

Chief Executive Officer  
Louis Ward, MHA



**Board of Directors**  
Michael D. Kerns, President  
Beatriz Vasquez, PhD, Vice President  
Abe Hathaway, Secretary  
Allen Albaugh, Treasurer  
Laura Beyer, Director

## Finance Committee Meeting Agenda

February 25, 2019 – 10:30 am  
Burney Board Room

### Attendees

Abe Hathaway, Chair, Board Member  
Allen Albaugh, Board Member  
Louis Ward, CEO  
Travis Lakey, CFO

					Approx. Time Allotted
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 – January 30, 2019		Attachment A	<b>Action Item</b>	2 min.
4	<b>DEPARTMENT REPORTS/OTHER</b>				
4.1	Physical Therapy	Daryl Schneider	Attachment B	Report	10 min.
4.2	Pharmacy	Keith Earnest		Report	10 min.
5	<b>FINANCIAL REVIEWS/BUSINESS</b>				
5.1	January 2019 Financials			<b>Action Item</b>	5 min.
5.2	Accounts Payable (AP)/Accounts Receivable (AR)			<b>Action Item</b>	5 min.
5.3	Board Quarterly Finance Review			<b>Action Item</b>	5 min.
5.4	Audit Presentation - Approval			<b>Action Item</b>	20 min.
5.5	Template for Board Finance Committee Reporting			<b>Information</b>	5 min.
6	<b>ADMINISTRATIVE REPORT</b>				
				Report	10 min.
7	<b>OTHER INFORMATION/ANNOUNCEMENTS</b>				
				Information	
8	<b>ADJOURNMENT:</b> Next Regular Meeting – March 27, 2019 (Fall River Mills)				

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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).

**Chief Executive Officer**  
Louis Ward, MHA



**Mayers Memorial Hospital District**

**Board of Directors**  
Beatriz Vasquez, PhD, President  
Abe Hathaway, Vice President  
Laura Beyer, Secretary  
Allen Albaugh, Treasurer  
Jeanne Utterback, Director

**Board of Directors  
Finance Committee  
Minutes**

January 30, 2019 – 10:30 am  
Boardroom (Fall River Mills)

*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:** Abe Hathaway called the meeting to order at 10:35 am on the above date.

**BOARD MEMBERS PRESENT:**  
Allen Albaugh, Committee Chair  
Abe Hathaway, Board Member

**ABSENT:**

**STAFF PRESENT:**  
Louis Ward, CEO  
Travis Lakey, CFO  
Ryan Harris, COO  
Pam Sweet, Med Staff  
Michelle Peterson, Outpatient  
Theresa Overton, DON  
Marlene McArthur, Exec. Director MHF  
Val Lakey, Board Clerk

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- 2 **CALL FOR REQUEST FROM THE AUDIENCE – PUBLIC COMMENTS OR TO SPEAK TO AGENDA ITEMS**

None

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- 3 **APPROVAL OF MINUTES**

3.1 A motion/second carried; committee members accepted the minutes of Dec 5, 2018 **Albaugh/Hathaway Approved All**

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- 4 **DEPARTMENT REPORTS**

- 4.1 **Med Staff – Pam Sweet** – Written report provided. There are big issues with attendance at Med Staff. Have offered the opportunity for a full provider meeting with MVHC. Need to potentially move meeting of off Wednesday and conflicts with ER coverage. Policy manual review is coming up. Discussion of email, SP and Quality minutes to full board.
- 4.2 **Outpatient – Michelle Peterson: See attached Power Point.** An overview of services, etc. Dr. Zittel has been with us for seven years. Weekly meetings with Long Term Care addressing wounds. About 110 patients per month. MVHC providers are the referral base. Dr. Rasmussen will be here for the first time on February 12<sup>th</sup>. Market to discharge planners out of area. There is a traveler to fill in for the current RN out on maternity leave. Revenue was reviewed. Do some cross-training in departments when staffing allows. Need to address a few issues with the computer system. Obtained a bariatric chair through a grant from the Foundation. Could potentially use a new treatment chair (\$10,000) and monitor (\$3000). Trying to move Dr. Zittel from paper charting.

