

**Campbell County Health
Finance Committee
October 24, 2016**

Mr. Dugan called the Finance Committee meeting to order at 12:05 p.m. on Monday, October 24, 2016. The meeting was held in the Hospital Board Room.

Present:

Dr. Sara Hartsaw, Trustee
Mr. Mike Dugan, Trustee
Mr. Dalton Huber, Chief Financial Officer
Mr. Bill Stangl, Vice President of Physician Services
Mr. Andy Fitzgerald, Chief Executive Officer
Mr. Steve Crichton, Vice President of Facilities
Ms. Karen Clarke, Director of Community Relations
Ms. Kim Johnson, Director of Health Information Management and Compliance
Ms. Wendy Kaufman, Recorder

Excused:

Dr. Alan Mitchell, Chair
Mr. George Dunlap, Trustee
Ms. Deb Tonn, Vice President of Patient Services
Mr. Doug Montgomery, Interim Controller
Dr. Lowell Amiotte, Chief of Staff

Guest:

Mr. Tom Linden

Approval of Minutes:

ACTION: Dr. Hartsaw moved, seconded by Mr. Dugan, to approve the minutes of the September 26, 2016 meeting. Motion carried.

OLD BUSINESS

- **Refinancing Bonds:** Piper Jaffray will be sending requests for proposals to various banks for private placement of the Series 2009 Bonds. Mr. Huber mentioned that at a Wyoming Hospital Association meeting Mr. Fitzgerald learned that the USDA lends money for construction projects; they do not provide funds for refinancing, however. One option would be to borrow the money for the inpatient project through USDA and at the end of the project when the 2009 Bonds are callable on December 1, 2019, take the proceeds of what was borrowed from the USDA and retire most of the 2009 Bonds. The balance of those bonds on that date will be approximately \$35,000,000. The current rate from USDA is 2.35%. This would be a 40-year loan with no penalty for withdrawal. At that time we could evaluate the cash and decide on how to retire the remaining 2009 Bonds. Mr. Huber will do more research on this option.

NEW BUSINESS

- **Compliance:** Ms. Johnson reported that the letter regarding denied claims on inpatient stays was sent to Medicaid. No response was received; however, there have been no denials since the letter was sent. Discussed pros and cons of Medicaid expansion in Wyoming. Dr. Hartsaw and Mr. Dugan suggested that a special Board meeting be arranged to discuss this topic.

CAPITAL REQUESTS

- **No capital requests for the month of October.**

SEPTEMBER 2016 FINANCIAL PRESENTATION

Mr. Huber presented the September 2016 financial data.

- Inpatient admits 31 under budget for September and decreased 23 compared to previous year.
- Pioneer Manor admits 2 under budget in September, decreased 7 compared to previous year.
- Total average daily census in hospital 24 versus a budget of 26.
- Average daily census for Pioneer Manor 120 versus budget of 127. Staffing shortages could limit Legacy admits.
- Outpatient visits 1,038 below budget and 712 lower than last year.
- Clinic visits 1,181 under budget and decreased 1,676 compared to previous year.
- Emergency Room visits 37 over budget and 23 below a year ago.
- Walk-In Clinic visits 223 under budget and 309 below a year ago.
- Total surgeries 78 over budget in September and increased by 96 compared to a year ago.
- Net patient revenue \$1,752,000 under budget.
- Bad debt and charity care over budget \$24,000.
- Operating expenses under budget \$63,000.
- EBIDA under budget \$1,620,000.
- Operating loss \$2,635,000 versus a budgeted loss of \$1,034,000.
- Net loss \$1,396,000 versus a budgeted gain of \$162,000.
- Current assets decreased by \$4,682,000 due to decreases in cash and net patient receivables.
- Accounts receivable days increased by 1 for a total of 81.
- Days cash on hand decreased by 9 to 174 in September.

Discussion – It was suggested that we promote a busy Surgery Department. Mr. Dugan suggested being more aggressive in upfront collections. At the meeting in December, Mr. Huber will report on what is being done now and provide some recommendations on what can be done to improve receiving payment at time of service.

DISCHARGE OF UNCOLLECTIBLE DEBT

The uncollectible debt for September 2016 by category is as follows:

INPATIENT UNCOLLECTIBLE	\$ 390,289.76
ER UNCOLLECTIBLE	\$ 408,336.01
OUTPATIENT UNCOLLECTIBLE	<u>\$ 194,324.00</u>
COMBINED TOTAL FOR AUGUST 2016	\$ 992,949.77

ACTION: Dr. Hartsaw moved, seconded by Mr. Dugan, to discharge the September 2016 uncollectible debt in the amount of \$992,949.77. Motion carried.

INVESTMENTS

There were no investments in the month of September.

PUBLIC COMMENTS

There were no public comments.

ADJOURNMENT

ACTION: Dr. Hartsaw moved, seconded by Mr. Dugan to adjourn the meeting at 12:53 p.m. Motion carried.

The next regularly scheduled Finance Committee meeting will be held on December 5, 2016 at 12:00 p.m.