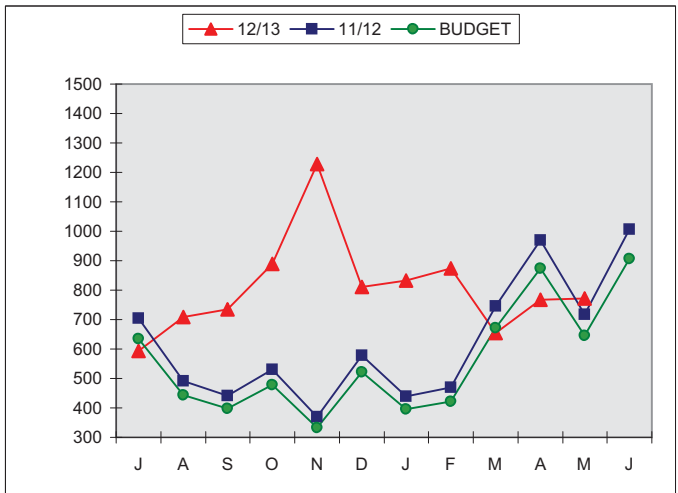


EASTERN PLUMAS HEALTH CARE
MONTHLY FINANCIAL GRAPHS
FOR THE YEAR ENDED JUNE 30, 2013

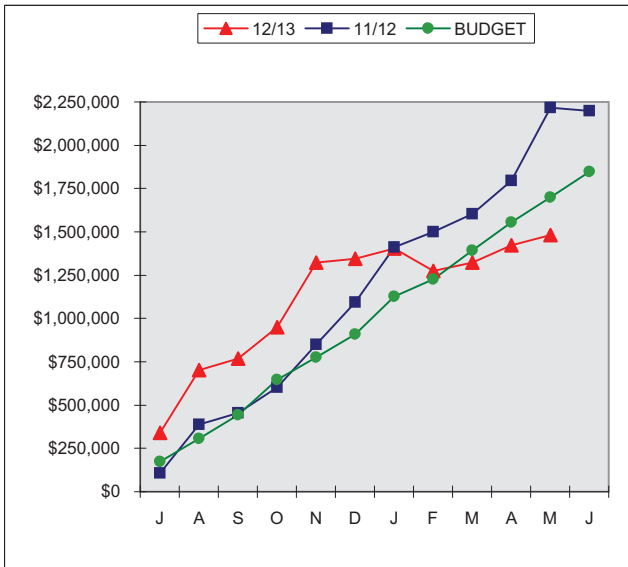
31. YEAR TO DATE OPERATING INCOME (LOSS)