2 Full-time RN's; have posted for a part-time RN. Increase in volume would require more staffing. Reviewed the way the wound care process has changed in SNF.

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5 **FINANCIAL REVIEWS**

- 5.1 **Nov/Dec 2018 Financials** – A motion/second carried. Travis did a breakdown on employee cost, registry, etc. Discussed staffing ratio and FTE’s. RN’s were recently given a pay increase. Discussion of rate reimbursements. Discussion of IGT, PRIME, QUAF. Review of the construction budget. No funds have been drawn from the Foundation yet. *Albaugh/Hathaway* **Approved All**
- 5.2 **Accounts Payable (A/P)/Accounts Receivable (A/R)** - A motion/second carried; committee members accepted the (A/P)/ (A/R). *Albaugh/Hathaway* **Approved All**
- 5.3 **Mindray Quote – Recommendation to the Board** Current equipment was purchased in October 2011. Quote is an upgrade. There are two phases. Inpatient side could be done before the ER install. This portion of the quote is not under the Capital Expenditure list. The ER portion is on the list. Albaugh is concerned with spending the money right now, would like to see us wait. There needs to be a bridge between the departments. ER portion has been purchased for \$113,000. **No Action**
- 5.4 **Signing Authority for COO** – - A motion/second carried; recommendation for full board *Albaugh/Hathaway* **Approved All**
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6 **Administrative Report:**

Ryan Harris, COO: Contractor – Skilled and trained workforce, costs, payments, etc. of the building project was discussed. Need to get contractors paid while the federal government is open. There have been a lot of various complications because of the USDA funding and the government shutdown. Reviewed timeline completion of the building, seismic compliance and demolition of current building. We have used about 10% of our owner contingency.

Purchasing policies discussed.

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7 **OTHER INFORMATION/ANNOUNCEMENTS**

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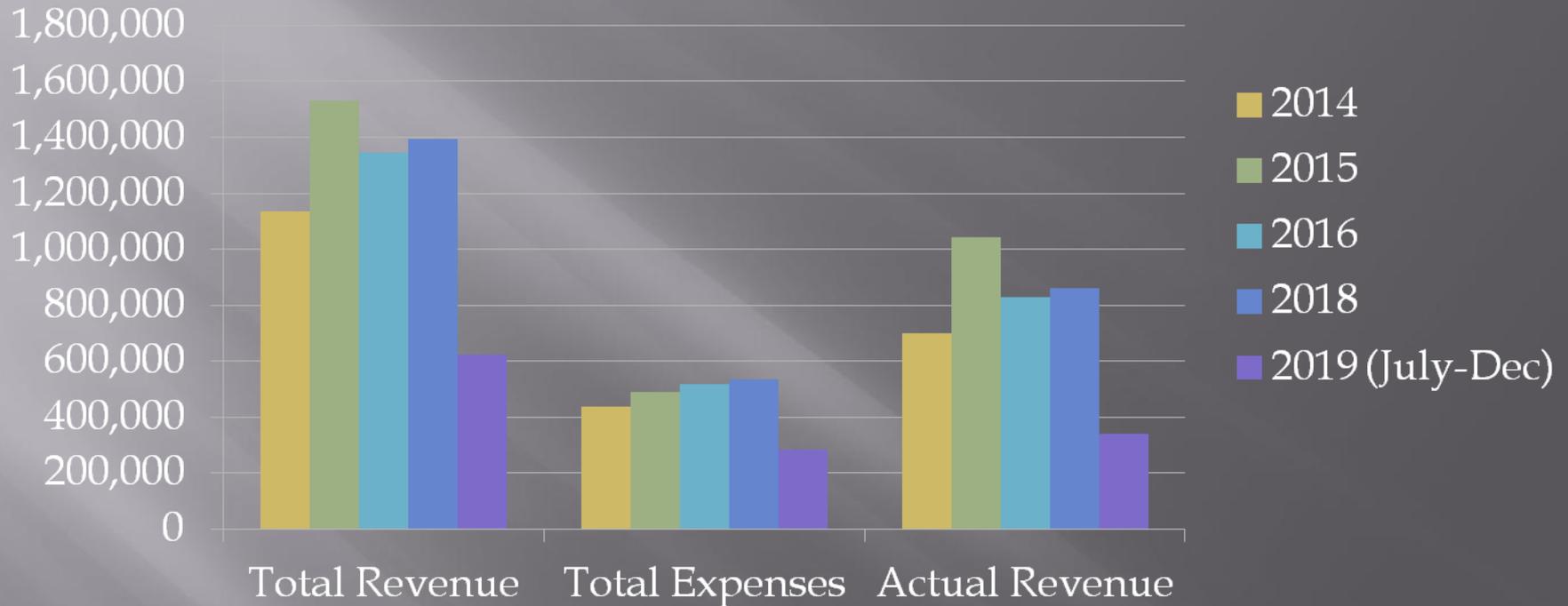
8 **ADJOURNMENT 12:34 pm**

