

**EASTERN PLUMAS HEALTH CARE DISTRICT
MEETING OF THE STANDING FINANCE COMMITTEE
OF THE BOARD OF DIRECTORS
Thursday, July 25, 2019
8:30 A.M.
EPHC Administrative Conference Room**

Minutes

1. Call to Order: The meeting was called to order at 8:34 a.m.

2. Roll Call:

Present: Paul Swanson, M.D.; Harvey West

Staff: Katherine Pairish, CFO; Todd Plimpton, CEO; Sharon DiNicholas, CNO; Ashlie Preston, Executive Assistant

Guest: 1

3. Approval of Agenda: The agenda was approved as submitted.

4. Approval of Minutes: The minutes were approved as submitted.

5. Board Comments: None.

6. Public Comments: None.

7. CFO Report:

Summary

Eastern Plumas Health Care posted gross revenue in the amount of \$3,796,725 for the month of June. This is the highest gross revenue we have ever posted. This is a direct result of improved patient care. Those patients for whom we can care are being treated in our facility rather than being transferred out. We are filling the beds in the skilled nursing facilities so families no longer have to travel to visit their loved ones. Net Income for the month of June was \$663,017. Included in this was \$568,000 received for Medicare lump sum adjustments as a result of our interim cost report. Without this revenue we still would have posted net income in the amount of \$95,017. Fiscal year-to-date net income was \$6,860,471. \$1,755,628 higher than last fiscal year.

Mr. Plimpton explained the Medi-Cal Reimbursement Cost Report revenues and the current rates at which all revenues are being collected. Discussion was held.

Ms. Pairish further explained the Cost Report and the details of how it works.

Revenues

We continue to see growth in gross revenue across all revenue centers. Our inpatient revenue average last fiscal year was around \$357k. Current year average was \$394k. Actual inpatient revenue for the month of June 2019 was \$604k. Outpatient revenue average last year was \$1.93 mil. Current year average was \$1.97 mil. Actual for the month of June 2019 was \$2.26 mil. SNF revenue average last year was \$526k. Current year average was \$543. Actual for the month of June 2019 was \$599k.

Expenses

Total operating expenses for the month were \$2.3mil. In June of 2018 total operating expenses were \$2.2mil. This is an increase of \$152k.

Salaries and Benefits: Salaries and Benefits were up \$147k over last June.

Repairs & Maintenance: Repairs & Maintenance were down \$6k compared to June 2018.

Supplies: Supplies were up for the month over last year by \$86k.

Purchased Services: Purchased Services were down \$53k compared to last June.

Mr. Plimpton reported on staffing reductions and changes over the last few months that have kept expenses low.

Revenue Cycle

Gross Accounts Receivable ended the month at \$5.8M. Gross Accounts Receivable days at June 30, 2019 were 52. Best practice is 55.

Balance Sheet

Total Assets at June 30, 2019 were \$21,667,591. At the end of June 30, 2018 they were \$18,407,628, an increase of \$3,259,963 or 18%. Days cash on hand calculation at the end of June was 111. Last year at this time days cash on hand calculation was 71. Total Fund Balance increased from \$9,405,337 to \$13,077,534 - An increase of \$3,701,770 or 39%. We continue to pay vendors timely and at the end of June 2019 our days in AP calculation was 25. AP totaled \$503,411 of which \$206,590 was for providers.

Additional Information

These financials are preliminary, as they have not been audited. Our auditor will be here for field work September 3rd thru September 6th. We do not foresee any material changes as a result of the audit.

Ms. Parish reported that our liquid funds are approximately 7.9 million.

Dr. Swanson provided an example of a revenue report he would like to see and requested that Finance attempt to provide something similar with accurate numbers. Discussion was held on how to get the data from our system.

Mr. Plimpton reported that we are planning on spending about 2.5 million on the campus. Discussion was held regarding diesel tank and why red diesel is not used for a cost savings. Mr. Plimpton stated he would look into the change. Additional discussion was held regarding propane vs. diesel benefits.

Mr. Plimpton reported on the research of a solar project with Liberty Energy for backup power.

- 8. **Adjournment:** Dr. Swanson adjourned the meeting at 9:15 am.



Approval

8.22.19

Date