

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**

September 27, 2023 at 11:00 AM  
Fall River Lions Club  
44256 Highway 299 E  
McArthur, CA 96056

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

|     |   |                     |                    | <b>Approx.<br/>Time<br/>Allotted</b> |
|-----|---|---------------------|--------------------|--------------------------------------|
| 1   | <b>CALL MEETING TO ORDER</b>  |                     |                    |                                      |
| 2   | <b>CALL FOR REQUEST FROM THE AUDIENCE - PUBLIC COMMENTS OR TO SPEAK TO AGENDA ITEMS</b> |                     |                    |                                      |
| 3   | <b>APPROVAL OF MINUTES</b>  |                     |                    |                                      |
| 3.1 | Regular Meeting – August 30, 2023   | <i>Attachment A</i> | <b>Action Item</b> | 2 min.                               |
| 4   | <b>FINANCIAL REVIEWS/BUSINESS</b>   |                     |                    |                                      |
| 4.1 | August 2023 Financials  | <i>Attachment B</i> | <b>Action Item</b> | 15 min.                              |
| 4.2 | Accounts Payable (AP)/Accounts Receivable (AR)  |                     | <b>Action Item</b> | 15 min.                              |
| 5   | <b>ADMINISTRATIVE REPORT</b>  |                     | Information        | 5 min.                               |
| 6   | <b>OTHER INFORMATION/ANNOUNCEMENTS</b>  |                     |                    |                                      |
| 7   | <b>ADJOURNMENT:</b> Next Regular Meeting – October 25, 2023<br>Posted 09/22/2023        |                     |                    |                                      |

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](http://www.mayersmemorial.com).

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Board of Directors  
**Finance Committee**  
**Minutes**

August 30, 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   | <b>CALL MEETING TO ORDER:</b> Tami Humphry called the meeting to order at 11:00 am on the above date.  |   |                            |
|     | <b>BOARD MEMBERS PRESENT:</b>  | <b>STAFF PRESENT:</b>   |                            |
|     | Tami Vestal-Humphry, Committee Chair<br>Abe Hathaway, Director   | Chris Bjornberg, CEO<br>Travis Lakey, CFO<br>Ryan Harris, COO<br>Jessica DeCoito, Board Clerk |                            |
|     | <b>ABSENT:</b>   |   |                            |
| 2   | <b>CALL FOR REQUEST FROM THE AUDIENCE – PUBLIC COMMENTS OR TO SPEAK TO AGENDA ITEMS - None</b>   |   |                            |
| 3   | <b>APPROVAL OF MINUTES: July 26, 2023 – minutes attached.</b> Motion moved, seconded and carried.  | <i>Hathaway,<br/>Humphry</i>  | <b>Approved<br/>by All</b> |
| 4   | <b>FINANCIAL REVIEWS</b>   |   |                            |
| 4.1 | <b>July 2023 Financials:</b> Audit went really well. We are about 80% done on it. Medical audit began earlier than normal. Great collection month. AR days are also looking very good but will transit over into Cerner and that will change. Met with the GPO yesterday and found that 20% of the items we have are not covered in the agreement, so we will look at switch those items/vendors. New Accountant starts this next Tuesday, September 5 <sup>th</sup> . Visiting Nurse Program was approved and we will be putting plans into place. Registry staff is up for expenses but new hires should help bring that cost down next month. Housing figures show that we are saving money by owning the Pit River Lodge, Employee Housing.<br><br>Motion moved, seconded and carried to approve financials. | <i>Hathaway,<br/>Humphry</i>  | <b>Approved<br/>by All</b> |
| 4.2 | <b>Accounts Payable (AP) &amp; Accounts Receivable (AR):</b> A/R Days 52.8, Days Cash on Hand 231, AP 717,495.   |   |                            |
| 4.3 | <b>Board Quarterly Finance Review:</b> Motion moved, seconded and carried to full board for approval.  | <i>Hathaway,<br/>Humphry</i>  | <b>Approved<br/>by All</b> |
| 5   | <b>ADMINISTRATIVE REPORT:</b> Meeting with Rural CAH and Rural Hospitals with CHA took place yesterday. A lot of discussion was on SB 525 - Minimum wage increase to \$25/hr. Our concerns of not being represented properly were voiced. Met with CHIC (Community Hospital Insurance Coalition) this morning to talk about our health insurance plan for our employees. The numbers proposed are very promising and more information will be shared once we receive the official proposal.  |   |                            |
| 6   | <b>OTHER INFORMATION/ANNOUNCEMENTS: None</b>   |   |                            |
| 7   | <b>ADJOURNMENT – 11:46 pm</b>  |   |                            |
|     | Next Finance Committee Meeting: August 30, 2023  |   |                            |

