

Campbell County Health
 Finance Committee
 May 22, 2020

Mr. Martinson, Trustee, called the Finance Committee meeting to order at 12:00 pm on Friday, May 22, 2020. The meeting was held in the Hospital Board Room and over a WebEx call. Due to the COVID-19, the building has restricted access.

Members Present:

Mr. Dustin Martinson, Trustee

Members via WebEx:

Mr. Adrian Gerrits, Treasurer

Ms. Lisa Harry, Trustee

Staff Members Present:

Ms. Karen Clarke, Community Relations Manager

Mr. Andy Fitzgerald, Chief Executive Officer

Ms. Mary Lou Tate, Chief Financial Officer

Ms. Carol Herrmann, Recorder

Staff Members Via WebEx:

Ms. Jonni Belden, Administrative Director of LTC

Mr. Steve Crichton, VP Facilities and Plant Ops

Mr. Matt Sabus, Director Information Technology

Approval of Agenda

Ms. Harry moved, seconded by Mr. Gerrits, to approve the agenda as presented. Motion carried.

Approval of Minutes

Mr. Gerrits moved, seconded by Ms. Harry to approve the minutes. Motion carried.

Bad Debt and Charity

Approved Charity Care

Apr-20

100% Written Off	\$325,788.83
75% Written Off	\$45,356.34
50% Written Off	\$11,257.56
Catastrophic	\$5,923.03
TOTAL	\$388,325.76

Collections and Discharges

March 2020 by agency are as follows:

American Collection System	\$0.00
Bankruptcy Discharge	\$6,281.79
Collections sent to Chapman	\$265,328.32
Collections sent to CCB	\$251.00

Collections sent to CPI	\$298,149.07
TOTAL	\$570,010.18
GRAND TOTAL	\$958,335.94

Ms. Tate states that this month we had a timing issue getting the file to the vendors. This is an on-going issue that we are looking to automate.

Mr. Gerrits moved, seconded by Ms. Harry, to approve the Resolution of Collections and Discharges for April 2020. Motion carried.

Capital Requests from Materials Management and Facilities

INFORMATION TECHNOLOGY

The City of Gillette is looking to abandon their old fiber line. This line surrounds CCH and connects us to the Stocktrail Building and Pioneer Manor Building. CCH and the City have been working together on this project for over a year. The City is looking to abandon this line this summer. CCH needs to finalize our portion of the work to ensure connectivity between all our locations.

Requested amount: \$67,420

Remaining Budget: \$130,020

- *Mr. Martinson asked if this portion of the line will be ours. Ms. Tate replied yes.*

PLANT

The curtain wall of the expansion building is causing problems due to the improper insulation of the parapet wall. Warm air is traveling up through the building then condensing when it reaches the top. It then falls back down as condensation into the new OB and Med-Surg areas. If we do not fix this issue, we will need to replace drywall 2-3x a year due to the moisture issue. We would like to add this to the 2nd floor project, using some of our unspent budget to pay for the repairs. This is the best value option. There are other opportunities but do not have warranty. We spent a lot of time asking questions, Steve and his team have exhausted all options. The warranty is a 10 year warranty.

Requested amount: \$271,728

Remaining Budget: \$

Ms. Harry motions to accept capital requests. Mr. Gerrits seconds. All in favor, approved.

Statics Report

- Reviewed Slides and provided insight to volumes
 - *Mr. Martinson asks if we will be able to recapture the loss. Ms. Tate thinks that some people will delay. All though the economy is down, some of the procedures will be back. Ms. Harry says we really need to accommodate and get these backlogs back. Ms. Tate states that we are all doing what we can to make patients safe. Andy thinks it will be July before we start the new normal.*

Accounts receivable.

- Last year in April just under \$87M in A/R.
 - Currently sitting at \$70.5M.
 - We are billing less but also working on collections.

