

Chief Executive Officer
Chris Bjornberg



Board of Directors
Abe Hathaway, President
Jeanne Utterback, Vice President
Tom Guyn, M.D., Secretary
Tami Humphry, Treasurer
Lester Cufaude, Director

Finance Committee
Meeting Agenda
August 30, 2023 at 11:00 AM
Mayers Memorial Healthcare District
Burney Annex Boardroom
20647 Commerce Way, Burney, CA

In observance of the Americans with Disabilities Act, please notify us at 530-336-5511, ext 1264 at least 48 hours in advance of the meeting so that we may provide the agenda in alternative formats or make disability-related modifications and accommodations. The District will make every attempt to accommodate your request.

Attendees

Tami Vestal-Humphry, Chair, Board Member
Abe Hathaway, Board Member
Chris Bjornberg, CEO
Travis Lakey, CFO

				Approx. Time Allotted
1	CALL MEETING TO ORDER			
2	CALL FOR REQUEST FROM THE AUDIENCE - PUBLIC COMMENTS OR TO SPEAK TO AGENDA ITEMS			
3	APPROVAL OF MINUTES			
3.1	Regular Meeting –July 26, 2023	<i>Attachment A</i>	Action Item	2 min.
4	FINANCIAL REVIEWS/BUSINESS			
4.1	July 2023 Financials	<i>Attachment B</i>	Action Item	15 min.
4.2	Accounts Payable (AP)/Accounts Receivable (AR)		Action Item	15 min.
4.3	Board Quarterly Finance Review		Action Item	2 min.
5	ADMINISTRATIVE REPORT		Information	5 min.
6	OTHER INFORMATION/ANNOUNCEMENTS			
7	ADJOURNMENT: Next Regular Meeting – September 27, 2023 Posted 08/25/2023			

Public records which relate to any of the matters on this agenda (except Closed Session items), and which have been distributed to the members of the Board, are available for public inspection at the office of the Clerk to the Board of Directors, 43563 Highway 299 East, Fall River Mills CA 96028. This document and other Board of Directors documents are available online at www.mayersmemorial.com.



Board of Directors
Finance Committee
Minutes

July 26, 2023
FR Boardroom

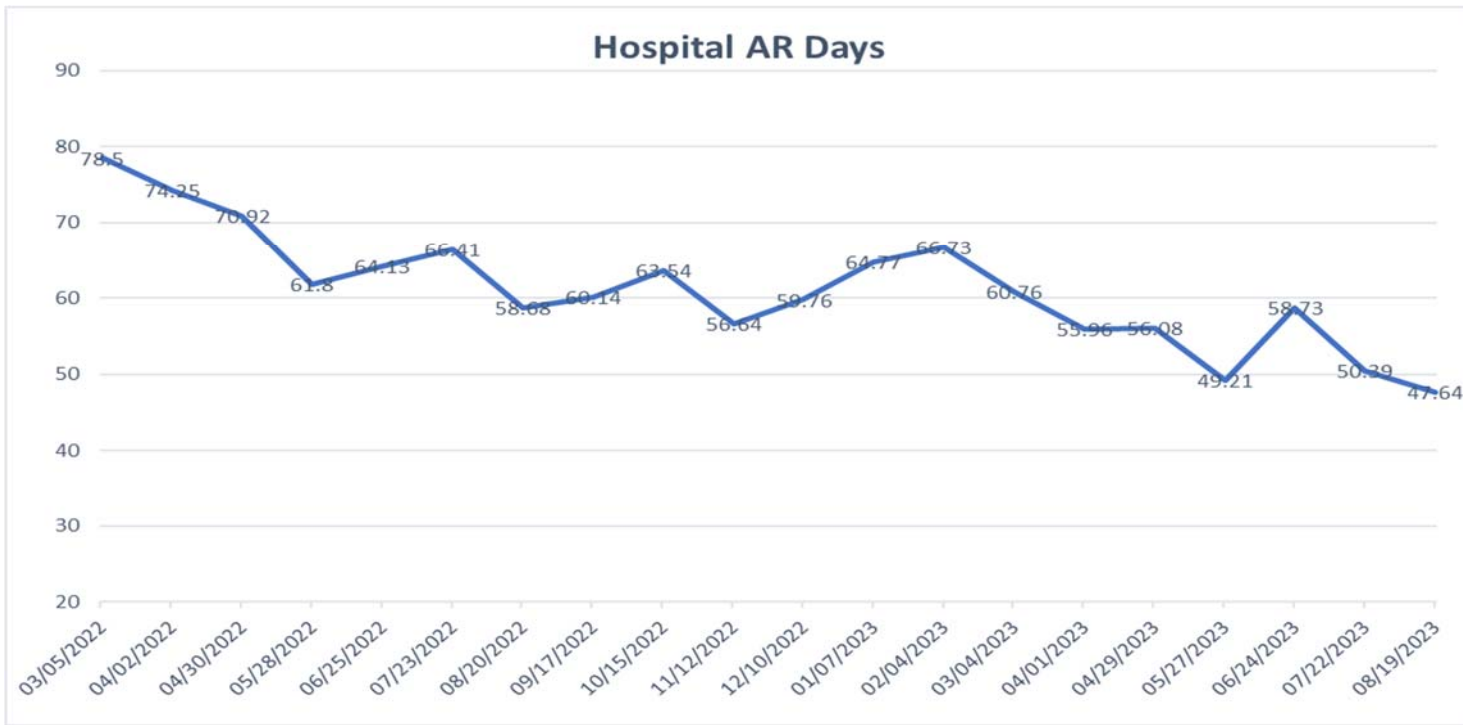
These minutes are not intended to be a verbatim transcription of the proceedings and discussions associated with the business of the board's agenda; rather, what follows is a summary of the order of business and general nature of testimony, deliberations and action taken.