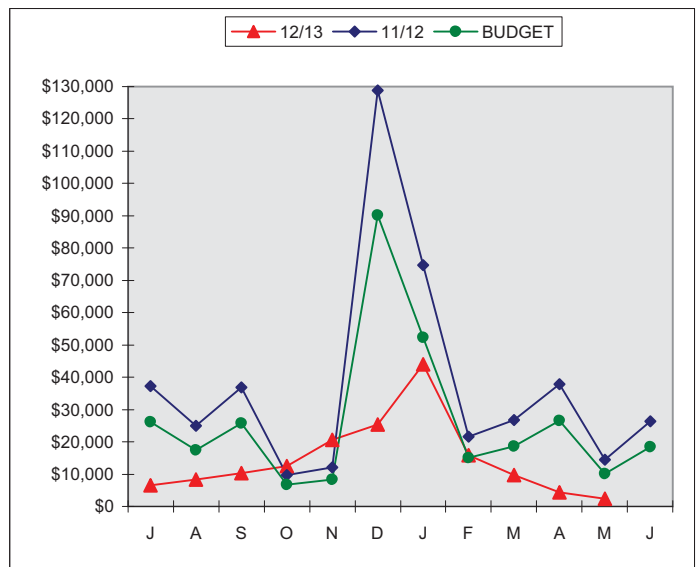
34. OVERTIME HOURS



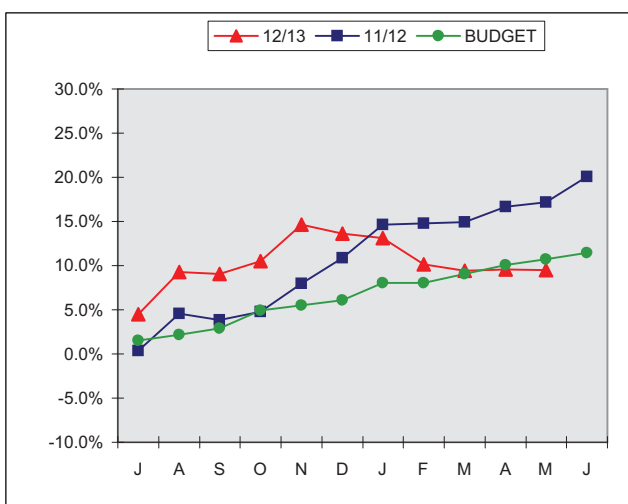
32. EARNINGS BEFORE INTEREST, DEPRECIATION & AMORTIZATION



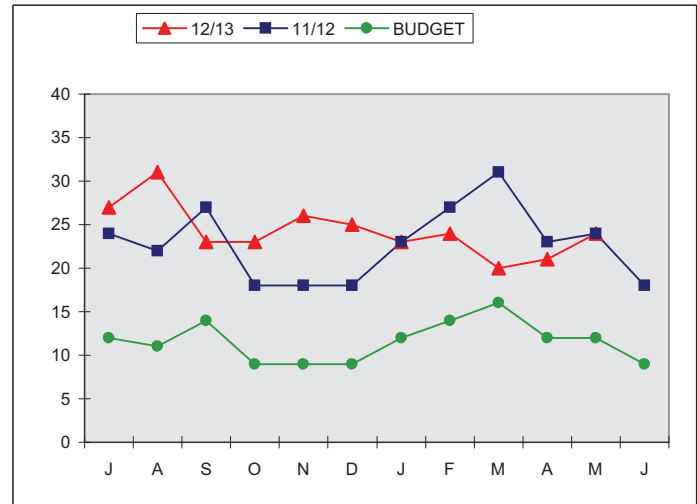
35. DENIALS



34. RETURN ON EQUITY



36. EMERGENCY DEPARTMENT TRANSFERS



EASTERN PLUMAS HEALTH CARE
 OPERATING BUDGET
 July 1, 2013 to June 30, 2014

	FYE JUNE 30, 2014 BUDGET			FYE JUNE 30, 2013 PROJECTION		
	REVENUE	OVERHEAD	TOTAL	REVENUE	OVERHEAD	TOTAL
NET REVENUE	\$19,576,516	\$4,740	\$19,581,256	\$19,859,347	\$4,778	\$19,864,125
GOVERNMENT CONTRACTUALS	\$14,761,731		\$14,761,731	\$13,944,996		\$13,944,996
ALL OTHER CONTRACTUALS	\$2,678,578		\$2,678,578	\$2,218,476		\$2,218,476
BAD DEBT	\$1,679,814		\$1,679,814	\$1,698,253		\$1,698,253
ADMINISTRATIVE ADJUSTMENTS (Charity Care etc.)	\$270,736		\$270,736	\$270,736		\$270,736
REVENUE	\$38,967,375	\$4,740	\$38,972,115	\$37,991,808	\$4,778	\$37,996,586
NET REVENUE	\$19,576,516	\$4,740	\$19,581,256	\$19,859,347	\$4,778	\$19,864,125
SALARIES	\$5,873,089	\$3,268,782	\$9,141,871	\$6,238,558	\$3,196,257	\$9,434,815
BENEFITS	\$1,620,257	\$1,057,638	\$2,677,895	\$1,491,001	\$916,418	\$2,407,419
SUPPLIES	\$1,259,322	\$435,286	\$1,694,608	\$1,260,585	\$418,755	\$1,679,340
MINOR EQUIPMENT	\$6,000		\$6,000	\$3,064		\$3,064
PROFESSIONAL FEES	\$2,412,959	\$37,000	\$2,449,959	\$2,380,567	\$36,007	\$2,416,574
REPAIRS & MAINTENANCE	\$193,685	\$382,943	\$576,628	\$239,438	\$275,368	\$514,806
PURCHASED SERVICES	\$707,917	\$496,083	\$1,204,000	\$817,647	\$564,584	\$1,382,231
UTILITIES & TELEPHONE	\$53,257	\$662,103	\$715,360	\$48,670	\$645,906	\$694,576
INSURANCE	\$28,240	\$368,224	\$396,464	\$23,894	\$372,581	\$396,475
RENT & LEASE	\$163,980	\$25,956	\$189,936	\$184,909	\$25,956	\$210,865
INTEREST	\$0	\$251,373	\$251,373		\$264,943	\$264,943
DEPRECIATION & AMORTIZATION	\$425,585	\$483,314	\$908,899	\$333,752	\$450,439	\$784,191
OTHER EXPENSES	\$39,191	\$113,391	\$152,582	\$48,332	\$115,910	\$164,242
TOTAL DIRECT EXPENSES	\$12,783,482	\$7,582,093	\$20,365,575	\$13,070,417	\$7,283,124	\$20,353,541
OPERATING INCOME (LOSS)	\$6,793,034	(\$7,577,353)	(\$784,319)	\$6,788,930	(\$7,278,346)	(\$489,416)
PROPERTY TAX			\$572,500			\$568,000
CONTRIBUTIONS			\$300,000			\$300,000
FINANCE CHARGES			\$20,000			\$19,000
RENTS			\$31,500			\$36,500
OTHER			\$36,656			\$37,156
NONOPERATING INCOME			\$960,656			\$960,656
NET INCOME (LOSS)			\$176,337			\$471,240

