

# Finance Committee

September 5, 2024

Finance Board Packet

**Agenda - Finance Committee**

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## **OUR MISSION**

“We Focus on Personalized Quality Health Care and Wellness for Those We Serve”

## **OUR VISION**

“Oak Valley Hospital District Will Continue as an Independent Locally Controlled and Governed Special District Hospital.

## **OUR VALUES**

“Accountability; Being Responsible for Actions Taken and Not Taken  
Integrity; Doing the Right Thing for the Right Reason  
Respect; Valuing All People at All Times”

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## **OAK VALLEY HOSPITAL DISTRICT FINANCE COMMITTEE MEETING September 5, 2024**

**ROYAL OAK CONFERENCE ROOM  
1425 West H Street, Oakdale,  
California 5:00 P.M.**

## **AGENDA**

5:00 p.m.      Call Meeting to Order      Edward Chock, , M.D., Chairperson

### **PUBLIC COMMENT**

In compliance with the California Brown Act the District Board of Directors welcomes comments from the public.

This is the opportunity for members of the public to directly address the District Board of Directors on any item of interest to the public under the jurisdiction of the District including items on this agenda.

Persons wishing to make a presentation to the Board of Directors shall observe the following procedure:

1. A written request to the Board on the form provided at the meeting (optional)
2. Oral presentations are limited to three (3) minutes.
3. Members of the public will be afforded the opportunity to speak at the beginning of the public meeting during the general Public Comment section of the agenda on any item under the jurisdiction of the District as well as during the consideration of an individual item on the agenda for that public meeting, however the three-minute limit described in item 2, above, will be applied to an individual’s cumulative comments during the meeting.

The proceedings of the Board are recorded and are part of the public record.

Materials related to an item on this Agenda, submitted to the Oak Valley Hospital District after distribution of the agenda packet, are available for public inspection in the Secretary’s Office at 1425 West H Street, Suite 270, Oakdale, CA during normal business hours.



**OAK VALLEY HOSPITAL DISTRICT**  
**August 1, 2024**  
**FINANCE COMMITTEE MEETING**  
**MINUTES**

**Committee Members**

Edward Chock, M.D., Chairperson  
Jim Teter, Vice Chairperson  
Matthew Heyn, Pres. & CEO  
Will Pringle, V.P., ONRC  
David Neal, VP, Nursing  
Ann Croskrey, CFO

**MEETING CALLED TO ORDER**

The Finance Committee meeting was called to order by Edward Chock, M.D., Chairperson at 5:00p.m.

**PUBLIC COMMENT**

Public comment read. Public in attendance.

**APPROVAL OF MINUTES: - July 11, 2024:**

Jim Teter made the motion to approve the July 11, 2024, Finance minutes. Ann Croskrey made the second. No Public Input.

Chock - Aye  
Teter - Aye  
Heyn - Aye  
Pringle - Aye  
Neal - Aye  
Croskrey - Aye

**MOTION CARRIED**

**FINANCIALS:**

**Financial Report for June 2024**

Ann Croskrey, CFO presented the June Financial Report.

**Executive Summary:**

June is the last month of our fiscal year. In June, the District posted a profit from operations before new hospital expenses of \$1.1 million dollars. The profit from operations including new hospital expenses was \$691 thousand dollars. The difference is the new hospital expenses of interest and depreciation.

As of the end of June, the year-to-date earnings before interest and depreciation (EBIDA), was 15.8%. Accounts receivable gross days increased to 78 days, and days of cash on hand decreased to 117 days.

**Income Statement:**

**Acute Care Revenue:**

In June we had 33 acute care admits, and two of those patients had a COVID-19 diagnosis. Our acute care inpatient days were 143 in June, which is one day more than June of 2023.

We also had 14 patients in June admitted to an observation status on the Med/Surg acute care unit, but they are considered outpatients as they are not sick enough to meet inpatient criteria. Even though the patients do not meet inpatient criteria, they still require significant staffing and other resources.

**Skilled Nursing:**

In skilled nursing, we had 2,810 Resident (patient) days during June. Our skilled nursing average daily census for June was 94. We had 2 admits to our transitional care unit (TCU) for short-term rehab and no admits to our long-term care unit.

**Outpatient Services:**

The emergency room averaged 59 daily visits in June.

