

**EASTERN PLUMAS HEALTH CARE DISTRICT
MEETING OF THE STANDING FINANCE COMMITTEE
OF THE BOARD OF DIRECTORS
MINUTES
Thursday, June 25, 2020 at 8:30 a.m.**

1. Call to Order

Meeting was called to order at 8:34 a.m.

2. Roll Call

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

Staff in attendance: Doug McCoy, CEO; Katherine Pairish, CFO; Jessica Folchi Executive Assistant

Public: Steven Clifton

Absent: None

3. Consent Calendar

The consent calendar was approved as submitted.

4. Board Comments

No comment was received.

5. Public Comments

No comment was received.

6. CFO Report

Report of May Financials

Summary: As previously reported, we experienced a downturn in revenue in April 2020 due to COVID-19. We are happy to report that for May we saw great improvements in revenue and posted \$801,603 over what we posted in April. For the month of May, 2020 Inpatient Revenue was over budget by \$51,573. Outpatient Revenue was under budget by \$193,459 and Clinic Revenue was under budget by \$180,660. Year-to-date gross patient revenue was over budget by \$506,033. We posted a net profit for the month in the amount of \$4,237,097 due to the receipt of \$2,981,855 for Rate Range IGT and \$1,032,750 for PRIME IGT. Without the IGT's we would have posted a net profit for the month in the amount of \$222,492.

Revenues: Year-to-date total Inpatient Revenue was over budget by \$923,538. Outpatient Revenue was over budget by \$35,140 and Clinic Revenue was under budget by \$452,645.

Expenses: Total operating expenses for the eleven months ended May 31, 2020 were over budget by \$300,636. Salaries and Benefits: Combined Salaries and Benefits were under budget by \$165,456. Purchased Services and Professional Fees were over budget by \$287,513. This was due mainly to unbudgeted legal and recruiting fees.

Repairs & Maintenance: Repairs & Maintenance were over budget by \$143,382.

Supplies: Supplies were over budget by \$218,559.

Depreciation Expense: Depreciation Expense was under budget by \$249,512.

Other Expenses: Other expenses were over budget by \$12,492. These include training, travel, and dues and subscriptions.

Revenue Cycle: Gross Accounts Receivable ended the month at \$4.2M. Gross Accounts Receivable days at May 31, 2020 were 42. We budgeted 55 and best practice is 55.

Meeting of the Standing Finance Committee of Eastern Plumas Health Care
June 25, 2020 MINUTES - Continued

Balance Sheet: Total Assets at May 31, 2020 were \$35,600,837 - An increase of \$14,736,107 over last year. Total Current Liabilities were \$11,050,634 - An increase over May 31, 2019 of \$9,105,299. This increase was due to the posting of funds received for Medicare advance payments in the amount of \$4,633,940 and HHS Stimulus monies in the amount of \$4,641,369. Some of the HHS Stimulus will be reclassified to revenue, but we are waiting on final rulings on how to recognize these funds.

Additional Information: Days cash on hand at May 31, 2020 was 303. This includes the Medicare advance payments, HHS Stimulus Monies and Payroll Protection Program. We will begin paying the Medicare advance payments back in August over 12 months (interest free). Without these funds, days cash on hand would be 138. May 31, 2019 days cash on hand was 115. We plan to have budgets to the Board for approval at the July meeting.

General Discussion: Doug McCoy shared the initial success of the Summer New Employee Referral Program. There was discussion of marketing opportunities especially purchasing billboard space in Reno to advertise services and employment opportunities. The Board members mentioned wanting to utilize these meeting to drill down into the details and get into specifics of the financial situation.

Adjournment

Meeting adjourned at 9:15 a.m.