1	CALL MEETING TO ORDER: Tami Humphry called the meeting to order at 11:05 am on the above date.		
	BOARD MEMBERS PRESENT:	STAFF PRESENT:	
	Tami Vestal-Humphry, Committee Chair Abe Hathaway, Director	Chris Bjornberg, CEO Travis Lakey, CFO Ryan Harris, COO Jessica DeCoito, Board Clerk	
	ABSENT:		
2	CALL FOR REQUEST FROM THE AUDIENCE – PUBLIC COMMENTS OR TO SPEAK TO AGENDA ITEMS - None		
3	APPROVAL OF MINUTES: June 28, 2023 – minutes attached. Motion moved, seconded and carried.	<i>Hathaway, Humphry</i>	Approved by All
4	FINANCIAL REVIEWS		
4.1	June 2023 Financials: review of financials and notes provided. Everything looks good. Retail Pharmacy squeaked by this month. Noting that as we go into Master Planning, that we remember the supplemental payments could change our financial situation drastically. Discussions about IGTs took place. Auditors will be here the week of August 14 th . Currently operating out of Paragon and Multiview as we transition from Paragon to Cerner. Discussion on the Rural Clinic exhibit A took place. Great work on SNF. Motion moved, seconded and carried to approve financials.	<i>Hathaway, Humphry</i>	Approved by All
4.2	Accounts Payable (AP) & Accounts Receivable (AR): cash on hand – 221 (goal for FY23 is 90), A/R days – 53 (goal for FY23)		
4.3	Veregy Solar Project Proposal: everything is all in line. This is just the proposal and not the contract. But the cost is the same, and size is the same. They will assist us with the permitting process but MMHD will be responsible for that. Motion moved, seconded and carried to full board for approval.	<i>Hathaway, Humphry</i>	Approved by All
5	ADMINISTRATIVE REPORT: will report at regular Board meeting.		
6	OTHER INFORMATION/ANNOUNCEMENTS: None		
7	ADJOURNMENT – 12:09 pm		
	Next Finance Committee Meeting: August 30, 2023		

Finance Notes July FY24

Ratios	FY 24	FY 23 Average	
Cash on Hand	231	182	Average PY
Net Income	650,691	328,477	Average PY
Current Ratio	11.1		N/A
AR Days	52.8	61	Average PY
Accounts Payable	717,495	651,656	Average PY
Daily Gross Revenue	155,139	142,873	Average PY
% of Gross Revenue Collected	78%	68%	Average PY

- 1) The audit went well. There are open items they are requesting per normal as it's not possible to audit an entire year in a week. We are going to try to have the audit and single audit wrapped earlier this year. I always have them wait until the cost reports are complete at the end of November as the Medicare Settlement is a large adjustment to the bottom line. The Care, Cal and Hospice Cost Reports are going to occupy a lot of my time this fall.
- 2) Shifting focus to Phase 5 Provider Relief Funding as it's been a while since I've had to report as we received payments in Phases 1, 2, and 5. They have made some rulings since the original reporting that I must review. Fortunately, we weren't capturing any capital expenses and didn't use an alternative revenue method which is flagging for audits.
- 3) The FY 22 Medi-Cal Audit has started. Usually, their requests are around October so they are starting a bit earlier this year.
- 4) The packet is different this month as this is the first time pulling financials through the new accounting system. Scott has been great at working closely with Multiview to ensure that we have financials to present. They are still a work in progress at this point as we tighten things up going forward. There were some issues on the 22 data on the Income Statement so we didn't include that until we can work out the variances.
- 5) The Bond Rating call with Fitch went well but there were more questions than normal given the fiscal state of rural hospitals.
- 6) We have been approved for a National Health Service Corps site for the hospital and the clinic. (Excerpt from site) A NHSC-approved site can help you attract and retain qualified and dedicated primary care providers. [You can also get assistance in recruiting, hiring, and retaining clinicians¹](#). [NHSC-approved sites also have opportunities to network with other NHSC-approved sites and community organizations²](#). [Providers working in NHSC-approved sites are eligible for federal loan repayment programs of up to \\$50,000 for two years of service.](#)
- 7) CMS approved Dr Watson and I's application for a Visiting Nurse Program for the homebound to be ran out of our clinic. The application was approved much quicker than anticipated given that it went through CDPH and CMS.
- 8) The Mayers RHC referrals generated 216K in revenue and 94K in payments in July.
- 9) We have a QAF IGT in October (should be paid fairly quick as DHCS is prefunding the plans) and QAF, Rate Range and QIP IGTs in February so cash will certainly dip until May.
- 10) Hospital AR Days have been looking great the last couple of months.