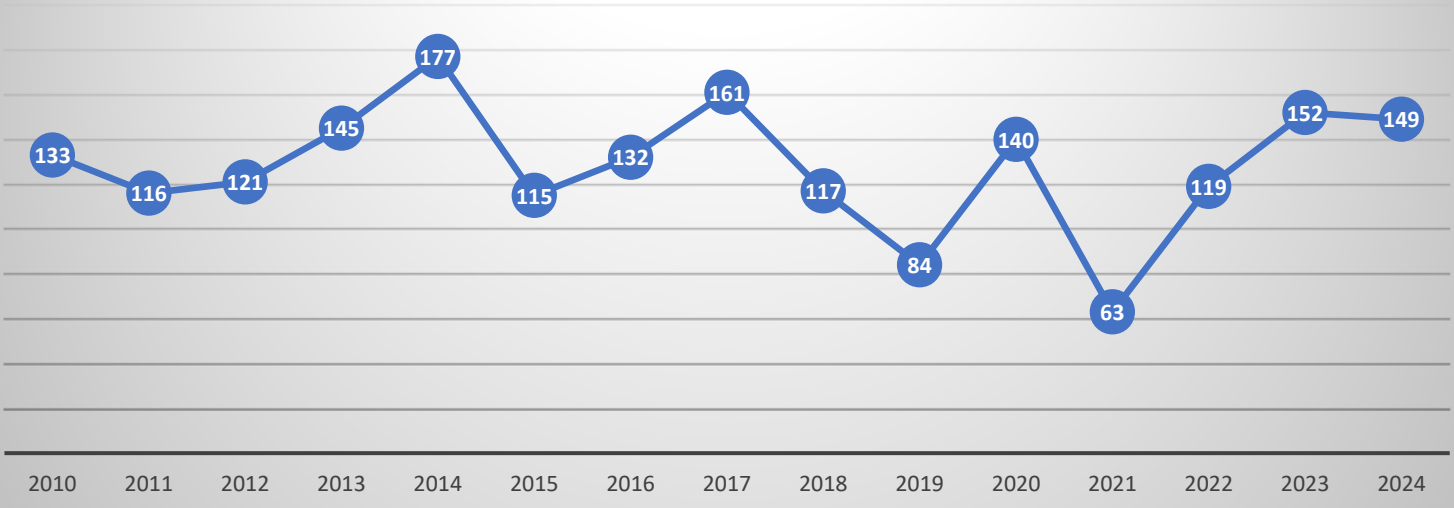
## Finance Notes August FY 24

| Ratios                       | FY 24     | FY 23 Average |            |
|------------------------------|-----------|---------------|------------|
| Cash on Hand                 | 188       | 182           | Average PY |
| Net Income                   | -260,291  | 328,477       | Average PY |
| Current Ratio                | 7         |               | N/A        |
| AR Days                      | 53.84     | 61            | Average PY |
| Accounts Payable             | 1,345,771 | 651,656       | Average PY |
| Daily Gross Revenue          | 150,800   | 142,873       | Average PY |
| % of Gross Revenue Collected | 69%       | 68%           | Average PY |

