

## Finance Committee Meeting Minutes

Friday, October 23, 2020

12:00 p.m.

Genesee Community Health Center

Via Zoom

Committee Members Via Zoom: Rob Podlesak, Committee Chair; Claudnyse Holloman, Sam Olson, Steve Schwartz

Committee Members Absent: Yolanda Oliver-Yancey

Guests:

Brian Swiecicki – GCHC Executive Director, Glen Chipman, GHS CFO; Jean Troop, Deputy Director; Sandy Sweet, Accounting Manager

*Recording Secretary: Karen Riddle, GHS Administrative Assistant*

Committee Meeting called to order at 12.02 p.m. by R. Podlesak

**I. Adoption of Agenda**

C. Holloman moved to adopt the agenda as presented, supported by S. Olson.

*Motion carried*

**II. Public Participation**

None

**III. Approval of September 21, 2020 Finance Minutes**

C. Holloman moved to approve the September 21, 2020 minutes as presented with the discussed change of the typo of the difference in expenses from \$152,805 to \$152,804, supported by S. Olson.

*Motion carried*

**IV. FY20 October 2019 – September 2020 Financial Packet (Financial packet on file with minutes)**

a. G. Chipman presented the September 2020 financials. This is the last month of the FY2020 fiscal year. The current surplus for September is \$86,349 compared to budget of \$38,099. This is a difference for the month of \$48,250. The year-to-date surplus is \$714,128 compared to budget of \$457,184 which is a difference of \$256,944. In September, we still had relatively low volumes for the patient revenue with the one difference being under “Patient Revenue-Commercial & Other”. As the committee will recall, we have been talking about Medicare Revenue for the past several months not being fully recognized due to minor billing issues and what we would be paid for the services. As it happened, September is the month that we accrued the past Medicaid Revenue earned and attributed to the large increase in revenue. The total monthly revenue is \$731,763 compared to a budgeted amount of \$669,685 which is a difference of \$62,078 for the month.

The total expenses for September are \$645,414 compared to a budget of \$631,586 with a difference of (\$13,827). There were more expenses in salaries, wages, and contracted labor. Contracted labor was over budget by \$30,301, which is partly attributed to the new physician position that was not budgeted in 2020. Also, last month not all the physician revenue was accrued, and it hit in September. The Supplies-Pharmacy expense line was over budget by \$22,161; mainly due to the purchase of Vivitrol which is mostly covered by grant dollars. The Bad Dept Expense was recorded in September due to there being an accrual on the balance sheet that needed to be adjusted for the year.

The committee requested additional information as it pertains to the balance sheet and showing the deferred revenue. G. Chipman agreed that going forward a document will be added to the financial packet that shows the deferred Medicaid revenue.

R. Podlesak and G. Chipman agreed to meet and discuss the individual items that the Finance Committee would like added to the packet to discuss at the monthly meetings. It was agreed that as the Finance Committee has progressed, it is ready and able to review more in-depth finances. At the next Finance Committee meeting, it will be decided if what is being reviewed meets the needs of the committee.

In “Other Expenses”, the total for the month is \$5,524 compared to a budget of \$17,977 which is a difference of \$12,453. For the year, the total is \$144,792 compared to a budget of \$215,719 with a difference of \$70,927.

The “Days in A/R” is down to 38, which the goal is less than 30 days, so we are moving in the right direction. The “A/R% over 120 days” is at 47% which is quite a bit above our goal of less than 20%. As we start the new year, we will continue to work on this number and getting it down. The “Claim Denial Rate” is down a bit at 5%, which is still under the goal of less than 7% and the “Average days to Claim Submission” remained at 8, which is well below the goal of less than 14 days.

The “Cost, Reimbursement & Productivity Statistics” shows a bit higher amount of Medicaid Eligible Encounters from the month of August at 1,065. The Health NP’s are at 9.2 compared to a budgeted 12; the Behavioral Health NP’s are at 7.4 compared to a budgeted 10. The 9.2 and 7.4 are both increases over August. Social Workers encounters per day is at 5.4 compared to a budgeted 6. The total cost of encounter is higher than last month at \$404 compared to the budgeted goal of \$320.

The “Base Grants” shows some of the wage costs and other expenses utilizing the CARES grant and others. Year-to-date numbers look good and all numbers are supported by documentation. Most of the grants end at the end of April 2021. The “Non-HRSA Grant Analysis” continues to move forward.

The “Alternative Funding Sources” shows that we did receive HEDIS, Meaningful Use, and MiCare dollars in September.

S. Schwartz moved to accept the FY20 October 2019 through September 2020 Financials and recommend approval to the GCHC Full Board, supported by S. Olson.

*Motion carried*

**Three-Year Budget (document on file with minutes)**

b. G. Chipman presented the Three-Year Budget per the HRSA requirements. He started with the 2021 budget and continued with projections through 2024. The assumptions included a 3% increase the first year, and a 2% increase the other years regarding the operating revenue. He increased the Wages and Benefits by 1%; he decreased the 2021 supplies due to reduced COVID19 PPE needs and increased the years following by 3%. He assumed a 2% depreciation in building costs each year due to building improvement and technology improvements. The Community Outreach is expected to decrease to pre-COVID19 levels and then increase by 2%. Finally, all other expenses are anticipated to increase 2% each year. This budget projection does show a surplus each year.

C. Holloman moved to accept the proposed three-year budget for GCHC as written and presented, supported by S. Schwartz.

*Motion carried*

**Atherton Budget (document on file with minutes)**

- c. G. Chipman presented the budget for the Atherton building at 2298 Center Rd., Burton. The total revenue is \$1,359,278 and total expenses are \$1,249,925.89 with a surplus of \$109,352.11. This document will be emailed to the Finance Committee as it was not included in the original packet.

**V. Contract Summary**

- a. MDHHS MOU16-25005 Amendment #4

This is extended from 2016 and relates to the MiCare grant. It is based on per member per month. There were no changes to the MOU other than to extend the length.

S. Schwartz moved to accept and recommend approval to the GCHC Full Board the MDHHS MOU 16-25005 Amendment #4, S. Olson supported.

*Motion carried*

**VI. Quality Charts**

- a. **Chart total Kept Appointments for September 2020**
- b. **COVID-19 Encounters by Specialty for September 2020**

J. Troop presented the quality charts and reported that the volume has remained consistent. At this time, more telehealth services are being utilized and results in lower no-show rates. J. Troop and her team will continue to look at ways to improve the in-person no-show rates as well.

There were about 200 COVID19 tests in September.

**VII. Other**

R. Podlesak how the search for the Medical Director was progressing. B. Swiecicki stated that it is posted; however, there has not been a lot of response to date.

Committee Chair, R. Podlesak, formally thanked B. Swiecicki for the work and dedication he has put forth and the team he has created to keep the Center moving in a positive direction. He appreciates his efforts in ensuring that the Center runs correctly. He extended his well wishes to Brian on a professional and personal level. S. Schwartz also extended his appreciation stated that Brian has been the “Skipper of the Ship” and has given 110% in meeting all the goals set as the ED for the Center. S. Olson also echoed these sentiments as well as the work Brian has done and been instrumental on for the residents of Genesee County and the Probate Court programs.

**VIII. Adjourn**

S. Schwartz moved to adjourn the meeting and S. Olson supported.

R. Podlesak adjourned the meeting at 12:50 p.m.

**Next Finance Committee Meeting Scheduled for Monday, November 16, 2020.**

*Respectfully submitted by Karen Riddle, Recording Secretary*