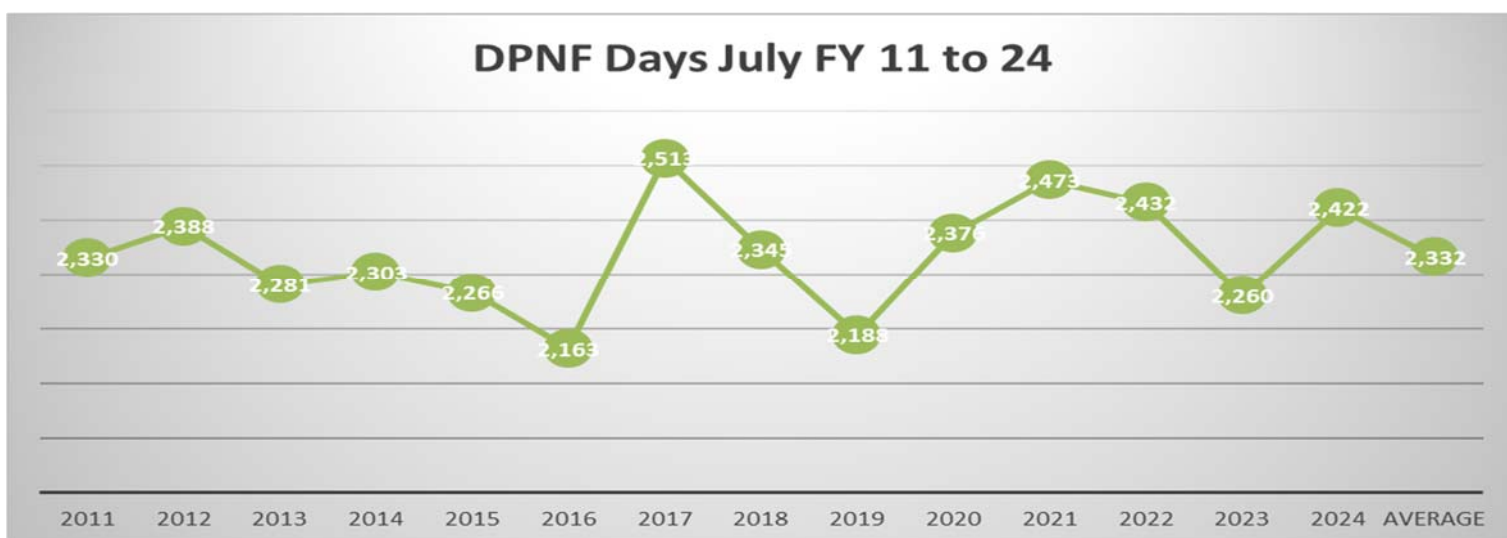
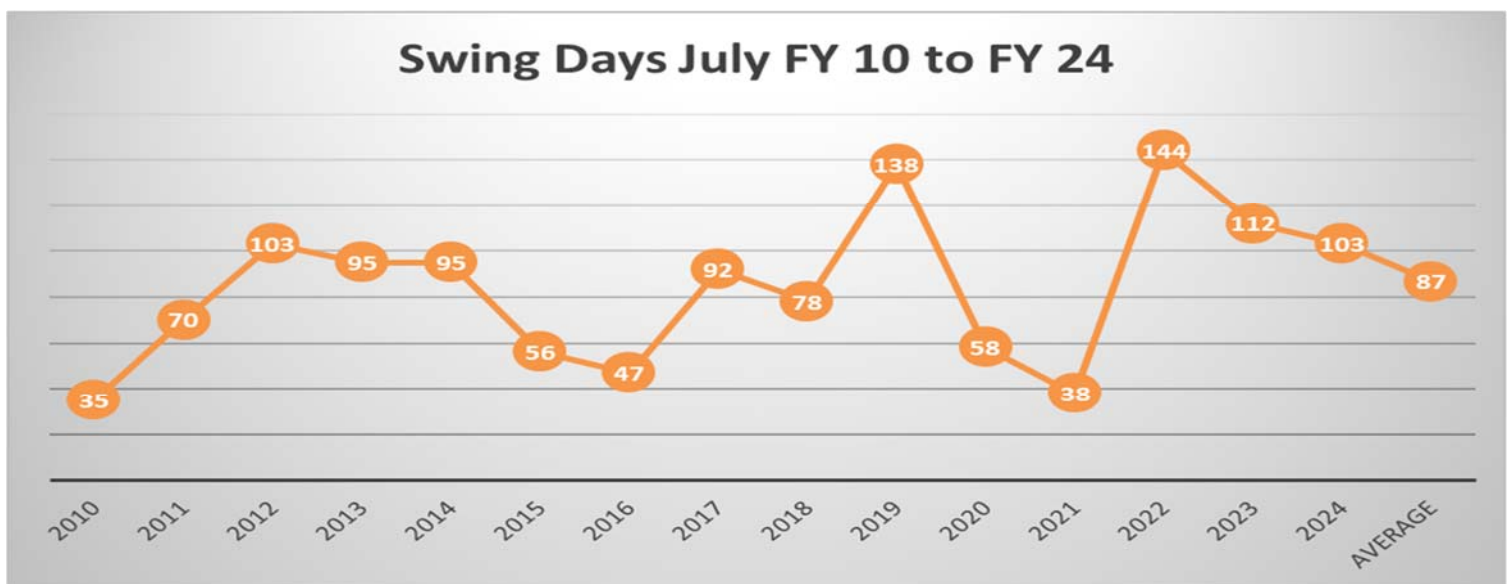
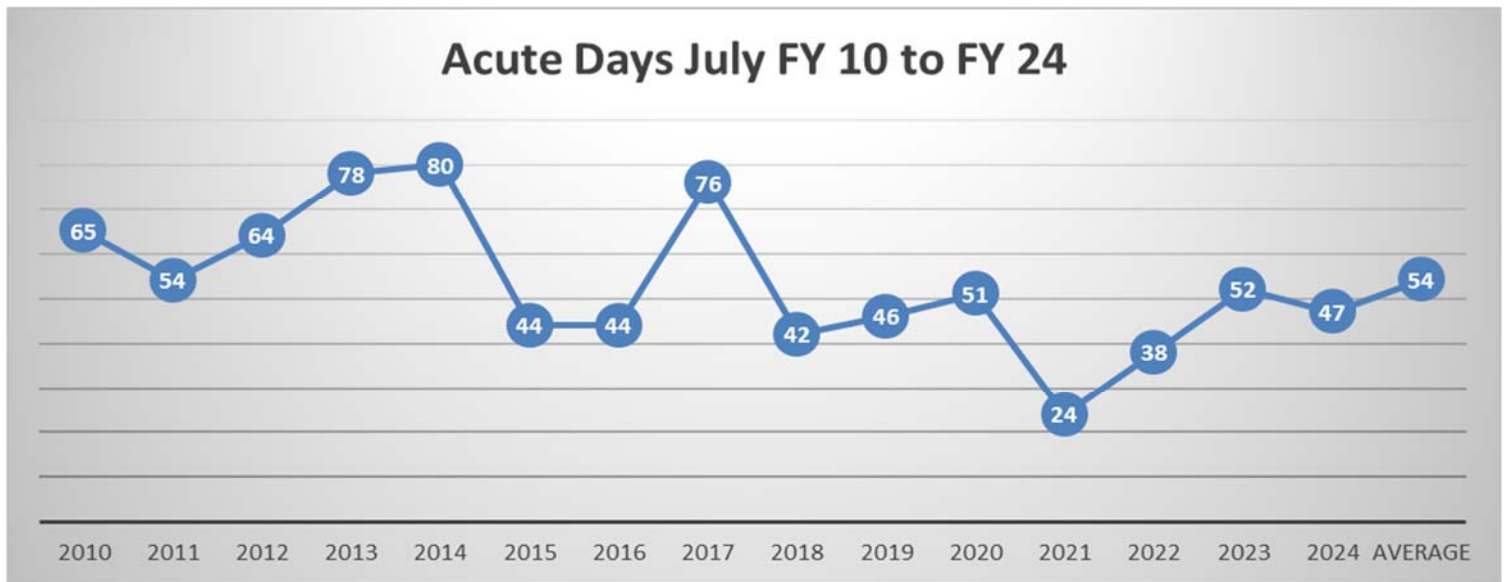