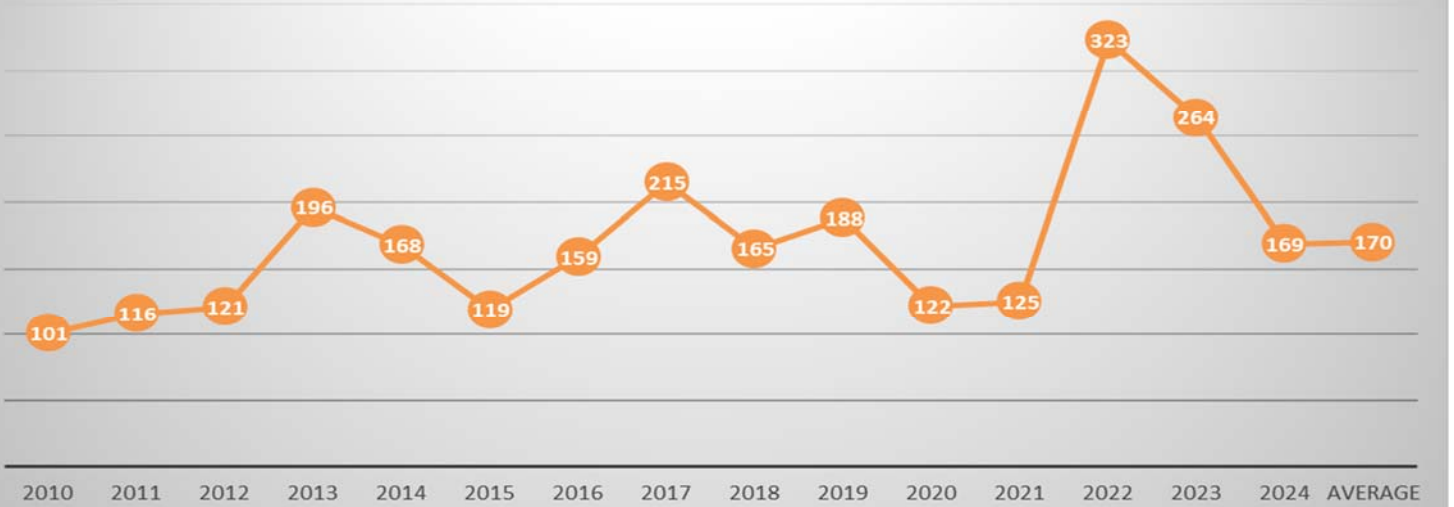
- 1) August was a rough month as due the way Paycom comes across it recognizes the third payroll period in August and some other items I will discuss in the Income Statement notes.
- 2) We are having some growing pains with the new system so the packet is smaller than normal while we work out some kinks.
- 3) The Phase 5 Provider Relief Reporting is completed. As usual we have more than enough expenses to cover the supplemental payments, so I didn't have to use any alternative revenue methods which are more likely to trigger audits. HRSA does have five years to go back to audit any of our submittals which I'm not really worried about as we have Paragon on our local servers so I can get in and get that info if needed.
- 4) I'm writing my notes as we are having Cerner Go-Live Week which is extremely disruptive to the revenue cycle whenever you switch EMRs. Revenue will drop temporarily as we work out all the charge capture processes in each department. Department managers are responsible for reviewing their charges daily to identify items not being charged. Cerner is here next week as well to help us out as bills don't drop for five days so billing won't have anything to work on in the new system until Monday. There is always a sizable AR day increase that takes months to work through given the new system plus the old systems (Paragon & Epic) that AR is still being worked.
- 5) Fall is a bit of a slog every year as I'm currently working on the annual audit, 22 Medicare Desk Review (mini audit), 22 Medi-Cal Desk Review and the Medicare, Medi-Cal and Hospice Cost Reports.
- 6) Cash is going to dip by approximately 1.1 million in October as we have our first HQAF IGT. The state is supposed to prefund the Medi-Cal Managed Care Plans so we should be paid within a month (approximately 3.3 million) vs the normal 90 day + turnaround.
- 7) Jack and I are taking a weeklong Cerner Reporting class in October. Hopefully this will get us up to speed on any reports we are required to do throughout the year.
- 8) We have officially signed on with our new insurance broker for our health insurance and benefits. This will save us 15 to 24 percent vs the cost of renewing with our current plan in January. So worst case scenario our insurance costs are the same as they are now. Libby and Kelly now have quite a bit of work to get all the information to Rural Hospital Insurance of America given the quick turnaround. Hoping to work with this broker again on our other insurances as well to see if we can get some savings on property, liability, or workers comp.
- 9) Our new Group Purchasing Organization representatives will be onsite next month to meet with all our clinical managers about their supply spend and some areas of opportunity going forward.

