

**EASTERN RIO BLANCO COUNTY HEALTH SERVICE DISTRICT  
PIONEERS MEDICAL CENTER  
MONTHLY MEETING OF THE FINANCE SUBCOMMITTEE  
BOARD OF DIRECTORS  
November 24, 2020**

**DIRECTORS PRESENT:**

Kim Brown (President)	Kai Turner (Vice-President)
Mark Schryver,	Todd Shultz
Suzan Pelloni	Eric Jones
Brian Bofinger	
Regas Halandras	

**OTHERS PRESENT:**

Liz Sellers -CEO  
John Brooks - Counsel  
Tim Howard - CFO  
Danette Coulter - PFS

**APPROVAL OF AGENDA:**

An approval of the finance meeting will approve next month with changes.

**APPROVAL OF MINUTES:**

An

**PUBLIC COMMENT:**

President Brown opened the floor for public comment. No members of the public present.

**FINANCIAL REPORTS AND UPDATES**

Income statement- Presented by Tim Howard.

Patient revenue is about 5 million in October year to date is 37 million.

Contractual and bad debt are really low for this month. Tim will investigate further, revenue deductions at 1.8 mil. Add other operating revenue, able to locate over 3 million in COVID income that has been recognized, received about 10 million in COVID funds, 5 million accelerated payments from Medicare that has to be paid back, HHS had new rules published in Oct 19 for stimulus funds, funds received in April, make sure using funds per new guidelines from October.

Spending has been very careful for operating expenses and salaries, 1.6 million for PPP for salaries, \$370,000 used through Oct that has been recorded in the books.

Contract labor- that will be checked. Question from? Traveling nurses covered with COVID Funds? Yes, can be covered if a boom in the County as far as COVID patients.

If need to add more nurses because of surge would be covered under the Cares Act, not PPP.

Net revenue is at 3.2 million, is higher than the run rate.

3.2 million in operating expenses, contract labor may be in purchase services.

YTD slightly under net revenue.

Our property tax revenues make up the biggest chunk of our non-operating revenue at 3.6 mil.

Revenue over expenses, Revenue \$284,000 for Oct 2. \$2.5 million for 10 months.

Plan on doing a trended income statements in the upcoming months.

### **Board Statistic Report-**

Only put two months at this point because Tim was for sure able to confirm these numbers. Will go back to confirm the Jan – Aug stats at some point.

ER visits up in Oct., OR room 52 and 57 in Oct.

Outpatient visits are up this month also.

Home Health Visits, 177 for both months.

Adjusted patient days- Tim explained how we get the numbers.

Would like a break down on orthopedic compared to general surgeries.

John Brooks- Budget notice needs to be put in the newspaper for a budget hearing the mill levy needs to be certified. The finance committee needs to review the budget and schedule around the December 10 for the public to adopt the budget. the final certification of the assessor is due on the 10<sup>th</sup>.

Budget and income statement-

Actual is 1.1 mil, \$992,000 after audit, 2019 number is good, 1mil to bottom line for 2019.

2020 is at 1.5 million looks better than 2019.

Small increase over 2020 to 2021 of 1.5 mil, PMC lost \$700,00 in 2018 turned around in 2019 to 1 mil profit, trending at 1.5 for 2021.

Do some work Cost containment plan, leave budget numbers where they are, help managers with staffing for budget purposes.

Bad debts are budgeted as a percent of gross revenue around 2% which is low.

Keep percentage the same of gross revenue year to year.

Bad debt questions and putting a lot of our bad debt into charity.

Charity, split out as separate line under “other” in revenue deductions? Bad debt vs charity?

Salary and wages-concerns- Liz, Tim and Kim will be working on wages.

Salaries looked at as a percent of net revenue. Projected growth and salaries trend about the same.

Salaries budget for 2021 at 40% of net revenue and 2019 40% of net revenue. 40% range for salaries is a reasonable number.

Maintenance with Aramark is in our salaries/wages budget.

Question on why the long term revenue went up. Had a 4 percent increase which is a standard increase.

Anything you want more detail on email Tim and he will provide.

SBA approved the forgiveness on our PPP. Board needs to discuss how to use that money appropriately.

That money will be put into other income because it is no longer a liability, and should not have an impact on the cost report.

A motion to recommend the board approve and accept the financial report by Todd and Regis.

All in favor.

**PFS Danette-** Gross monthly revenue was up 12 percent.

Average daily was up as was cash collections.

Did see a decrease in our final discharge.

5.8 million was total claims. Up 12% from 5.2 million.

Have a little bit of an increase in the self-pay account.

Total gross A/R went up 9%.

Total gross A/R days went down.

75 percent of our total claims are in the 0 to 60 day category.

Experian – should be in place by December 31<sup>st</sup>.

Charity care examples from other facilities question was asked by Eric, we do require a Medicaid denial first before we can do charity care. The application is a very simple format. Eric is going to try and find some best practices.

Policy at the next meeting.

December 10<sup>th</sup> request for the budget approval.

December 29<sup>th</sup> next board meeting.

Adjourn by Todd Shults all in favor.