11) The Center for Healthcare Quality and Payment Reform just put out a study of Rural Hospitals at Risk of Closing. I've attached it to the board notes as it's good to have a wider perspective of the state of rural hospitals.

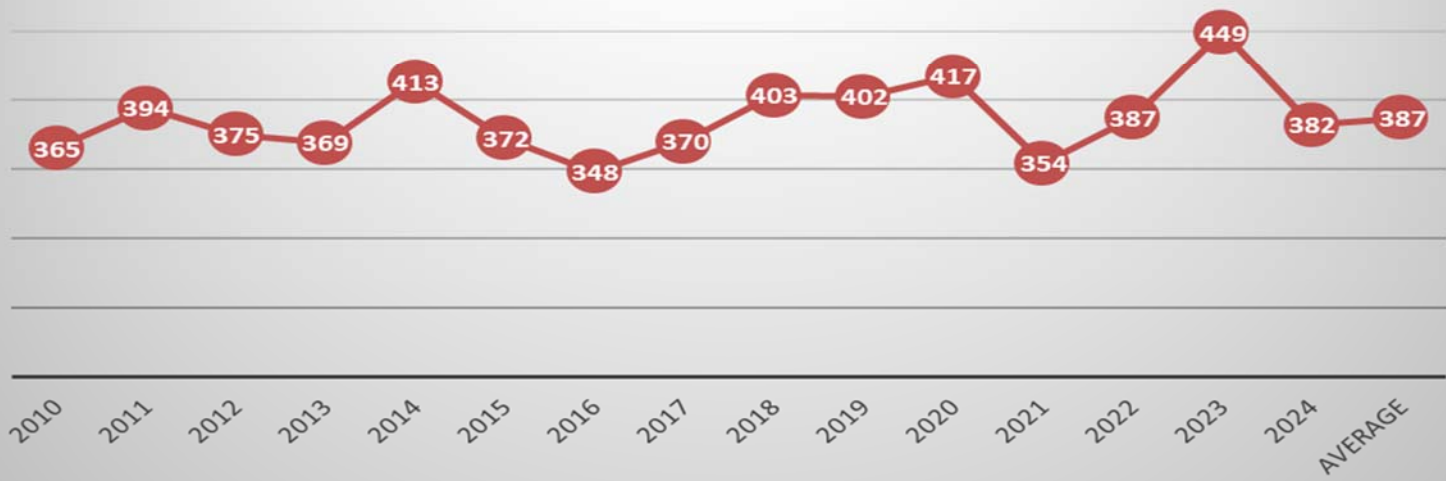
RURAL HOSPITALS AT RISK OF CLOSING								
State	Closures Since 2005	Current Rural Hospitals	Hospitals With Losses on Services ¹		Hospitals At Risk of Closing		Hospitals At Immediate Risk	
			Number	Percent	Number	Percent	Number	Percent
Kansas	9	104	86	83%	60	58%	29	28%
Texas	24	158	102	65%	77	49%	29	18%
Mississippi	5	74	48	65%	33	45%	24	32%
Oklahoma	9	78	58	74%	37	47%	24	31%
New York	6	51	41	80%	31	61%	22	43%
Alabama	7	52	34	65%	29	56%	19	37%
Tennessee	14	55	22	40%	22	40%	16	29%
Georgia	9	68	32	47%	19	28%	12	18%
Arkansas	2	50	37	74%	22	44%	11	22%
Kentucky	4	72	30	42%	16	22%	10	14%
California	9	56	33	59%	17	30%	9	16%
Michigan	2	64	24	38%	14	22%	8	12%
Missouri	10	57	30	53%	19	33%	8	14%
Iowa	1	93	66	71%	23	25%	7	8%
Illinois	5	71	19	27%	12	17%	6	8%
Indiana	3	53	14	26%	7	13%	6	11%
Louisiana	2	53	36	68%	22	42%	6	11%
Maine	3	25	14	56%	10	40%	6	24%

Statistics

1) Below are the comparisons from in July FY 10 to 24. Being only one period there can be some large variances vs when it's spread over four plus months.