**Clinic Services:**

Clinic visits for all the clinics totaled 3,825 in June. We have several providers out on leave and that negatively impacted on the June visits. During June, telehealth visits comprised 16% of total clinic visits. Telehealth visits remain a fantastic tool to see clinic patients that may not otherwise have access.

**Ambulance Services:**

Our ambulance services sector had 560 “runs” in June. Although there is still a nationwide shortage of Paramedics, our open positions are filled.

**Expenses:**

The nursing shortage continues to require the use of travelers. In June we incurred \$159K in traveler costs. The hiring of more nurses and closure of the ICU and has positively impacted traveler costs.

Our benefit package is an important tool for employee attraction and retention. In June we incurred \$423K in health insurance costs for our employees and their dependents. At year-end we also adjust our “incurred but not reported” claims, or IBNR, based on our actuarially determined amount for outstanding claims, which decreased \$51K, for a net of \$372K in cost.

**Balance Sheet**

**Days of Cash on Hand:**

Our days of cash on hand as of the end of June were at 117 days. This total includes \$5 million dollars received from the 2024 revenue bonds that are being held to repay the balance of the bridge loans due in January of 2025, which amounts to approximately 24 days of cash on hand. The District continues to manage cash closely.

**Accounts Receivable Gross Days:**

Gross days in accounts receivable increased by 11 days. The State of California typically withholds payment in June and holds onto their cash until July. July collections will be higher because of the delay. Another reason for the high days pertains to our largest Managed Medi-Cal provider, Health Plan of San Joaquin, and the Change Healthcare cyber breach that occurred at the end of February. This breach affected most of our payers, but especially impacted Health Plan of San Joaquin. The breach shut down electronic claims and drastically slowed down claim processing. It also resulted in manual posting of payments. We are working with the Plan to decrease the impact. Once the Change Healthcare claims normalize our accounts receivable days will drop again.

Jim Teter made the motion to approve the June 2024 Financial Report. Matthew Heyn made the second. No public input.

- Chock - Aye
- Teter - Aye
- Heyn - Aye
- Pringle - Aye
- Neal - Aye
- Croskrey - Aye

**MOTION CARRIED**

**Receivables Scorecard:**

Gross Recievable clinic days rose in June to 119.74 from 96.37 in May.

**Fund Transfers/Investment Review & Recommendation:**

In June, \$4 million was transferred into the Local Agency Investment Fund (LAIF) from Inter Governmental Transfers (IGTs) funds received. The interest earned for the month amounted to \$82,000. As of June, the available balance in the cash investment fund stands at \$22,042,000.

**ADJOURNMENT**

Jim Teter made the motion to adjourn the Finance Committee meeting. Matthew Heyn made the second. No public input.

- Chock - Aye
- Teter - Aye
- Heyn - Aye
- Pringle - Aye
- Neal - Aye
- Croskrey - Aye

**MOTION CARRIED**

**MOTION CARRIED**

The meeting was adjourned at 5:18p.m.

Recorder: Barbara Shanahan, Recorder

APPROVED: Louise Sanders, Secretary

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DATE:

