

SUSQUEHANNA COMMUNITY HEALTH AND DENTAL CLINIC, INC.

Finance and Audit Committee Meeting Minutes

September 14, 2021 12:00 PM

PRESENT: Matt McLaughlin, Board Treasurer; Kim Wetherhold, Board Chair; Chris Ebner, Board Secretary; Jim Yoxtheimer, President & CEO; and Max Houseknecht, Jr., CFO

PRESENT VIA ZOOM: Jean Myers, Board Vice-Chair

I August 2021 Financials

The highlights of the Financial Report were reviewed for August 2021 as were set forth in the summary provided to the committee, which is hereby incorporated for all purposes herein. Max reported that for the month of August there was a deficiency of revenue over expenses of \$90,080 which takes the YTD deficiency of revenue over expenses to \$339,534. In Net Income by facility/department, Max reported that pharmacy continues to do well and improve each month. Max reviewed the patient revenue analysis which shows visits to be under budget by 16% but 7% over last fiscal year at the same time. Patient revenue was under budget by \$113,410 due largely to Williamsport dental services being under budget by \$47,577, medical services revenue being under budget by \$29,502, reproductive health services being under budget by \$2,599, pharmacy revenue being over budget by \$72,511, neighborhood care revenue being under budget by \$27,029, chiropractic health services being under budget by \$9,799, behavioral health services being under budget by \$34,761, express care services being under budget by \$14,642, and Jersey Shore dental services being under budget by \$20,012.

Max reported in other revenue that the incentive/care gaps revenue was over budget by \$20,714. 340b drug program income from contract pharmacy was under budget by \$13,980. Federal grants revenue was under budget by \$81,901 due largely to the SUD/MH vacant position and H8F funding multiple new positions not yet filled.

Max reported the Expense Analysis as follows: Expenses were under budget by \$38,000. Factoring out grant related expenses that were unbudgeted of \$18,867 total expenses would have been under budget by \$56,867. Total salaries, benefits, & payroll expenses were under budget by \$73,275 due largely to vacant positions of \$47,996 and lower than budgeted fringe benefits due to vacant positions of \$25,279. Medical supplies were over budget by \$4,162 due to purchases associated with COVID-19 testing funds. Pharmaceuticals (PharmaForce) were under budget by \$8,058 due to reduced volumes. Pharmaceuticals 340b program RVH&DC Pharmacy were over budget by \$17,928 due to increased volumes. Pharmaceuticals (non340b) were over budget by \$10,143. Cardinal Health (340b Rite-Aid) was under budget by \$6,557 due to reduced volumes. IT support costs were over budget by \$6,460 due to costs associated with opening the 427 Hepburn building. Telehealth services were under budget by \$6,255. Non-CME staff education was over budget by \$5,744 due largely to timing of eCW training costs associated with the new healthcare data analyst. Temp staffing fees were under budget by \$4,415. 340b admin fees (contract pharmacy) was under budget by \$5,533 due to reduced volumes. Grant for Acquisition of PP&E was over budget by \$16,400 due to architecture costs associated with H8F for renovations at the 431 Hepburn building.

Max reviewed the balance sheet highlights indicating 340b receivable was at \$342,934 which was an increase over the prior month of \$18,082. Accounts payable was at \$252,230, a decrease over the prior month of \$18,793. No transfers were made from the super money market account.

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Total cash in the operating accounts at month-end was \$1,286,957 which is an increase over the previous month of \$91,050.

After discussion, the committee was okay with the report being sent to the Full Board for approval.

- **Summary Report:** Max reviewed the Summary Report which will be presented to the Full Board as follows: Net days in A/R remained the same at 29. Days in A/P was 38.54. Days Cash on Hand increased to 29.1. Current Ratio was 1.37.

II NOA

- **FY22 IBHS Funding:** Max reported the Center received a Notice of Award for the FY22 Integrated Behavioral Health Services (IBHS) in the amount of \$125,250.00. This grant funds the care gap nurse position as well as a medical assistant who works with the contracted telepsych doctors.

III Budget Reforecast

Max reported that the need to prepare a budget reforecast came after the first two months showed a shortfall combined with the fact that the Center received a termination notice from Wegman's 340b program. The Wegman's contract was budgeted for approximately \$600,000 for FY22. Management has already been working internally to improve onsite pharmacy to help recover. As shown on Page 12 of the reforecast, the new budget can cash flow with a net surplus of \$198,941. There is quite a difference as the original budget showed a net surplus of approximately \$998,000. The reforecast shows days cash on hand at fiscal year end to be 20 days.

Motion #1 Matt McLaughlin made the motion to recommend approval by the Full Board of the FY22 Budget Reforecast. Chris Ebner seconded the motion. The motion passed unanimously.

IV FY21 Post Close Adjustment

Max reviewed the FY21 Post Close Adjustments that were necessary. Four posts were related to the PPS rate from the FY20 Cost Report. One post was a grant receivable True-up and the last was a correction on the Vocera post.

V Supporting Documentation: Max reminded the committee that a new item was added to the agenda. It will list the supporting documentation that will be available in the packet. These items will not be reviewed unless, of course, there would be questions from the committee.

- **Federal 330 Grant Funds/COVID-19 Grant Funds**
- **Quarterly Vender Contract Review**

Max reported the financial audit was moving forward and well on track to be completed for the October meeting.

Next Meeting: October 11, 2021 @ 5 PM Community Room, 431 Hepburn Street