ER Visits July FY 10 to FY 24



Labs July FY 10 to 24



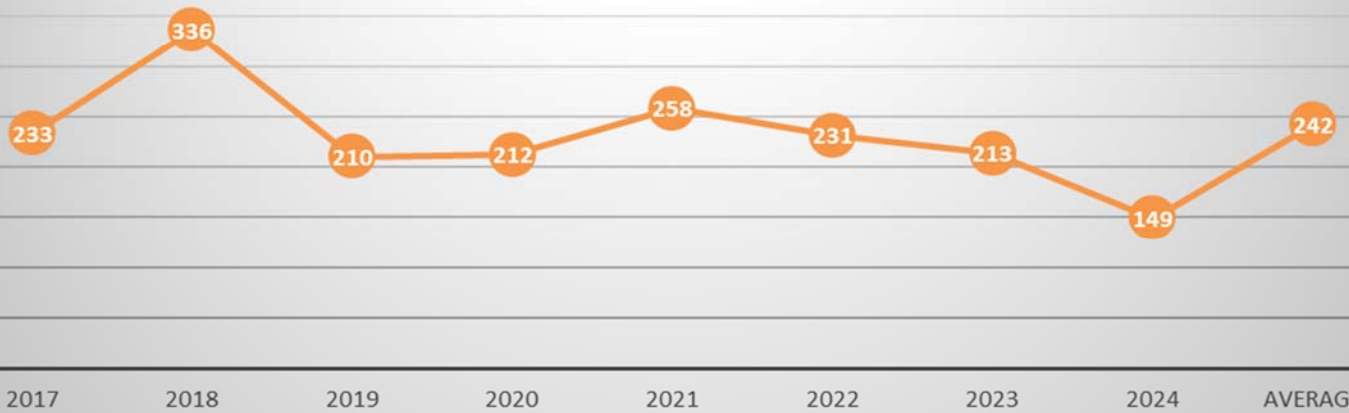
Radiology Procedures July FY 10 to 24