Next Finance Committee Meeting – February 25, 2019 - Burney



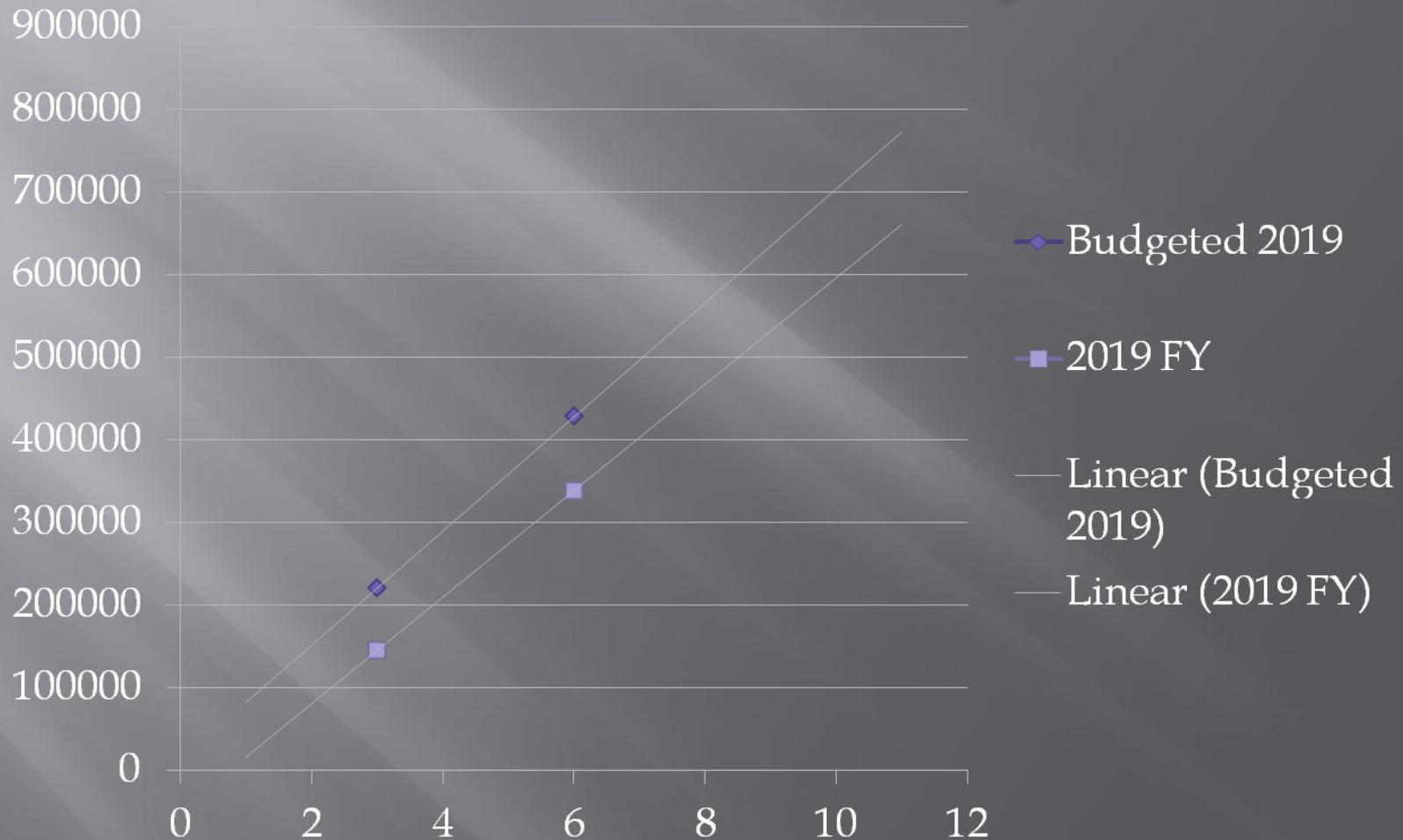
Finance Board Report  
February 2019

# Revenue and Expenses



2014	\$ 1,133,976	\$ 434,770	\$ 699,206
2015	\$ 1,532,174	\$ 489,216	\$ 1,042,958
2016	\$ 1,343,916	\$ 516,634	\$ 827,282
2018	\$ 1,394,286	\$ 532,420	\$ 861,866
2019 (July- Dec)	\$ 620,547	\$ 281,860	\$ 338,687

# Budget vs. Actual FY Revenue minus Expenses



# Payments by Insurance

Payor	Sum of Charge	Sum of Payment	Sum of Adjustment	Payment %	Contractual %
BLUE CROSS	\$ 66,099	\$ 59,200	\$ 6,890	90%	10%
COMMERCIAL	\$ 60,066	\$ 45,969	\$ 14,370	76%	24%
MEDICARE	\$ 217,664	\$ 94,490	\$ 123,174	43%	57%
MEDICAID	\$ 44,864	\$ 11,153	\$ 33,711	25%	75%
WORKMANS COMP	\$ 56,011	\$ 32,562	\$ 23,449	58%	42%
<b>Grand Total</b>	<b>\$ 444,695</b>	<b>\$ 243,102</b>	<b>\$ 201,593</b>	<b>55%</b>	<b>45%</b>

- ▣ In summary: we receive 55 cents per dollar billed
  - FY 2016 we received 49 cents per dollar
  - FY 2017 we received 53 cents per dollar
  - FY 2018 I believe was 57 cents per dollar

# Challenges

- ▣ Loss of staff:
  - FY 2018 had 4 staffed therapists
  - FY 2019 has had 2 staffed therapists and 2 travelers
    - ▣ 2 additional travelers cost approx. \$50 more an hour than staffed therapists, equating to \$400 more in expenses per day
    - ▣ One therapist left due to engagement to a cardiologist whom could not get a job locally and the second due to housing and switching to a traveling position in order to help pay student loan debt
