

**EASTERN PLUMAS HEALTH CARE DISTRICT
MEETING OF THE STANDING FINANCE COMMITTEE
OF THE BOARD OF DIRECTORS
Thursday, August 22, 2019
8:30 A.M.
EPHC Administrative Conference Room**

Minutes

- 1. Call to Order:** The meeting was called to order at 8:37 a.m.
- 2. Roll Call:**
Present: Paul Swanson, M.D.; Harvey West
Staff: Katherine Pairish, CFO; Todd Plimpton, CEO; Sharon DiNicholas, CNO; Janie Dikes, Controller; 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
July 2019 was another very productive month for Eastern Plumas Health Care. We posted gross revenue in the amount of \$3,954,790. We posted a net loss in the amount of \$61,010. Our budgeted net loss for July was \$377,075.
Revenues
We continue to see growth in gross revenue across all revenue centers. Inpatient revenue was over budget by \$170k. Skilled Nursing revenue was over budget by \$44k. Outpatient revenue was over budget by \$327k and Professional Fees were over budget by \$120k. Of course, when revenue increases we see increases in contractual adjustments and bad debt. We posted contractual adjustments and bad debt over budget by \$301k, leaving net patient revenue over budget by \$360k.
Expenses
Total operating expenses for the month were over budget by \$31k. Salaries and Benefits were under budget by \$71k with purchased services being over budget by \$39k. Repairs & Maintenance were over budget by \$30k. Supplies were over budget by \$38k. Other expenses were over budget by \$10k. These include training, travel, and dues and subscriptions.
Revenue Cycle
Gross Accounts Receivable ended the month at \$5.8M. Gross Accounts Receivable days at July 31, 2019 were 50. We budgeted 52 and best practice is 55. Our collection rate for July was 56%. We budgeted 53.82%.

Discussion was held regarding the increase in collection rate. Ms. Dikes commented that working on attendance and morale has contributed. Staff worked to find what wasn't working and added systems and software to correct those issues.

Discussion was held on how COH is calculated. Ms. Parish provided an explanation.

Balance Sheet

Total Assets at July 31, 2019 were \$21,589,191. At the end of July 31, 2018 they were \$18,237,123 - An increase of \$3,352,069 or 18%. Total Fund Balance increased from \$9,223,348 to \$13,320,161 - An increase of \$4,096,813 or 44%.

Discussion was held regarding GO bonds and revenue bonds. Mr. Plimpton stated that if we can get the Loyaltan Skilled Nursing Facility to 39 beds, we can use a revenue bond to build a 50 bed facility and in turn use the increase in revenue to pay for the bond.

Mr. Plimpton reported on the long term care needs of the county, noting that Plumas District Hospital does not provide those services. Ms. DiNicholas commented on the amount of referrals received and how widespread the locations are that they are coming from. Mr. Plimpton reported that he would like to see EPHC offer a dementia unit as well as home hospice services. Discussion was held regarding the lack of hospice care provided to our area and the patients that are suffering.

Mr. Plimpton commented on a recent meeting with Plumas County Mental Health and the number of providers present, of which we never see on this side of the county. He reported on the possible grant funding available from the state for mental health services to help us to provide to our community.

Additional Information

We incurred some one-time expenses in the month of July. Total cash outlay for these was \$281,389.

\$77,663 was expensed and \$203,726 was capitalized. Days cash on hand at July 31, 2019 was 102. We finalized the ambulance specs for the grant and forwarded the invoice to USDA. They have extended the grant period to February 16, 2020. The grant was for \$145k. We budgeted \$50k out-of-pocket. The invoice came in approximately \$5k over budget.

Ms. Parish reported that she is working with Bank of the West on refinancing. She is working through two options.

Discussion was held regarding the projections for August. Mr. Plimpton commented that we are also currently working on multiple projects.

8. Adjournment: Dr. Swanson adjourned the meeting at 9:25 am.

Approval

Date