Statistics YTD through Period 2 Compared to Historical Performance

Acute Days YTD FY 10 to 24



Swing Days YTD FY 10 to 24



SNF Days YTD FY 11 to 24

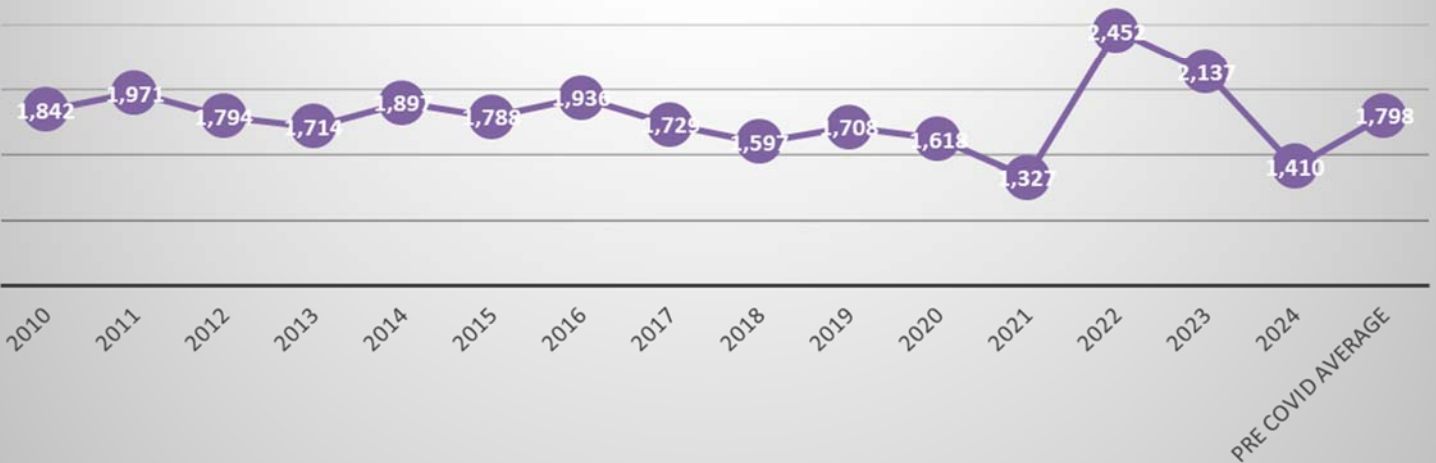


### ER Visits YTD FY 10 to 24

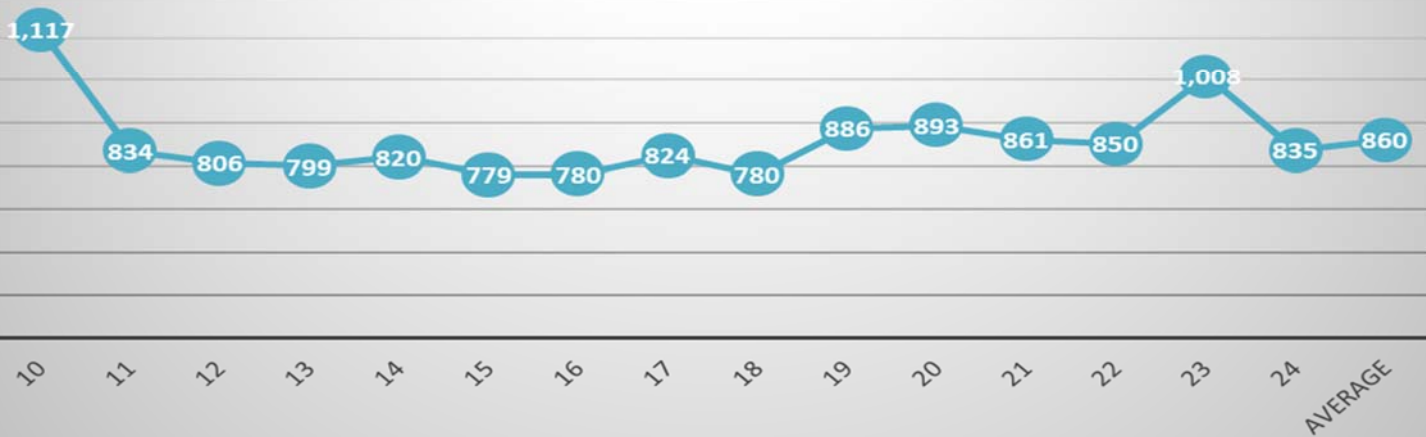


When ER visits dip it's fairly common for Lab and Rad to dip as well given a % of those services are driven by the ER