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To: Finance Committee

From: Ann Croskrey

Date: August 29, 2024

Subject: Hospital Operations – July 2024

## Executive Summary

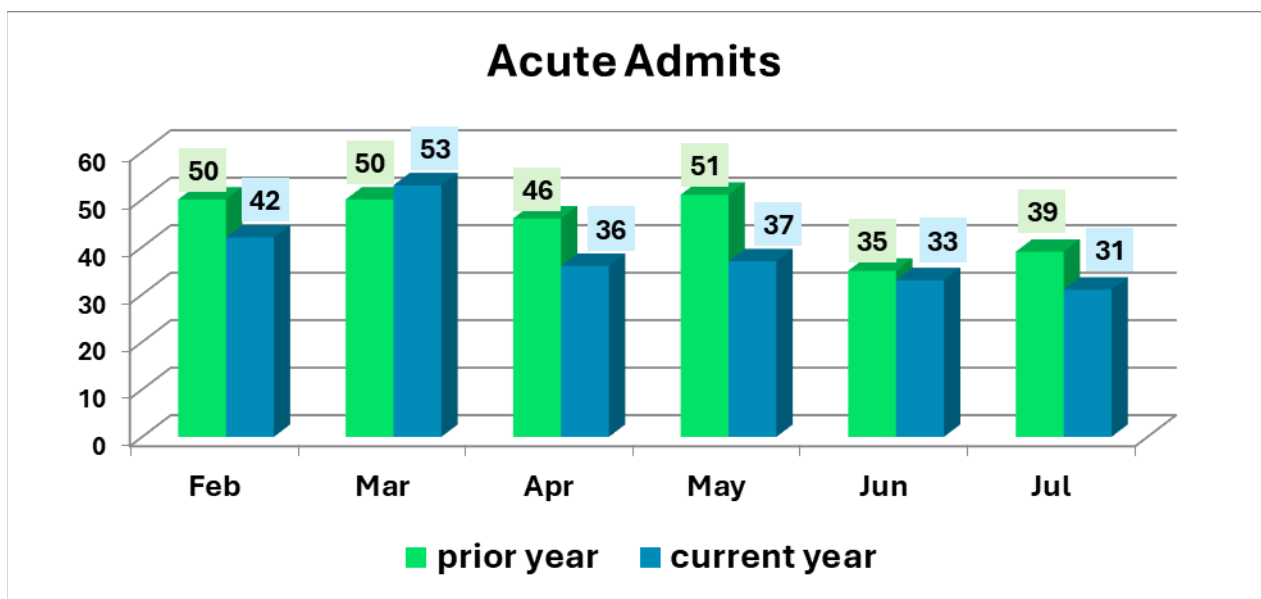
July is the first month in our fiscal year. In July, the District posted a profit from operations before new hospital expenses of \$414 thousand dollars. The profit from operations including new hospital expenses was \$28 thousand dollars. The difference is the new hospital expenses of interest and depreciation.

As of the end of July, the year-to-date earnings before interest and depreciation (EBIDA), was 9.8%. Accounts receivable gross days decreased from 78 days to 70 days, and days of cash on hand decreased from 117 to 114 days.

## Income Statement

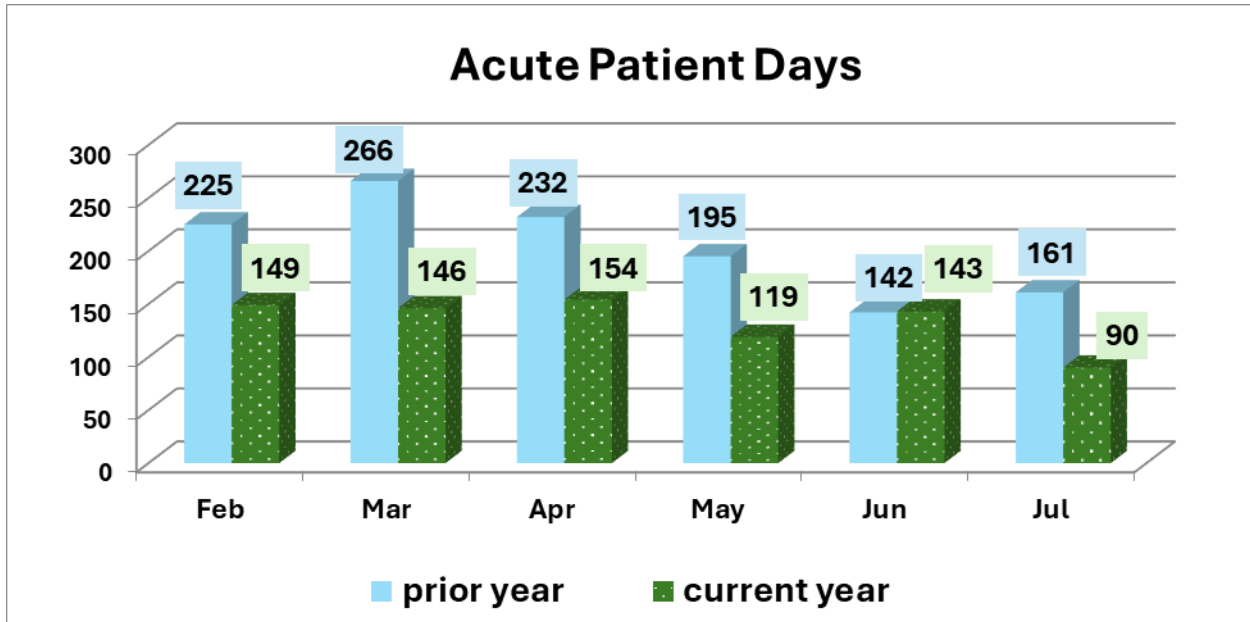
### Acute Care Revenue:

In July we had 31 acute care admits, and only one of those patients had a COVID-19 diagnosis.