    - ▣ Daryl, PT Manager, was on maternity leave in July
  - Receptionist moved to Mountain Valley for increased compensation
    - ▣ 2 month transition for educating new receptionist

# Comparing Numbers

- Outpatient statistics 2019 to 2018 FY (July- Dec)

	Patients		Visits		Units Billed	
FY	2019	2018	2019	2018	2019	2018
July	55	77	209	363	528	899
Aug	55	75	221	344	560	905
Sept	78	81	274	323	648	852
Oct	91	64	369	297	913	797
Nov	83	69	310	290	813	742
Dec	73	61	249	240	665	641
<b>Totals</b>	<b>221</b>	<b>202</b>	<b>1632</b>	<b>1830</b>	<b>4127</b>	<b>4836</b>

# Cost of Travelers

## ▣ Other Purchased Services

### ▪ (ie. contracted travelers)

▣ 2014: \$ 124,756

▣ 2015: \$ 103,752

▣ 2016: \$ 182,460

▣ 2017: \$ 120,158

▣ 2018: \$ 92,957

▣ **2019: \$ 137,074 (July through December 2018)**

▪ **Two contracted PTs for the full duration with two weeks vacation time for both**

▪ **Nearly \$50,000 in expenses to travel company than would cost for equivalent staffed personnel**

# Plans to Improve Revenue

- ▣ Retain 1 more therapist by the end of the fiscal year to decrease contracted positions
  - Goal to personally attend 3 career fairs to recruit therapists
  
- ▣ Present an in-service to one of the local clinics for education on PT services in order to improve appropriate referrals and patient consent for PT services
  
- ▣ Seek further training and education for our receptionist to improve scheduling and patient communication to assist in decreasing no show rate