OP Services July FY 10 to 24



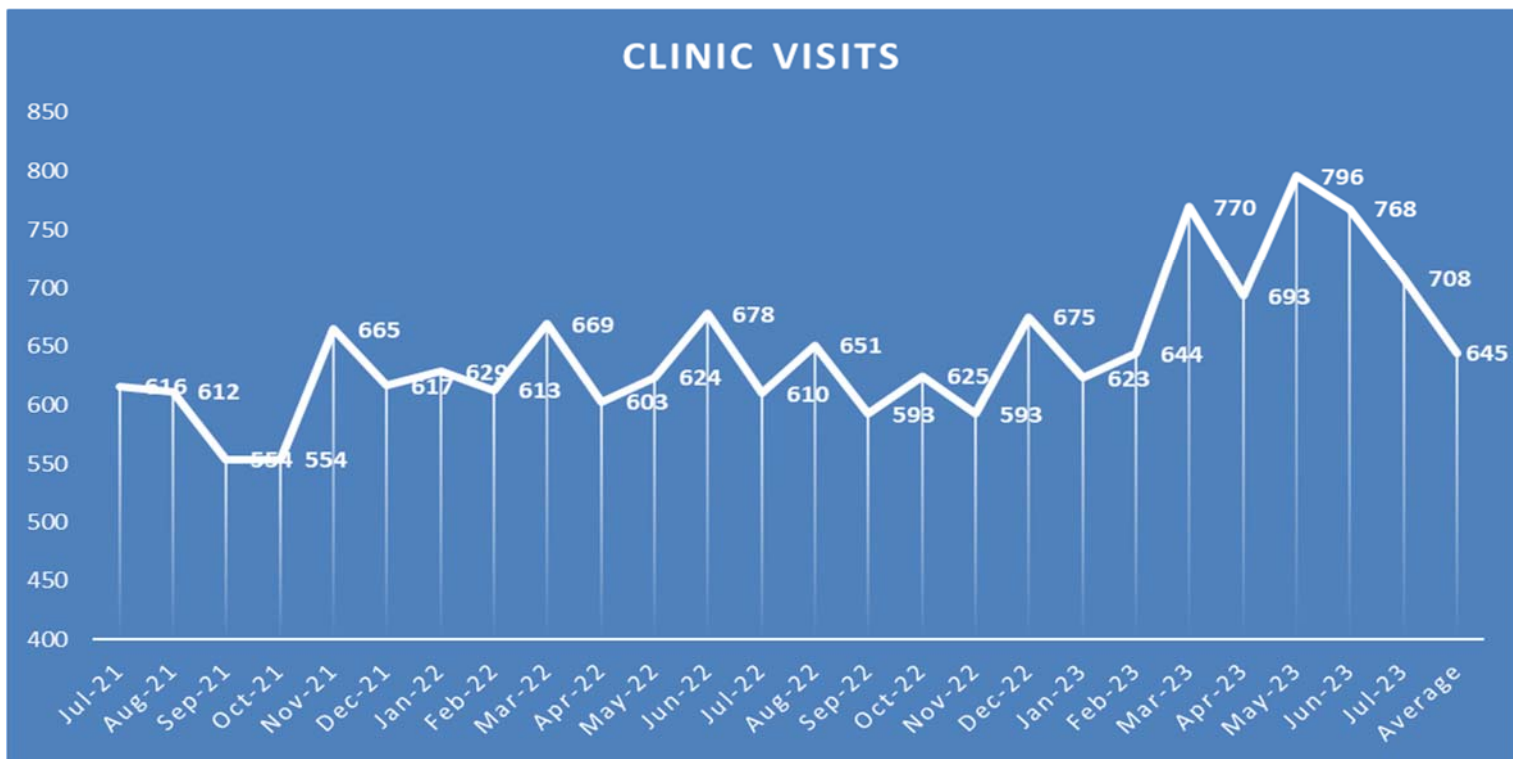
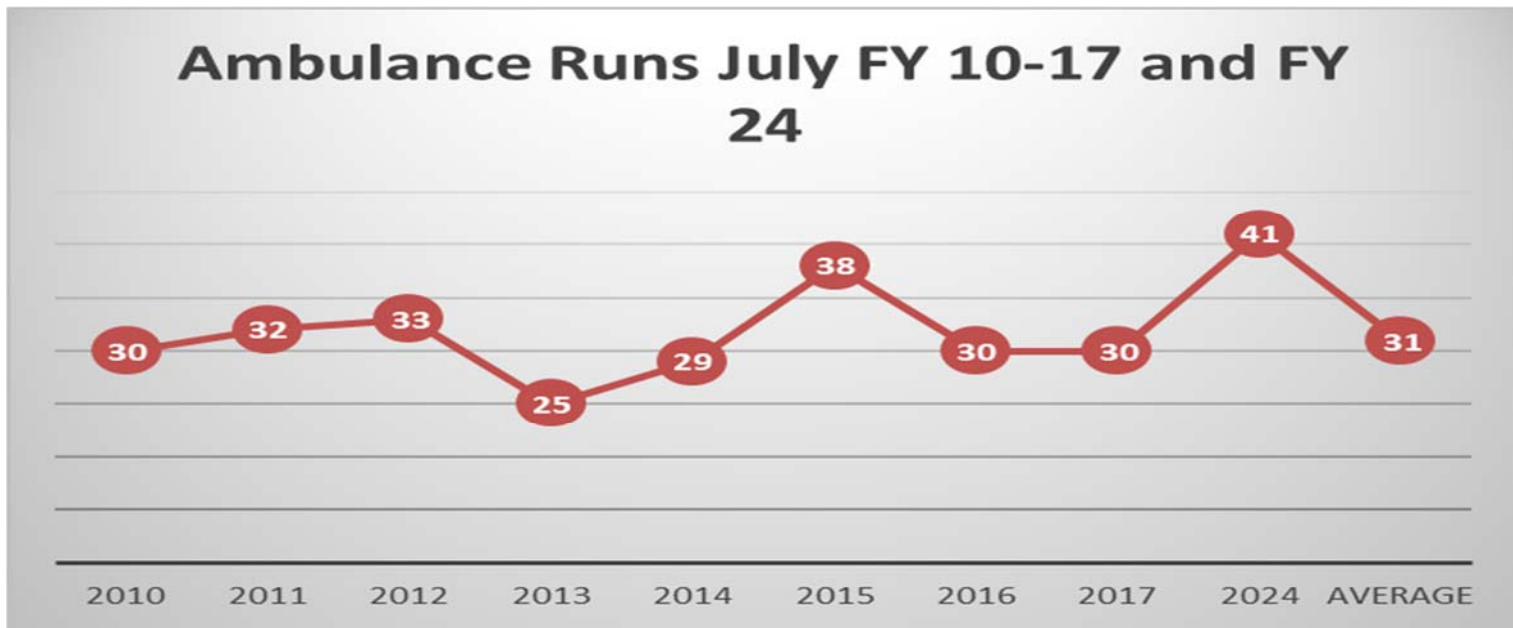
PT Visits FY 17 to 24