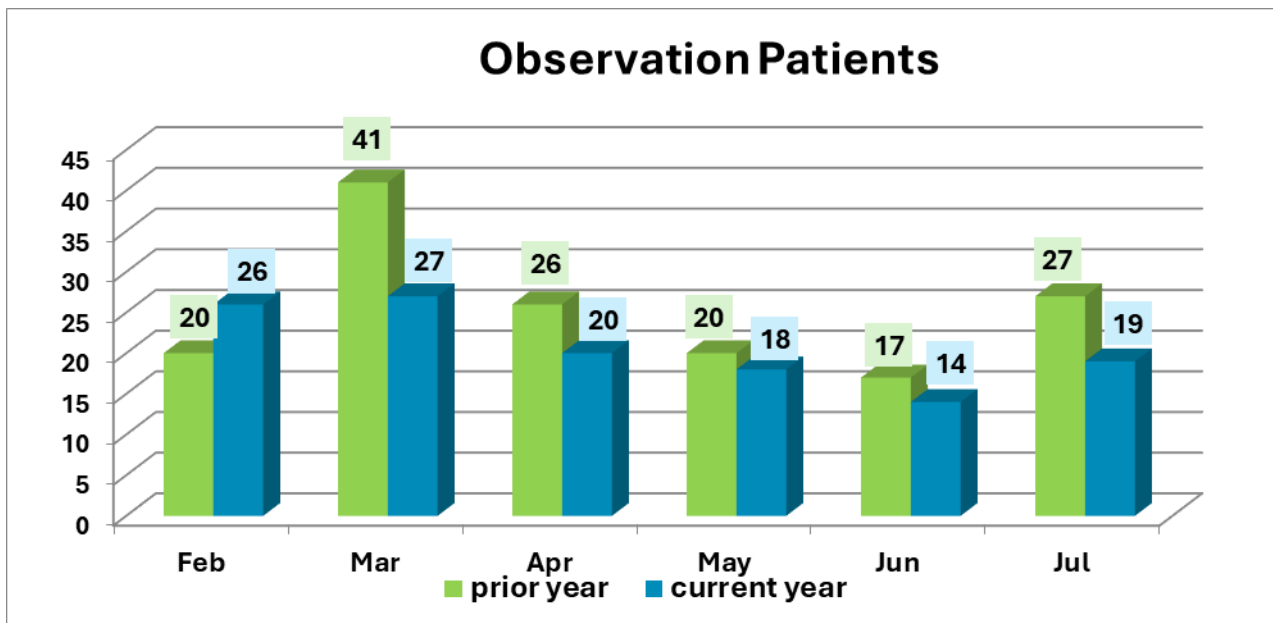




Our acute care inpatient days were 90 in July. Low inpatient revenue is one of the reasons we had a close to break-even month.