- We continue to work with RevSpring to help us fix the setup issues in Meditech. Our edits were at the backend when it was at the clearing house. RevSpring is starting to put those edits up front so the clerks will not be allowed to proceed if the coding is not correct.
- Right now we have a 5/day bill hold, looking to decrease to 3
- Dictionaries are being updated and automating processes as much as possible.
- Putting policy and procedure together.
- Accounts Receivable Days decreased to 80 days from 81 days.
- As our net patient services are dropping, we will see the days dropping.
 - Ms. Tate states that a lot of A/R is hung up in self-pay.
 - Scrubbed everyone in bankruptcy.
 - Setup a process and trained staff on how to handle.

Financial Overview

- Reviewed slides and provide insight to financials,
- Net Patient Revenue was \$4.0M (-27.3%) under budget.
 - Received \$3.45M in Cares Payments (The third payment was received in May).
 - Received \$29k from the Hospital Association.
 - Maurices gave \$5k donation for PPE.
- Operating Expenses were \$888K (-5.4%) under budget
- The Covid 19 mitigation plan did not formally start until the end of April. However many managers were Proactively vexing and PTO saving money in salary and wages.
 - Initially furloughed 81
 - About half have been brought back.
- Lost just under \$3.5M after mill levy.
 - The projection Ms. Tate put together was \$2.6M.
- The projection for May with the Cares Act payment shows a profit of \$3.5M before the mill levy, \$4.6M after the mill levy
 - *Mr. Gerrits asks if the hospital applied for the next round of PPP? Ms. Tate Answered that we cannot because of our size. She has two bankers watching it. FEMA has not been applied for at this time because we are not done receiving money from the government. We are tracking these costs very closely for auditing reasons five to seven years down the road.*
 - *Mr. Gerrits also asks if there is any funding at the State level. Mr. Fitzgerald stated that the legislature has passed 3 bills. The first bill passed allowed the Governor to fund up to \$450M. It looks like this will be administered thru the Land and Investment Board. We should be able to present some capital items. The second bill has put money aside for unemployment insurance. We will be getting a credit on our unemployment insurance. They do not know how this will be working yet. The third bill is a sum of \$350M. There is a tiered method based on the number of employees. Each employer could request \$500k. There is opportunities from the State of Wyoming. The State is working on the process on how all three of those funding options will work.*
- Days cash on hand increased by 9 to 131.31 days above target.
 - *Mr. Gerrits asks how many days the Cares Act payment added. Ms. Tate replied that it was 6.83 days, so we would have been at 124 days.*

- Cash Flows
 - Excess Revenue over Expenses is \$3M add in \$1.8M from depreciation, changes in A/R and A/P added in \$5.5M in cash. We paid for PPE and some long term interest. We added \$4.1M cash back, including \$3.4M from the Cares Act, from operations.
 - *Mr. Gerrits asked if all supplies that were on backorder, or supplies being shipped somewhere else, if that has worked itself out. Ms. Tate replied that we are still seeing delays on PPE Vendors are now doing a fill or kill at 30 day. Meaning if a PO has not been filled in 30 days, they kill the PO. Materials Management is closely monitoring so they can re-create a new PO to replace the PO that was killed. Still waiting on some of the shipment from China. Capital expenditures has not been effected.*
 - *Mr. Gerrits states that if we are ordering from China now, maybe we can start ordering on a more regular basis. At Cyclone they have seen a 70% discount on ordering tires and gloves directly from China. Ms. Tate replies that China changes the rules daily and our supplies have not left China yet. Today the prices are three times more expensive than Pre-Covid prices. China has been sending more planes back to the originating country empty than filled with product. It might be a good thing to look at going forward from Covid. Ms. Tate does not think we will be out of the supply shortage for six to eight months. Everyone had moved to just in time inventory and now everyone is keeping stockpiles. We do have some contracts within the United States that we have an allotment.*

FY2021 Capital Budget

- Reviewed Current status

Mr. Martinson states that he has only heard good responses from the budget work days.

Public Comment

- None

Executive Session

- None

Adjournment

Ms. Harry moved, seconded by Mr. Gerrits to adjourn, Motion passed. The meeting adjourned at 01:07 p.m.

The next regularly scheduled Finance Committee meeting will be held on Monday June 22, 2020 at 12:00 pm in the Board Room.

Carol Herrmann, Recorder