

**EASTERN PLUMAS HEALTH CARE DISTRICT
MEETING OF THE STANDING FINANCE COMMITTEE
OF THE BOARD OF DIRECTORS
MINUTES
Thursday, May 26, 2022 at 8:30 a.m.**

1. Call to Order

Meeting was called to order at 8:30 a.m.

2. Roll Call

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

Staff in attendance: Doug McCoy, CEO; Katherine Pairish, CFO; and Susan Horstmeyer, Clerk of the Board.

3. Consent Calendar

The consent calendar and minutes were approved as submitted.

Motion: Director Corcoran, seconded by: Director Swanson.

The change of location (Portola) and date (6/30/22) of the next meeting were approved.

Motion: Director Corcoran, seconded by: Director Swanson

4. Board Comments

None.

5. Public Comments

None.

6. CFO Report

Summary

This report will focus on the ten months ended April 30, 2022, compared to the ten months ended April 30, 2021.

Revenues

Total year-to-date Revenues were over last year by \$5,970,798. This is a 18% increase. Inpatient Revenues were over last year by \$2,282,962. Skilled Nursing Revenues were over last year by \$1,049,300. Outpatient Revenues were over last year by \$3,371,832 and Clinic Revenues were over last year by \$316,005. Total Operating Expenses were over last year by \$3,966,868 or 16%.

Expenses (Year-to-date through April 30, 2022)

Salaries and Benefits: Combined Salaries and Benefits were over last year by \$1,281,618.

Professional Fees: Professional Fees over last year by \$572,141. Of this amount \$451,017 was for physician fees in the clinics.

Repairs & Maintenance: Repairs & Maintenance were over last year by \$2,175.

Supplies: Supplies were over last year by \$662,635. Of this amount \$302,697 was for COVID-related expenses.

Purchased Services: Purchased Services were over last year by \$1,210,433. Of this amount \$580,681 was for travelers and \$522,885 was for Data/ IT.

Depreciation Expense: Depreciation Expense was under last year by \$145,509.

Other Expenses: Other Expenses were over last year by \$198,435. These include training, travel, and dues and subscriptions.

Revenue Cycle

Gross Accounts Receivable as of April 30, 2022 was \$6.5 million. Gross Accounts Receivable days were 53. We budgeted 54 and best practice is 55.

Balance Sheet

Total Assets increased by \$8,194,766, compared to April 30, 2021, or 29.11% (not including funds received for the CARES Act, Medicare Advance, and PPP). Total Cash increased by \$8,249,527, compared to April 30, 2021, or 56.97% (not including the funds received for CARES Act, Medicare Advance, and PPP).

Additional Information

Included in year-to-date net profit of \$6,407,439 is \$3,033,556 for PPP forgiveness along with \$6,288,175 in IGT's. Days cash on hand on April 30, 2022, was 314. Without CARES Act, Medicare Advance, and PPP funds, days cash on hand would be 246. April 30, 2021, days cash on hand was 144 without CARES, Medicare, and PPP.

Katherine stated we would discuss the upcoming big projects more when as we get closer. With the amount of cash on hand we shouldn't need to finance much for these projects. The consultant finished yesterday, we made some good improvements, and will be starting auto remits which will save time.

Doug stated that we seem to be outperforming our partner hospitals at this point.

Director Swanson asked if there was anything more we could do to collaborate with PDH to assist them.

Doug responded that PDH has a very strong team. They have needed to use more travelers and also have Labor/ Delivery, which has higher expenses. We have talked with PDH about their lab manager overseeing both campuses and our radiology manager overseeing both campuses as their manager will be retiring soon. Doug asked if there is a remote opportunity for any of our business office positions.

Katherine responded that certain roles work well remotely. The patient financial services manager is ideally an on campus position.

Doug stated that both PDH and Seneca are interested in collaborating on an MRI. Additionally PDH's rehab services is much smaller, we could send surgical patients to PDH instead of Tahoe Forest. Our staffing has also been more stable than PDH's.

Katherine stated there was a staffing discussion during the recent CFO meeting. Modoc recently spent \$0.5 million per month on travelers.

Director Corcoran asked why we were over on salaries. Katherine replied that we had to hire state provided nurses for the SNF.

Doug replied that all allied professionals are employees, we added a new nurse practitioner this year. Additionally, there have been bonus incentives, management vacancies, and rate adjustments for some departments in late 2020. We need to get our traveler costs down next year. Our CNA class graduated, and we hope to increase our SNF census. Our SNF census is still pulling us down a bit, we have a strong swing census.

Katherine stated we recently met with Phillips regarding the possibilities of our own MRI.

Doug added there are two options an MRI. We could have an on campus modular on a concrete slab, which would cost \$1.8 million. The other option would be to finance an MRI which would require conducting 50 MRI's per month, we currently do 20. We need to keep this in house, PDH could possibly send patients here.

7. **Adjournment**

Meeting adjourned at 9:04 a.m.

DRAFT