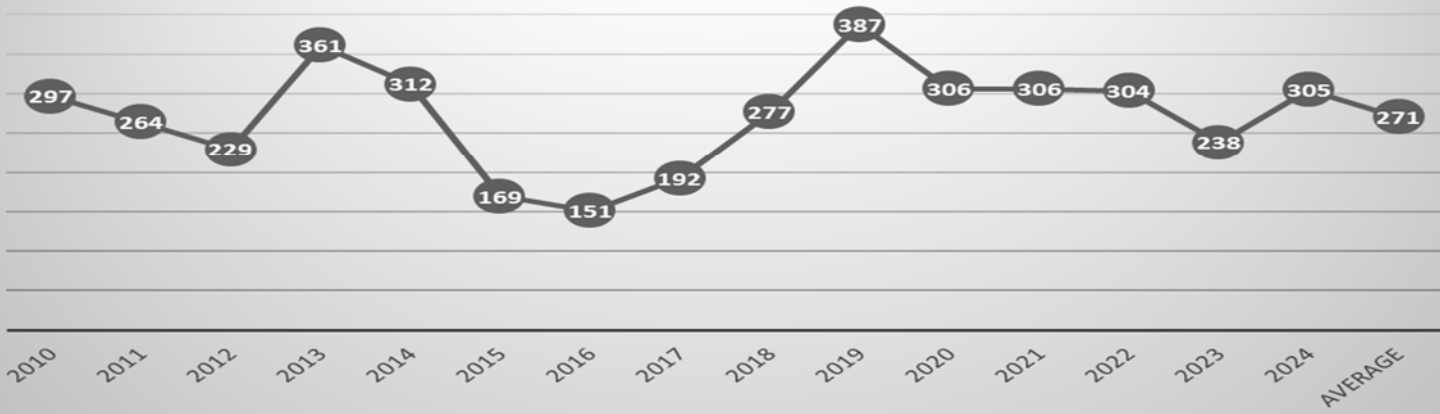
### Labs FY 10 to FY 24



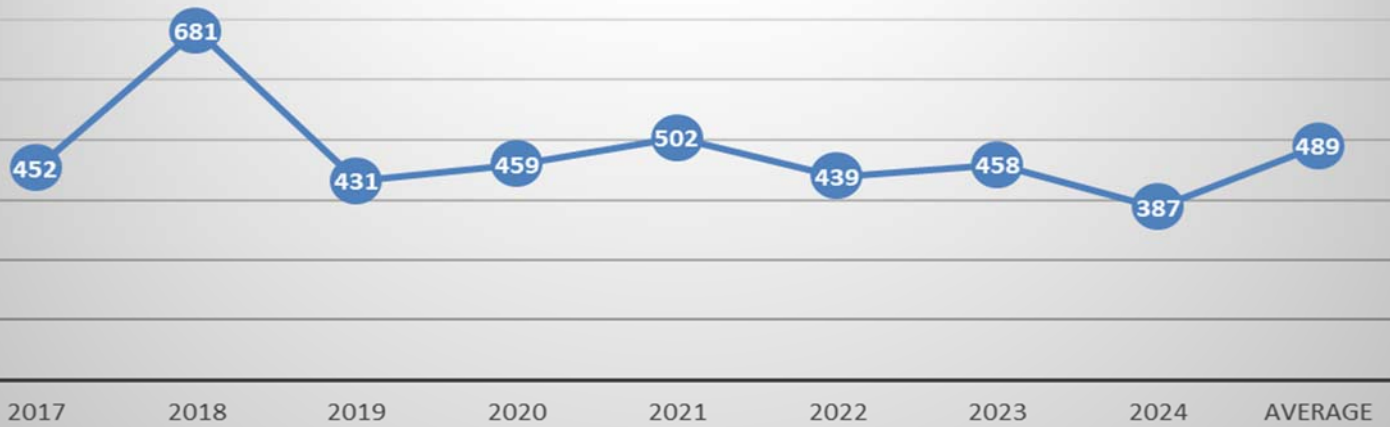
### Rad Procedures FY 10 to 24



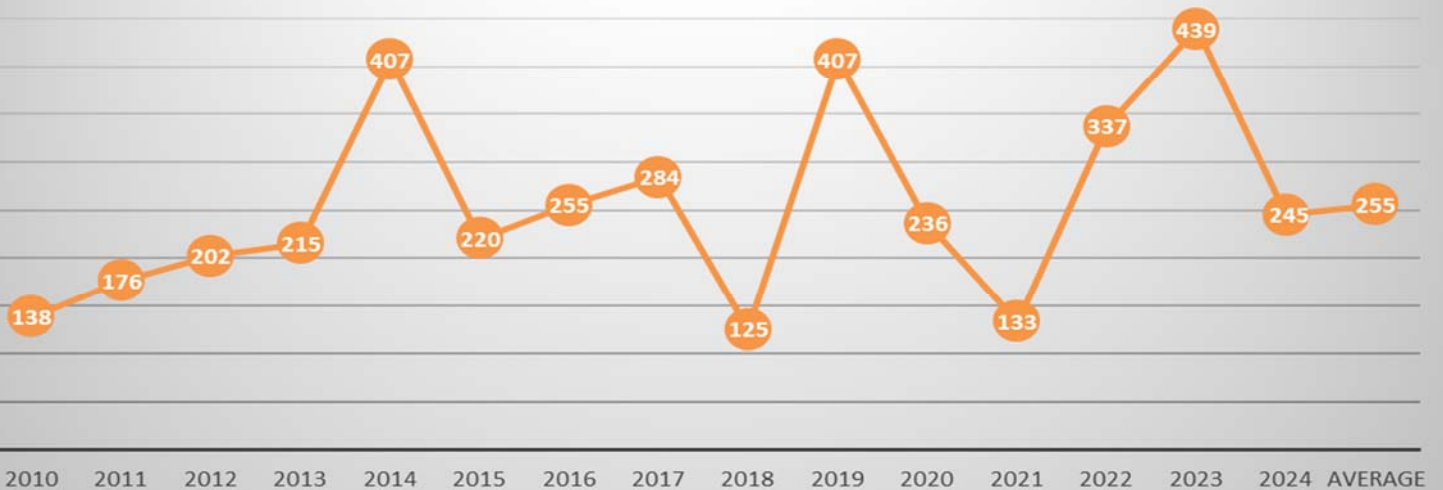
### OP Procedures FY 10 to 24



### PT Visits FY 17 to FY 24



### Hospice Days FY 10 to 24



## Ambulance Runs YTD

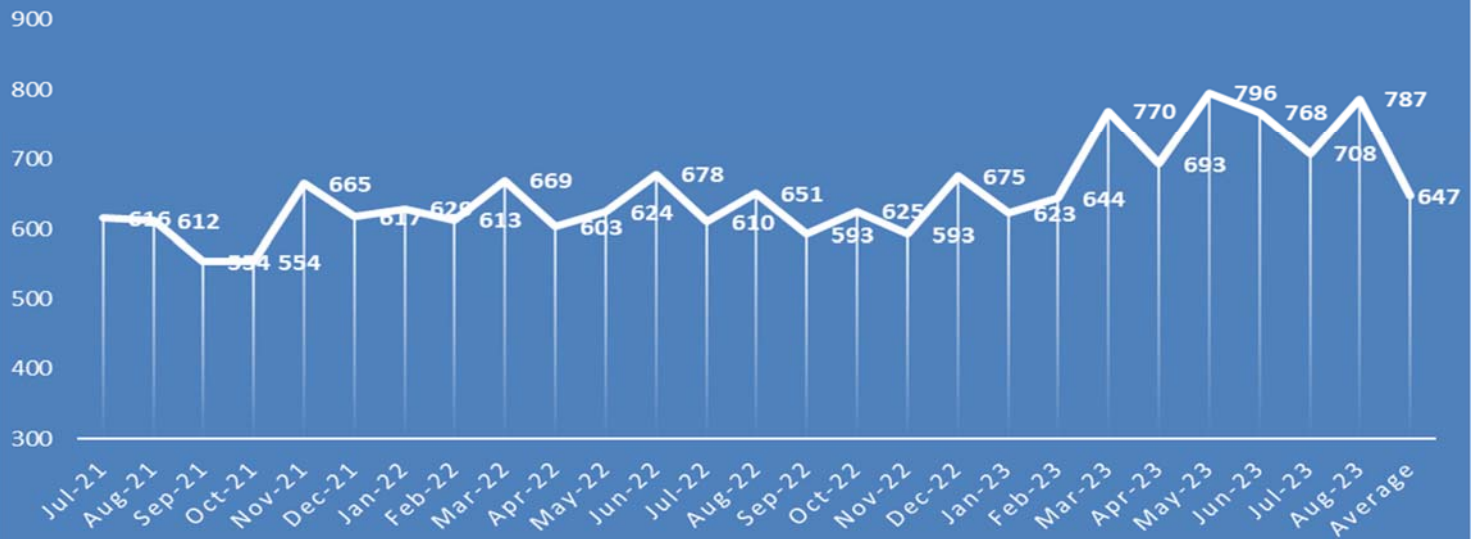


## Cardiac Rehab FY 10 to 24



Clinic visits have steadily been going up as we have 98 more than the prior August.

## CLINIC VISITS



## Income Statement

- 1) Revenue was down compared to August prior year in Acute and Outpatient Revenue.
- 2) Contractuals are lower due to us accruing for two HQAFs this year.
- 3) Salaries and Wages are up considerably due to the third pay period. Fortunately this only happens twice per year.
- 4) Benefits are up due to a price increase in January.
- 5) Supplies are up due Surgery restocking and some larger pharmacy spend. Typically we averaged 336K last year.
- 6) SNF Travelers are the highest I've ever seen for a two month period. I know there are some meetings occurring to discuss this.
- 7) On the positive side travelers overall compared to the same period last year are down 10K even with SNF being up 200K.
- 8) Repairs and Maintenance are up due to some plumbing repairs.
- 9) Utilities are up due rate increases.
- 10) Insurance costs are up due Workers Comp being a % of wages, and higher property insurance renewals.
- 11) Depreciation costs are up due to the seismic wall project and mobile clinic.
- 12) Non-Operating Revenue is up due to higher pharmacy collections.
- 13) Given the third payroll and SNF Travelers losing 260K isn't that bad.

## Balance Sheet

- 1) Cash is down as we had an expense heavy month.
- 2) Restricted Cash is up as the end of the month was the day prior to our USDA bi-annual debt payment.
- 3) The Medicare/Medi-Cal Settlement will increase monthly until we receive our annual supplemental payments.
- 4) Subscription Based Assets are up due to some larger software expenses we are required to recognize as assets while we have the right to use them.
- 5) Accounts Payable is up due to some larger traveler invoices coming in after month end.
- 6) The HQAF and Rate Range Payables are part of the other side of the Medi-Care/Medi-Cal Receivable.
- 7) Long Term and Current Subscription Liabilities are the offset of our Subscription Based Assets.
- 8) Our Fund Balance is a very robust 42 million.
- 9) Our Current Ratio is 7 which is well ahead of what most lenders require.