**EASTERN PLUMAS HEALTH CARE
CAPITAL BUDGET
July 1, 2013 to June 30, 2014**

DEPARTMENT	Submitted	FYE 2014	FYE 2015	FYE 2016	FYE 2017
Clinics	\$ 25,575	\$ 25,575	\$ -	\$ -	\$ -
SNF	\$ -	\$ -	\$ -	\$ -	\$ -
Med Surg	\$ 382,622	\$ 132,622	\$ 250,000	\$ -	\$ -
Surgery/Endoscopy	\$ 201,251	\$ 80,000	\$ 121,251	\$ -	\$ -
Lab	\$ -	\$ -	\$ -	\$ -	\$ -
Radiology	\$ -	\$ -	\$ -	\$ -	\$ -
Respiratory Therapy	\$ -	\$ -	\$ -	\$ -	\$ -
ER	\$ 20,000	\$ 20,000	\$ -	\$ -	\$ -
Ambulance	\$ 125,000	\$ 125,000	\$ -	\$ -	\$ -
Engineering	\$ 628,000	\$ 98,000	\$ 530,000	\$ -	\$ -
Dietary	\$ -	\$ -	\$ -	\$ -	\$ -
Laundry	\$ -	\$ -	\$ -	\$ -	\$ -
Communications	\$ 96,000	\$ 96,000	\$ -	\$ -	\$ -
Health Information Management	\$ -	\$ -	\$ -	\$ -	\$ -
Nurse Administration	\$ -	\$ -	\$ -	\$ -	\$ -
Accounting/HR	\$ -	\$ -	\$ -	\$ -	\$ -
Patient Accounting	\$ -	\$ -	\$ -	\$ -	\$ -
Information Technology	\$ 520,338	\$ 253,844	\$ 266,494	\$ -	\$ -
Total Requested	\$ 1,998,786	\$ 831,041	\$ 1,167,745	\$ -	\$ -

FUNDING SOURCES

Auxiliary Donations	\$ 250,575	\$ 150,575	\$ 100,000	\$ -	\$ -
Operating Capital	\$ 141,873	\$ 120,622	\$ 21,251	\$ -	\$ -
Lease	\$ 759,000	\$ 379,000	\$ 380,000	\$ -	\$ -
Grant	\$ 430,000	\$ 30,000	\$ 400,000	\$ -	\$ -
Healthland	\$ 417,338	\$ 150,844	\$ 266,494	\$ -	\$ -
Total	\$ 1,998,786	\$ 831,041	\$ 1,167,745	\$ -	\$ -