

**EASTERN PLUMAS HEALTH CARE DISTRICT
MEETING OF THE STANDING FINANCE COMMITTEE
OF THE BOARD OF DIRECTORS
MINUTES**

Thursday, September 22, 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; and Susan Horstmeyer, Clerk of the Board.

3. Consent Calendar

The consent calendar items were approved as submitted.

Motion: Director Corcoran, seconded by Director Swanson.

4. Board Comments

None.

5. Public Comments

None.

6. CFO Report

Summary

For the month of August 2022, we posted a net loss in the amount of \$517,893. We budgeted for a net loss of \$291,045.

Revenues

Gross Revenues were under budget by \$105,511. Inpatient Revenues were under budget by \$66,739. Skilled Nursing Revenues were over budget by \$37,000. Outpatient Revenues were under budget by \$63,129 and Clinic Revenues were over budget by \$24,358.

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

Salaries and Benefits: Combined Salaries and Benefits were over budget by \$30,540.

Professional Fees: Professional Fees were over budget by \$55,794.

Repairs & Maintenance: Repairs & Maintenance were over budget by \$18,180.

Supplies: Supplies were under budget by \$134,116.

Purchased Services: Purchased Services were over budget by \$83,139.

Depreciation Expense: Depreciation Expense was over budget by \$940.

Other Expenses: Other Expenses were over budget by \$3227. These include training, travel, and dues and subscriptions.

Revenue Cycle

Gross Accounts Receivable as of August 31, 2022, was \$7.3 million. Gross Accounts Receivable days were 57. We budgeted 58 and best practice is 55. The business office did an excellent job of reducing the days in AR by 6 in the month of August.

Balance Sheet

Total Assets decreased by 7.07% compared to August 31, 2021. Cash decreased 9.99% as last year's cash included \$3,721,205 in IGT monies.

Additional Information

Days cash on hand on August 31, 2002, was 217. August 31, 2021, days cash on hand was 300. Again, the decrease is due to no IGT's received in the current year. Our cash position is still very strong.

We will continue to monitor expenses while working on increasing revenues. We have seen an increase in the SNF census. We are now at 26 in each facility.

Discussion

We have had a good downturn in the use of travelers. All phlebotomists are now employees, the lab manager is now working on a consultation basis, and we have a possible new lab manager who is slated to start in October through the H1B Visa program. In the hospital we have three new RN's (per diem and part-time) and need 2-3 nurses for skilled nursing. We have had 14 new hires in August and resignations have decreased. Our CNA class retention is at 87%, which is much higher than the normal rate of 15%.

Our audit concluded last Friday with no significant findings. The audit report will be presented at the December meeting.

The legislature completed their session without an agreement being reached between the Hospital Associations and labor unions regarding the proposed minimum wage increase for hospitals or seismic standards. The current standards will require seismic retrofit by 2030 for all hospitals. A ballot measure is anticipated to be added in 2023, regarding minimum wage for hospitals, and is not anticipated to include modifications for rural hospitals.

We are looking at ways to offset the impact of both the seismic retrofit as well as the minimum wage increase in multiple areas. We need to aggressively restart the Foundation, possibly partner with the City and finance the new Wellness Center to keep cash. The possibility also exists to have a retrofit assessment completed, and possibly paid for with State funds, to establish exactly what would need to be done in a retrofit. Seneca has chosen to have a modular built off site. The cost of a new 9 bed acute floor, Emergency Department and ancillary services could possibly be \$50 million.

Director Corcoran asked if there will be any high-end diagnostic services available at the new Loyalton Medical Clinic. Doug responded that we will not have any x-ray or MRI services at that location. We anticipate a February opening.

The central monitoring system quote came in double what we had budgeted for. We will be meeting with Penny and Donna to discuss our options.

Joanna has been working on grants and recently submitted for a \$500k grant for Covid/ emergency tents and a 1-ton truck. We recently received \$275k in grant money for lab equipment, IT bathroom & ITPE survey solutions.

7. Adjournment

Meeting adjourned at 9:25 a.m.