

**SUSQUEHANNA COMMUNITY HEALTH AND DENTAL CLINIC, INC.**

**Finance and Audit Committee Meeting Minutes**

**September 9, 2019 5:00 PM**

**PRESENT:** Dewy Hilliard, Board Treasurer; Barbara Barbus, Board Secretary; Max Houseknecht, Jr., CFO; Jim Yoxtheimer, President & CEO; and Phil Allen, Senior Accountant

**EXCUSED:** Adanma Akujieze

**I August 2019 Financial Report**

The highlights of the Financial Report were reviewed for August 2019 as were set forth on the summary provided to the committee, which is hereby incorporated for all purposes herein. Max reported for the month of August there was an excess of revenues over expenses of \$28,250 which brings the YTD excess of revenues over expenses to \$97,345. Max reported the Revenue Analysis as follows: Medical provider visits were over budget by 460. Dental visits were down by 346 due to increased vacation and a provider illness. Chiropractic visits were under budget by 4. Reproductive Health visits were under budget by 68. Gross patient revenue was under budget by \$43,308 due to medical revenue being over budget by \$11,892, general dental revenue being under budget by \$45,487, reproductive health services being under budget by \$11,356, and pharmacy revenue being over budget by \$2,401 due to unbudgeted revenue in July.

Incentive/Care Gaps revenue was over budget by \$18,444 due primarily to a \$17,000 payment from Avesis (Geisinger). Contribution income was under budget by \$87,229 due to the structure of this year's UPMC Susquehanna contribution. It was budgeted and requested to have the payments made in 2 installments to assist with cash flow. However, it was determined through discussions with UPMC that the payments would be made quarterly. The first quarterly payment will be \$87,770.77.

Phil reported the Expense Analysis as follows: Expenses were under budget by \$9,397 due to the following: total salaries, benefits & payroll were under budget by \$39,738 due primarily to staff vacancies and associated benefit costs, FICA savings as well as decreased in the PTO and Med Leave accruals. Clinical supplies were over budget by \$16,621 due to additional pharmacy start-up medication costs, increased devices cost in reproductive health, and clinical supplies associated with the mobile unit start up. Telehealth services were under budget by \$20,107 as the service was not started to date. Pharmacist contract services were over budget by \$14,625 due to opening the pharmacy in July. Based on our agreement with Cardinal Health, we are currently paying the pharmacist side of the contract and Cardinal Health is waiving the \$15,000 monthly management fee until Medicaid is approved. 340B admin fees—contracted pharmacy were over budget by \$6,555 due to increased 340B revenue.

Accounts Payable was at \$191,128 which is an increase over the prior month of \$15,989. Medicaid Settlement Receivable decreased by \$133,521 due to payments received for visit settlements in relation to the FY18 Cost Report. Super Money Market Fund balance is \$345,587.06 with \$0.00 in transfers occurring for the month of August. Total cash in the operating accounts as of August 31 was \$367,322.38. Total unrestricted cash, including the super money market fund, as of August 31 was \$772,185.73.

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**Motion #1 Dewy Hilliard made the motion to recommend approval of the August 2019 Financial Report to the Full Board. Barb Barbus seconded the motion. The motion passed unanimously.**

- **Dashboard:** Days in A/R was 20.5. Days in A/P was 42.84. Days Cash on Hand was 18.89. Current Ratio was 1.12. There was a slight shift in the payor mix, but nothing alarming.

**II Federal 330 Grant Remaining Funds**

Max reviewed the Federal 330 Grant Remaining Funds as follows: Max reported the Center received a couple new grants. The Base funding is used for payroll. The AIMS funding covers most of an LCSW salary. SUD-MH grant received last year goes the mental health coordinator which was hired. FY17 AIMS funding was used to increase mental health and SUD services. Due to delays in the program, there will be a carryforward request submitted which can not be submitted until the audit is complete and approved by the Board. QA/QI Funds have all been spent except for approximately \$3,800 which a carryforward will be requested. IBHS: Just received to use to increase SUD/MH services. FY19 QA from the UDS report last year is currently being worked on and will have until August of next year to spend.

**III FY18 Cost Report Update**

The Center officially received the final report from the Cost Report. The final PPS rate for Medical is \$191.16 and Dental \$110.61. In another three months the Center will be kicked into another interim phase.

**IV FY19 Year-End Audit Report Update**

Baker Tilly will be on site for final fieldwork for two weeks starting September 9. The accounting team has been working hard uploading all necessary documents for Baker Tilly. It is management's plan to have Baker Tilly present the audit results to the Finance Committee in October and if approved will present to the Full Board in October as well.

**V NOA's**

Max reported the Center received the following Notice of Awards:

- Integrated Behavioral Health in the amount of \$167,000
- FY19 QA Award in the amount of \$116,096
- Addition of Mobile Unit Services
- FY20 SUD-MH Ongoing Funding in the amount of \$151,000

**Next Meeting: October 14 @ 5:00 PM, Administrative Conference Room, 431 Hepburn St.**