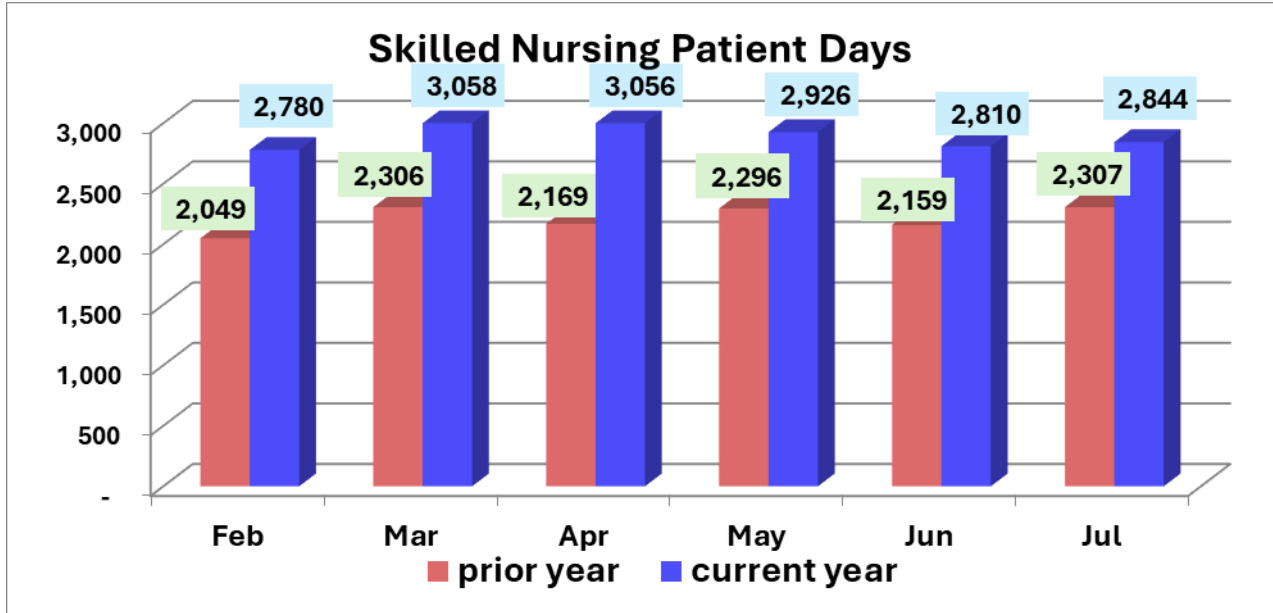


We also had 19 patients in July admitted to an observation status on the Med/Surg acute care unit, but they are considered outpatients as they are not sick enough to meet inpatient criteria. Even though the patients do not meet inpatient criteria, they still require significant staffing and other resources.

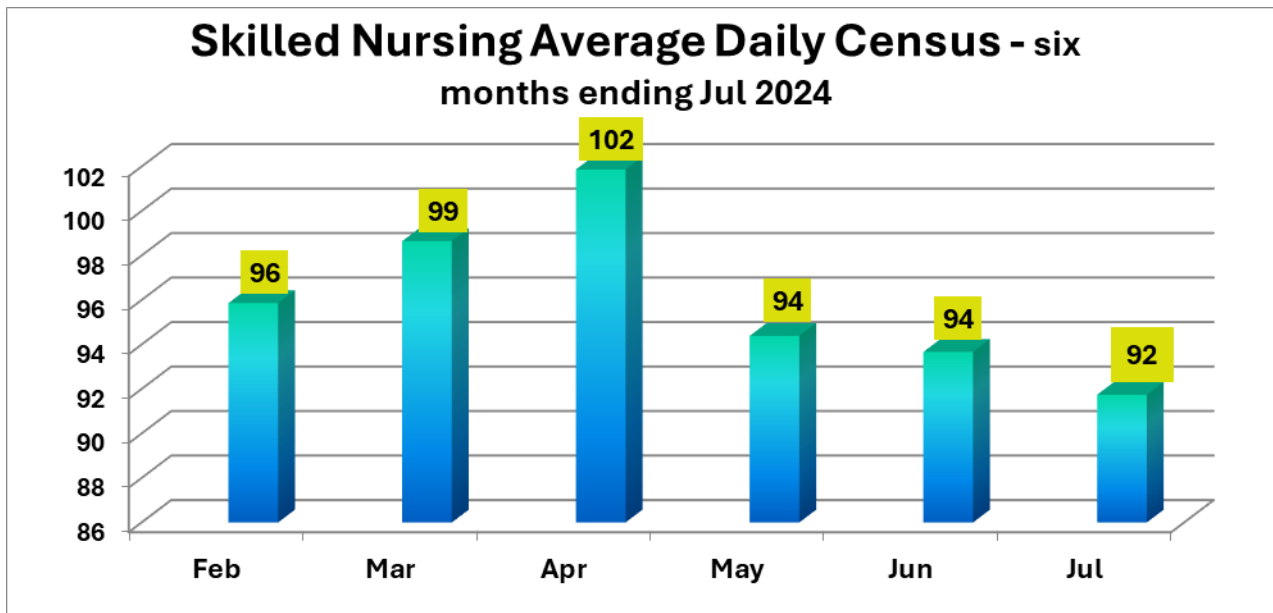


## Skilled Nursing:

In skilled nursing, we had 2,844 Resident (patient) days during July.