Cardiac Rehab July FY 10 to 24



Adding Ambulance with historical data from when we ran it prior.



Income Statement(Work in Progress)

- 1) Acute Revenue is down due to less days in Acute and Swing.
- 2) SNF Revenue is up due to higher days plus a higher rate than the same period last year.
- 3) Contractuals are down due to a lower Accounts Receivable.
- 4) Higher Gross Revenue plus lower contractuals increases the Net Revenue.
- 5) Salaries and Wages are up due wage increases and bonuses paid out. We combined the Productive and Non-Productive as we most places report that as one line vs two.
- 6) Supplies are up due to some expensive drugs in Outpatient Medical. We'll need to watch those accounts closely to ensure proper reimbursement.

- 7) Travelers are up about 14K. Don't really like how this is grouped so I'll move it back to the old format in upcoming months.
- 8) Interest Income is up due to higher rates in the Money Market Account.
- 9) Net Income is 650K due supplemental payments reducing our overall contractals.

Balance Sheet

- 1) Cash is up as we had a strong collection month.
- 2) Medicare/Medi-Cal Settlements are up as we accrue for HQAF and Rate Range.
- 3) Subscription Based Assets are to meet the Governmental Accounting Standards Board 96 which makes us recognize some technology agreements as an asset.
- 4) The consultant who built our report combined our Accruals for Payroll, Payroll Taxes, Vacation & Holiday and Health Insurance into Payroll and Related Liabilities total which is fairly common.
- 5) We have the HQAF 7, 8 and Rate Range I'm starting to accrue for so those balances will continue to grow until paid out.
- 6) The Long Term Subscription Liability is the other side of the Asset entry for GASB 96.
- 7) The Current Ratio is a robust 11.11.

Miscellaneous

- 1) Started off the year with a great month of collections.
- 2) AR Collection Ratio was very high in July at 78%.
- 3) Retail Pharmacy had a strong revenue month to start the year as a positive.
- 4) The RHC had a lot of expenses which was expected as we opened the Mobile Clinic so they started with a 25K loss.

