

**EASTERN PLUMAS HEALTH CARE DISTRICT
MEETING OF THE STANDING FINANCE COMMITTEE
OF THE BOARD OF DIRECTORS
MINUTES
Thursday, October 27, 2022 at 8:30 a.m.**

1. Call to Order

Meeting was called to order at 8:35 a.m.

2. Roll Call

Present: Paul Swanson, M.D., Board Member

Not Present: Augustine Corcoran, Board Member

Staff in attendance: Doug McCoy, CEO; Susan Horstmeyer, Clerk of the Board; and Barbara Sokolov, Executive Assistant/ Clerk of the Board.

3. Consent Calendar

The consent calendar items were not approved due to Director Corcoran's absence.

4. Board Comments

None.

5. Public Comments

None.

6. CFO Report

Summary

For the month ended September 30, 2022, we posted a net loss in the amount of \$418,555. We budgeted for a net loss of \$286,021.

Revenues

Gross Revenues were under budget by \$352,392. Inpatient Revenues were under budget by \$394,896. Skilled Nursing Revenues were over budget by \$50,200. Outpatient Revenues were over budget by \$63,269 and Clinic Revenues were under budget by \$20,765.

Expenses

Salaries and Benefits: Combined Salaries and Benefits were over budget by \$29,420.

Professional Fees: Professional Fees were over budget by \$9,714.

Repairs & Maintenance: Repairs & Maintenance were over budget by \$56,699.

Utilities: Utilities were under budget by \$41,212.

Supplies: Supplies were over budget by \$47,359.

Purchased Services: Purchased Services were over budget by \$167,737.

Depreciation Expense: Depreciation Expense was over budget by \$769.

Other Expenses: Other Expenses were under budget by \$24,801. These include training, travel, and dues and subscriptions.

Revenue Cycle

Gross Accounts Receivable as of September 30, 2022, was \$7.4 million. Gross Accounts Receivable days were 59. We budgeted 59 and best practice is 55.

Balance Sheet

Total Assets decreased by 8.03% compared to September 30, 2021. Cash decreased 13.38% as last year's cash included \$3,721,205 in IGT monies. We did receive an IGT in September in the amount of \$70,844. This was due to the reconciliation of the July through December 2020 Rate Range.

Additional Information

Days cash on hand on September 30, 2002, was 206. September 30, 2021, days cash on hand was 217. Our cash position is still very strong.

Discussion

Doug McCoy reported for Katherine Parish. Myers, Modoc and Seneca hospital districts all had similar revenue decreases in Q1. The Cerner transition is placing pressure on the business office. The Loyaltan Clinic remodel 1st payment has been processed. Our October Swing census is up and our October gross revenue is a \$232,000 improvement over September and a \$300,000 improvement over last year. Revenue per patient in the Portola clinic is \$182/ visit, and \$259/ visit in Graeagle. Dental's average is \$238/ visit, Behavioral Health is \$182/ visit, Laboratory is \$111/ visit, Radiology is \$1.111. These numbers do not reflect a contractual right-off, which is usually around 40%. Increasing volume, rather than complexity, is key along with our continued focus on increasing Swing/ In-Patient bed census and Radiology services for increased revenue.

Director Swanson asked about total revenue per In-patient. Doug responded Swing bed patients are \$2500/ day and In-patient beds are \$3100/ day.

Doug stated we need to upgrade our Network switches and Wi-Fi, which is necessary for Cerner implementation. Rick Thomas was able to reduce the bid proposal by \$200,000. We will have Wi-Fi 6, which will improve speed and access in advance of the Cerner roll-out across campuses. USAC federal communication tax will cover 65% of the costs. Our cost will be roughly \$380,000-\$410,000, the system will be fully supported for the rest of the decade, would last for fifteen years, and can be continuously upgraded.

The Central Monitoring System quote was reduced by \$108,000/ 25% and will have a total cost of \$400,000. All accounting functions will be transitioning to Multiview with 96 touchpoints. We anticipate this system will go live next week and will provide increased ability to generate reports for complex forecasting/ trending activities.

Director Swanson stated the Cerner EMR is very complex in a good way and will increase our capabilities.

Doug expressed excitement over Cerner's ability to run average daily census for 30 days in addition to trends/ correlation to revenue year over year and monthly rather than just daily. The data will enable us to see more specifics of services we provide and where the order/ referrals originated.

Director Swanson mentioned feedback to providers from surveys, which could have a big effect as it would allow them to self-regulate. Doug responded that we now have the framework to provide this information. We are seeing a trend in survey responses regarding discharge instructions and patients understanding. We have an area of opportunity where we can improve. The clinical dashboards will provide a new view to share information.

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Director Swanson asked if our lower cash on hand is due to the Loyalton Clinic remodel? Doug responded the remodel is the primary factor in this decrease.

Doug stated we would discuss seismic next month and layout options and associated costs. Our only options for funding are through the USDA and Bonds.

7. Adjournment

Meeting adjourned at 9:17 a.m.