

Campbell County Health  
Finance Committee  
December 2, 2019

Mr. Adrian Gerrits called the Finance Committee meeting to order at 12:01 on Monday, December 2, 2019. The meeting was held in the Hospital Board Room.

**Members Present:**

Mr. Adrian Gerrits, Chairman  
Dr. Sara Hartsaw, Trustee  
Alan Stuber, Trustee

**Member(s) Excused Absent:**

Dr. Ian Swift, Trustee

**Staff Members Present:**

Mr. Andrew Fitzgerald, Chief Executive Officer  
Ms. Colleen Heeter, Chief Operating Officer  
Mr. Bill Stangl, Vice President of Physician Services  
Ms. Noamie Niemitalo, Vice President of Human Resources  
Ms. Jonni Belden, Vice President of Continuing Health Services  
Ms. Heather Stucker, Controller  
Ms. Yvonne Robinett-Hoiland, Revenue Cycle Director  
Dr. Nicholas Stamato, MD, Chief of Staff  
Ms. Karen Clarke, Director of Community Relations  
Ms. Denise Yvonne, Recorder

**Also Present:**

Ms. Kathy Brown, News Record

**Approval of Agenda**

*Dr. Hartsaw moved, seconded by Mr. Stuber, to approve the agenda as presented. Motion carried.*

**Approval of Minutes**

*Dr. Hartsaw moved, seconded by Mr. Stuber, to approve the minutes with correction of header date. Motion carried.*

**Bad Debt and Charity**

•	Approved Charity Care for October 2019		
	100% Written Off	\$	861,292.91
	75% Written Off	\$	27,922.22
	50% Written Off	\$	1,175.25
	Catastrophic Write Off	\$	151,510.83
	<b>GRAND TOTAL</b>	<b>\$</b>	<b>1,041,901.21</b>



## Statistical Report

- Overview
  1. Admissions were 6.2% under budget and down 20 from last year. BHS and OB were both under budget while Acute admits were at budget.
  2. Observation patients were 16.7% over budget. This is an increase of 15.9% from last year.
  3. LLRC daily census has declined. Ms. Belden discussed the difficulty with staffing. She also noted that the facility also experienced several deaths that causes lengthy turnaround for new residents.
  4. Outpatient visits were 2.5% over budget and decreased 4.3% from last year.
  5. Clinic visits remained over budget by 13.2% and increased 12.7% from last year.
  6. Walk in Clinic visits were 12.4% over budget and increased 5.2% from last year.
  7. Emergency Care Department visits were under budget 4.8% and decreased 2.4% from last year.
  8. CCMH surgeries were 9.2% over budget and increased by 11.3% from last year.
  9. Powder River Surgery Center surgeries were 14.5% over budget and increase 10% from last year.

## Revenue Cycle

- Overview
  1. Ms. Robinett explained the acronym MMODAL, a clinical documentation software. The go live date has been pushed back.
  2. CarePricer implementation go live is scheduled for February 2020. Implementation is moving forward.
  3. PFS manager has stepped down, Kelly Underwood has taken over as interim manager.
  4. HIM manager is retiring in 2020. Head coder will be the interim manager; this department will be utilizing outsourced assistance.
- Point of Service cash collections.

POS cash collections is going well, the dip in the numbers is primarily in the ECD and there is a work plan in place to productively improve cash collections.
- Accounts Receivable.
  1. AR days declined, contract billing companies did not produce as much of a decline as anticipated due in part to the cyber incident we experienced in September. They were unable to access the Meditech System until the end of October. During the time they could not access the system their agents worked older claims.
  2. Ms. Robinett met with Xtend and R&B to emphasize our requirements on working the AR and our need to see results. We are still having issues with full access for all the contracted help. IT is looking to see if they can add more remote access spots for them.
  3. Dr. Stamato requested that the billed and unbilled information include percentages from prior year to allow for year to year comparisons.
  4. PFS has reconfigured the way billers work claims. Previously, claims were split by alphabet, currently, claims are split by Payer. This allows staff to become experts with specific insurances and be able to identify trends.
  5. Ms. Tate and Ms. Robinett will be working on reviewing the self-pay AR process. We are seeing significant growth in this AR bucket.

**Topic of the Month**

Ms. Tate, Ms. Robinett have created a Revenue Cycle Score Card (RCSC) which will be included going forward in the finance packets. The RCSC will include data regarding revenue integrity, claims processing, POS cash, as well as other benchmarked data.

**Financial Report**

- Financial Narrative
  1. Revenues for October 2019 are \$1.5M higher than budget driven by the Surgery, Lab, Radiology and Pharmacy departments. Compared to last year, \$1.1M more charges were posted.
  2. Salaries and wages are higher than budget. In part due to Merit and Market increases including the lump sum of \$90K paid in October. (Lump Sums are paid to those employees who have reached the top of their pay grade.) Accrued PTO value also increased due to the pay increases.
  3. Contract labor is over budget by \$270K and higher than prior year by \$50K driven by usage in Cath Lab and the Legacy.
- Financial Overview
  1. Net Patient Revenue was 4.7% over budget
  2. Payer Mix data on gross charges indicates Blue Cross/Blue Shield has remained stable.
  3. Bad Debt and Charity Care were under budget by 5.29% (gross revenue vs a budget of 8.2%)
  4. Operating Revenue was 5.9% over budget
  5. Operating Expenses were 5% over budget
  6. Operating Income/Loss was better than budget by \$83K
  7. Excess Revenue over Expenses was better than budget by 25K
  8. Days Cash on hand decreased to 117, cash balances dropped by \$2.1M.
- Statement of Revenue and Expense
  1. Contract Services was broken out from Contract Labor for better clarity. Now we can look at true costs of Contract Labor, Physician Salaries and compensation and Contract Services.
  2. Pharmaceuticals was broken out from Supplies as this constitutes 40-50% of all supply costs.
  3. Excess revenue over expenses was better than budget by ~25K.
- Cash Flow
  1. Cash flows from operating activities were decreased by \$1.7M
  2. Cash flows from investing activities were below budget due to less cash on hand days.
  3. Cash flows from financial activities was \$145K
  4. Net decrease in cash and cash equivalents was ~\$2.2M

**Adjournment**

Dr. Hartsaw moved, seconded by Mr. Stuber to adjourn, Motion passed. The meeting adjourned at 1:21 p.m.

The next regularly scheduled Finance Committee meeting will be held on Monday, January 20, 2020 at 12:00pm in the Board Room.

Denise Yvonne, Recorder