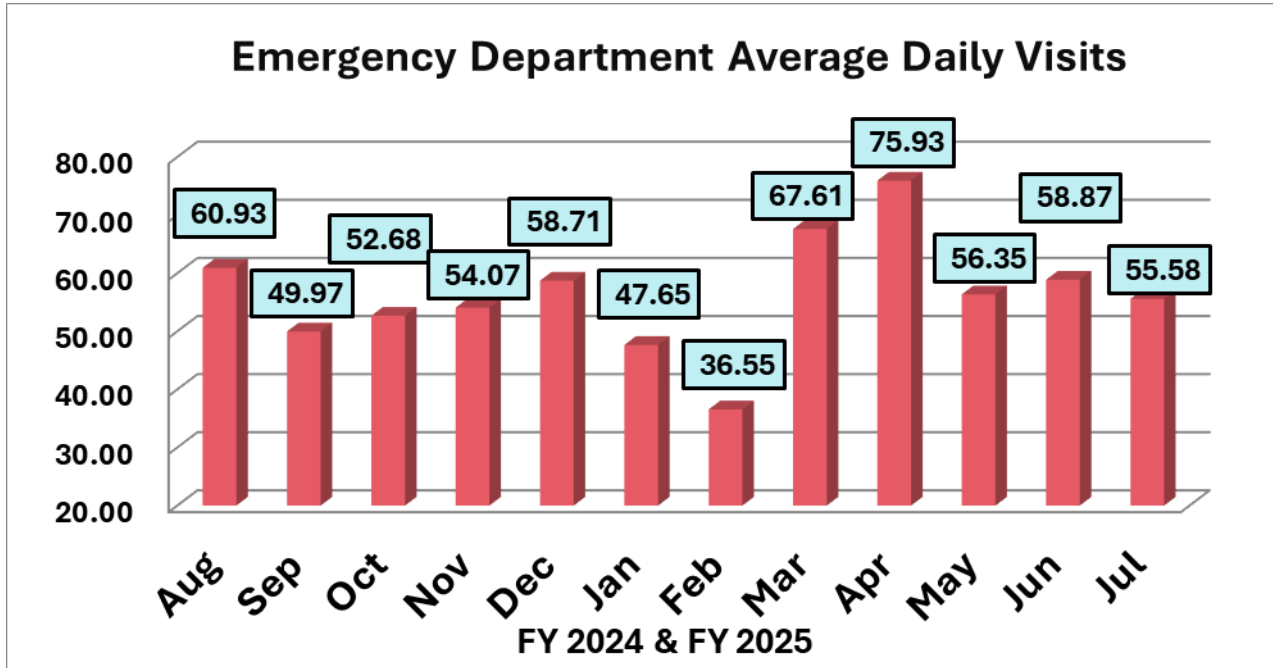


Our skilled nursing average daily census for July was 92. We had 1 admit to our transitional care unit (TCU) for short-term rehab and 2 admits to our long-term care unit.