**MAYERS MEMORIAL HOSPITAL**

Statistical Data

Fiscal Year Ending JUNE 30, 2024

COMPARISON TO ACTUAL

| 2023  |        | 2023     |                                | FY 2024 | FYE 2023 |          |                        |
|---|--------|----------|--------------------------------|---------|----------|----------|------------------------|
| August  | July   |          |                                | YTD     | YTD      |          | % Increase or Decrease |
| Actual  | Actual | Variance | VOLUME:                        | Actual  | Actual   | Variance |                        |
| <b>DISCHARGES</b>                               |        |          |                                |         |          |          |                        |
| 16  | 11     | 5        | Acute                          | 27      | 32       | (5)      | -15.61%                |
| 5   | 8      | (3)      | Swing Bed                      | 13      | 20       | (7)      | -35.01%                |
| 1   | 3      | (2)      | Skilled Nursing Care (DISCHG)  | 4       | 3        | 1        | 33.32%                 |
| 3   | 6      | (3)      | Observations                   | 9       | 17       | (8)      | -47.11%                |
| <b>PATIENT DAYS</b>                             |        |          |                                |         |          |          |                        |
| 97  | 52     | 45       | Acute                          | 149     | 152      | (3)      | -2.01%                 |
| 66  | 103    | (37)     | Swing Bed                      | 169     | 264      | (95)     | -36.01%                |
| 2,462   | 2,422  | 40       | Skilled Nursing Care           | 4,884   | 4,728    | 156      | 3.32%                  |
| <b>LENGTH OF STAY</b>                           |        |          |                                |         |          |          |                        |
| 6.06  | 4.73   | 1        | Acute                          | 5.52    | 4.75     | 1        | 16.22%                 |
| 13.20   | 12.88  | 0        | Swing Bed                      | 13.00   | 13.20    | (0)      | -1.51%                 |
|   |        |          | Skilled Nursing Care           |         |          |          |                        |
| <b>AVERAGE DAILY CENSUS</b>                     |        |          |                                |         |          |          |                        |
| 3.13  | 1.68   | 1        | Acute                          | 4.81    | 2.45     | 2        | 96.22%                 |
| 2.13  | 3.32   | (1)      | Swing Bed                      | 5.45    | 4.26     | 1        | 28.02%                 |
| 79.42   | 78.13  | 1        | Skilled Nursing Care           | 157.55  | 76.26    | 81       | 106.62%                |
| <b>ANCILLARY SERVICES</b>                       |        |          |                                |         |          |          |                        |
| 0   | 0      | 0        | Surgery Inpatient Visits       | 0       | 0        | 0        | #DIV/0!                |
| 0   | 0      | 0        | Surgery OP/ procedure visits   | 0       | 3        | (3)      | -100.01%               |
| 337   | 382    | (45)     | Emergency Room Visits          | 719     | 827      | (108)    | -13.11%                |
| 138   | 167    | (29)     | Outpatient Services Procedures | 305     | 238      | 67       | 28.22%                 |
| 767   | 643    | 124      | Laboratory Visits              | 1410    | 2,137    | (727)    | -34.01%                |
| 436   | 399    | 37       | Radiology Procedures           | 835     | 1,008    | (173)    | -17.21%                |
| 103   | 142    | (39)     | Hospice Patient Days           | 245     | 439      | (194)    | -44.21%                |
| 238   | 149    | 89       | Physical Therapy visits        | 387     | 458      | (71)     | -15.51%                |
| 139   | 187    | (48)     | Cardiac Rehab                  | 288     | 355      | (67)     | -18.91%                |
| 54  | 60     | (6)      | Telemedicine visits            | 114     | 75       | 39       | 52.02%                 |
| 22  | 13     | 9        | Admissions from ER             | 35      | 44       | (9)      | -20.51%                |
| 13  | 15     | (2)      | Transfers from ER              | 28      | 37       | (9)      | -24.31%                |
| 787   | 708    | 79       | Clinic Visits                  | 1495    | 1,261    | 234      | 18.62%                 |
| 46  | 41     | 5        | Ambulance                      | 87      | -        | 87       | #DIV/0!                |
| <b>PRODUCTIVITY:</b>                            |        |          |                                |         |          |          |                        |
| Productive FTE's                                |        |          |                                |         |          |          |                        |
| 9.50  | 10.02  |          | Nursing - Acute                | 9.81    | 22.07    |          |                        |
| 39.69   | 37.38  |          | Long Term Care                 | 38.30   | 56.81    |          |                        |
| 52.02   | 51.63  |          | Ancillary                      | 51.78   | 46.99    |          |                        |
| 66.53   | 61.97  |          | Service                        | 63.79   | 77.15    |          |                        |
| 167.74  | 161.00 |          | Total Productive               | 163.68  | 203.02   |          |                        |
| 79.03   | 82.27  |          | Non-Productive FTE's           | 80.97   | 55.15    |          |                        |
| 246.77  | 243.27 |          | Paid FTE's                     | 244.65  | 258.17   |          |                        |
| <b>PRODUCTIVE FTE PER ADJUSTED OCCUPIED BED</b> |        |          |                                |         |          |          |                        |
| 2.46  | 2.46   |          |                                | 2.40    | 2.92     |          |                        |