MAYERS MEMORIAL HOSPITAL

Statistical Data

Fiscal Year Ending JUNE 30, 2024

COMPARISON TO ACTUAL

2023		2023		FY 2024		FYE 2023		Variance	% Increase or Decrease
July	June	July	June	YTD	YTD	YTD	YTD		
Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual		
VOLUME:									
DISCHARGES									
	11	16	(5)	Acute	11	18	(7)		-38.91%
	8	13	(5)	Swing Bed	8	9	(1)		-11.11%
	3	1	2	Skilled Nursing Care (DISCHG)	3	2	1		50.02%
	6	10	(4)	Observations	6	7	(1)		-14.31%
PATIENT DAYS									
	52	47	5	Acute	52	98	(46)		-46.91%
	103	130	(27)	Swing Bed	103	112	(9)		-8.01%
	2,422	2,249	173	Skilled Nursing Care	2,422	2,260	162		7.22%
LENGTH OF STAY									
	4.73	2.94	2	Acute	4.73	5.44	(1)		-13.11%
	12.88	10.00	3	Swing Bed	12.88	12.44	0		3.52%
				Skilled Nursing Care					
AVERAGE DAILY CENSUS									
	1.68	1.57	0	Acute	1.68	3.16	(1)		-46.91%
	3.32	4.33	(1)	Swing Bed	3.32	3.61	(0)		-8.01%
	78.13	74.97	3	Skilled Nursing Care	78.13	72.90	5		7.22%
ANCILLARY SERVICES									
	0	0	0	Surgery Inpatient Visits	0	0	0		#DIV/0!
	0	0	0	Surgery OP/ procedure visits	0	3	(3)		-100.01%
	382	419	(37)	Emergency Room Visits	382	449	(67)		-14.91%
	167	222	(55)	Outpatient Services Procedures	167	92	75		81.52%
	643	682	(39)	Laboratory Visits	643	986	(343)		-34.81%
	399	471	(72)	Radiology Procedures	399	495	(96)		-19.41%
	142	117	25	Hospice Patient Days	142	198	(56)		-28.31%
	149	233	(84)	Physcial Therapy visits	149	213	(64)		-30.01%
	187	190	(3)	Cardiac Rehab	187	144	43		29.92%
	60	67	(7)	Telemedicine visits	60	34	26		76.52%
	13	20	(7)	Admissions from ER	13	21	(8)		-38.11%
	15	20	(5)	Transfers from ER	15	12	3		25.02%
	708	768	(60)	Clinic Visits	708	610	98		16.12%
PRODUCTIVITY:									
Productive FTE's									
	10.02	9.46		Nursing - Acute	10.02	23.98			
	37.38	38.60		Long Term Care	37.38	62.82			
	51.63	45.84		Ancillary	51.63	47.27			
	61.97	68.24		Service	61.97	82.20			
	161.00	162.14		Total Productive	161.00	216.27			
	82.27	70.10		Non-Productive FTE's	69.96	41.38			
	243.27	232.24		Paid FTE's	230.96	257.65			
PRODUCTIVE FTE PER ADJUSTED OCCUPIED BED									
	2.46	2.49			2.40	3.35			

MAYERS MEMORIAL HOSPITAL

Statement of Revenue and Expenses
Fiscal Year Ending JUNE 30, 2023
COMPARISON TO ACTUAL

2023 JULY Month Actual		2023 JULY YTD Actual
	Patient Revenue	
862,382	Acute Revenue	862,382
1,353,347	Revenue - SNF Inpatient	1,353,347
2,593,571	Outpatient Revenue	2,593,571
4,809,300	Patient Revenue	4,809,300
	 DEDUCTIONS FROM REVENUE	
(457,682)	Contractuals- Care/cal	(457,682)
(276,650)	Contractuals- PPO	(276,650)
(1,241)	Charity and Write-Offs	(1,241)
(167,938)	Admin Adjustments and Employee Discounts	(167,938)
(133,353)	Provision for Bad Debt	(133,353)
(1,036,863)	Total Deductions	(1,036,863)
40,128	Other Operating Revenues	40,128
3,812,565	Net Revenue	3,812,565
	 OPERATING EXPENSES	
1,603,425	Salaries & Wages	1,603,425
180,475	Employee Benefits	180,475
355,261	Supplies	355,261
102,405	Professional Fees	102,405
543,490	Other Purchased Service Nurse Travel	543,490
55,245	Other Purchased Service Travel	55,245
598,735	Travelers	598,735
190,766	Other Purchased Service	190,766
19,639	Repairs & Maintenance	19,639
99,893	Utilities	99,893
51,084	Insurance Other	51,084
126,840	Other Expenses	126,840
0	USDA Interest Expense	0
2,435	Interest Expense	2,435
156,533	Depreciation Expense	156,533
11,715	Rental/Lease	11,715
3,499,205	Total Operating Expenses	3,499,205
313,360	Income From Operations	313,360
434,795	Non-Operating Revenue	434,795
163,448	Interest Income	163,448
260,913	Non-Operating Expenses	260,913
337,330	Total Non-Operating	337,330
650,691	Net Income	650,691