**MAYERS MEMORIAL HOSPITAL**

Statement of Revenue and Expenses

Fiscal Year Ending JUNE 30, 2024

COMPARISON TO ACTUAL

| 2023<br>AUGUST<br>Month Actual | 2022<br>AUGUST<br>Month Actual | Variance  |  | FY2024<br>2023<br>AUGUST<br>YTD Actual | FY2023<br>2022<br>AUGUST<br>YTD Actual | Variance    | Increase<br>Decrease<br>% |
|--------------------------------|--------------------------------|-----------|--|--|--|-------------|---------------------------|
| <b>Patient Revenue</b>         |                                |           |  |  |  |             |                           |
| 1,031,063                      | 1,154,046                      | (122,742) | Acute Revenue                              | 1,893,445                              | 2,354,166                              | (460,721)   | -19.57%                   |
| 1,383,805                      | 1,236,608                      | 149,167   | Revenue - SNF Inpatient                    | 2,737,152                              | 2,347,813                              | 389,339     | 16.58%                    |
| 0                              | 0                              | (2,211)   | Revenue - Hospice Inpatient                | 0                                      | 0                                      | 0           |                           |
| 2,526,369                      | 2,970,517                      | (444,148) | Outpatient Revenue                         | 5,119,940                              | 5,459,853                              | (339,913)   | -6.23%                    |
| 4,941,237                      | 5,361,171                      | (419,933) | Patient Revenue                            | 9,750,537                              | 10,161,832                             | (411,294)   | -4.05%                    |
| <b>DEDUCTIONS FROM REVENUE</b> |                                |           |  |  |  |             |                           |
| (565,994)                      | (1,035,180)                    | 469,185   | Contractuals- Care/cal                     | (1,023,676)                            | (1,394,181)                            | 370,504     | -26.58%                   |
| (246,297)                      | (180,640)                      | (65,657)  | Contractuals- PPO                          | (522,946)                              | (742,831)                              | 219,885     | -29.60%                   |
| 0                              | (8,099)                        | 8,099     | Charity and Write-Offs                     | (1,241)                                | (8,099)                                | 6,858       | -84.68%                   |
| (50,659)                       | (138,720)                      | 88,060    | Admin Adjustments and Employee Discounts   | (218,597)                              | (260,862)                              | 42,264      | -16.20%                   |
| (172,620)                      | (118,769)                      | (53,851)  | Provision for Bad Debt                     | (305,973)                              | (189,549)                              | (116,423)   | 61.42%                    |
| (1,035,571)                    | (1,481,407)                    | 445,836   | Total Deductions                           | (2,072,434)                            | (2,595,522)                            | 523,088     | -20.15%                   |
| 27,986                         | 296,958                        | (268,971) | Other Operating Revenues                   | 68,115                                 | 330,630                                | (262,515)   | -79.40%                   |
| 3,933,653                      | 4,176,721                      | (243,068) | <b>Net Revenue</b>                         | 7,746,218                              | 7,896,940                              | (150,721)   | -1.91%                    |
| <b>OPERATING EXPENSES</b>      |                                |           |  |  |  |             |                           |
| 1,989,077                      | 1,362,239                      | 626,838   | Salaries & Wages                           | 3,592,502                              | 2,861,343                              | 731,159     | 25.55%                    |
| 367,299                        | 331,348                        | 35,951    | Employee Benefits                          | 708,239                                | 707,840                                | 399         | 0.06%                     |
| 457,291                        | 294,409                        | 162,882   | Supplies                                   | 813,310                                | 557,792                                | 255,517     | 45.81%                    |
| 206,146                        | 127,278                        | (36,701)  | Professional Fees                          | 308,551                                | 229,367                                | 79,184      | 34.52%                    |
| 112,539                        | 141,009                        | (28,471)  | Other Purchased Service Nurse Travel Acute | 154,296                                | 301,447                                | (147,151)   | -48.81%                   |
| 447,014                        | 246,771                        | 200,243   | Other Purchased Service Nurse Travel SNF   | 793,120                                | 474,098                                | 319,022     | 67.29%                    |
| 71,040                         | 223,868                        | (182,468) | Other Purchased Service Travel Ancillary   | 281,912                                | 450,532                                | (168,621)   | -37.43%                   |
| 192,855                        | 205,372                        | (668,190) | Other Purchased Service                    | 385,636                                | 325,145                                | 60,491      | 18.60%                    |
| 58,616                         | 52,548                         | 6,067     | Repairs & Maintenance                      | 80,158                                 | 76,621                                 | 3,537       | 4.62%                     |
| 96,580                         | 61,760                         | 34,819    | Utilities                                  | 196,473                                | 84,861                                 | 111,612     | 131.52%                   |
| 27,578                         | 19,729                         | 7,849     | Insurance Other                            | 134,161                                | 36,505                                 | 97,656      | 267.51%                   |
| 265,374                        | 67,015                         | 198,359   | Other Expenses                             | 425,941                                | 144,571                                | 281,370     | 194.62%                   |
| 5,578                          | 5,282                          | 296       | Interest Expense                           | 8,012                                  | 11,714                                 | (3,702)     | -31.60%                   |
| 156,405                        | 132,880                        | 23,524    | Depreciation Expense                       | 312,938                                | 257,439                                | 55,498      | 21.56%                    |
| 5,227                          | 6,858                          | (1,631)   | Rental/Lease                               | 16,942                                 | 11,146                                 | 5,796       | 52.00%                    |
| 4,458,618                      | 3,278,367                      | 379,368   | <b>Total Operating Expenses</b>            | 8,212,191                              | 6,530,422                              | 1,681,769   | 25.75%                    |
| (524,965)                      | 898,354                        | (622,436) | <b>Income From Operations</b>              | (465,972)                              | 1,366,517                              | (1,832,489) | -134.10%                  |
| 486,308                        | 312,651                        | 173,657   | <b>Non-Operating Revenue</b>               | 921,104                                | 590,634                                | 330,470     | 55.95%                    |
| 38,921                         | 763                            | 38,158    | Interest Income                            | 202,369                                | 44,501                                 | 157,868     | 354.75%                   |
| 260,556                        | 193,566                        | 66,989    | <b>Non-Operating Expenses</b>              | 521,469                                | 389,739                                | 131,730     | 33.80%                    |
| 264,673                        | 119,848                        | 144,826   | <b>Total Non-Operating</b>                 | 602,004                                | 245,396                                | 356,608     | 145.32%                   |
| (260,291)                      | 1,018,202                      | (477,611) | <b>Net Income</b>                          | 136,031                                | 1,611,913                              | (1,475,882) | -91.56%                   |