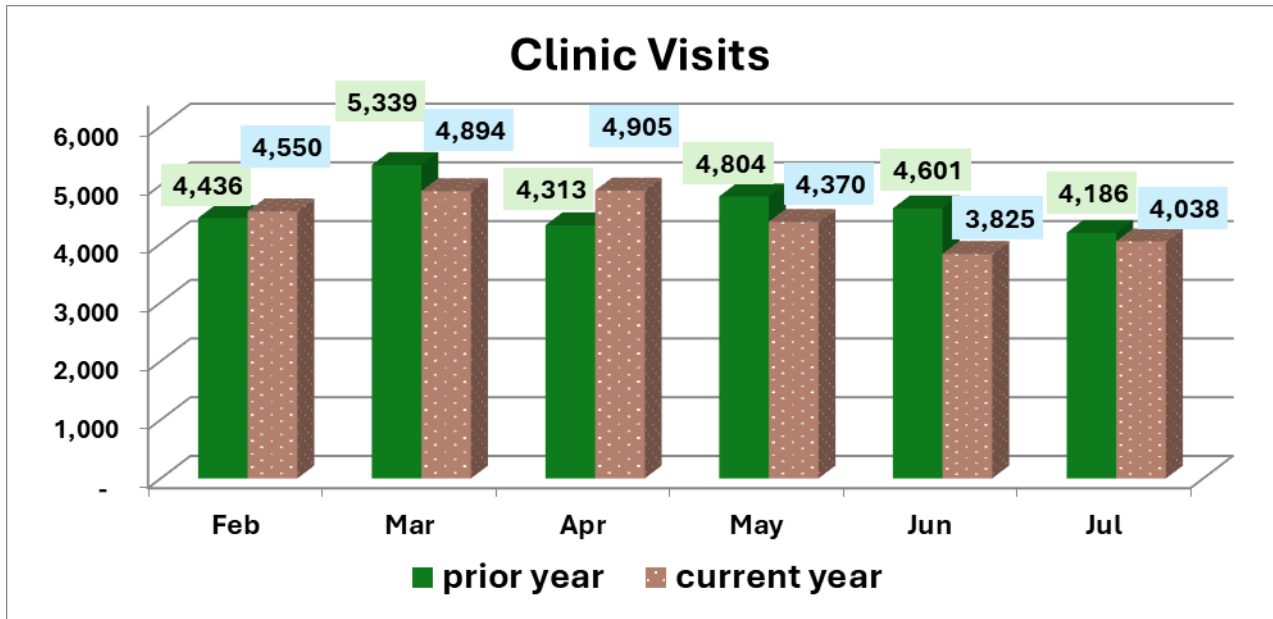
## Outpatient Services

The emergency room averaged 56 daily visits in July. The graph below shows the average daily visits for the last twelve months.

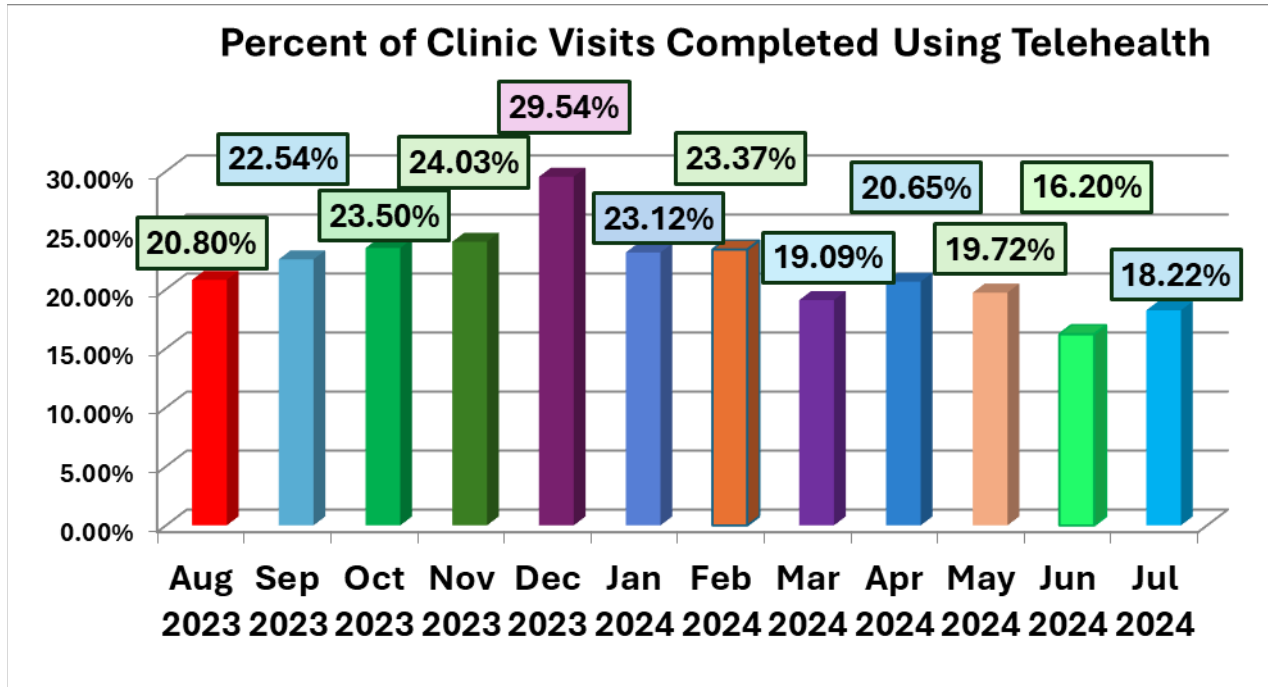


## Clinic Services:

Clinic visits for all the clinics totaled 4,038 in July. We have several providers out on leave and that negatively impacted the July visits. The graph below shows the total number of clinic visits for the last six months with a comparison to the prior year.

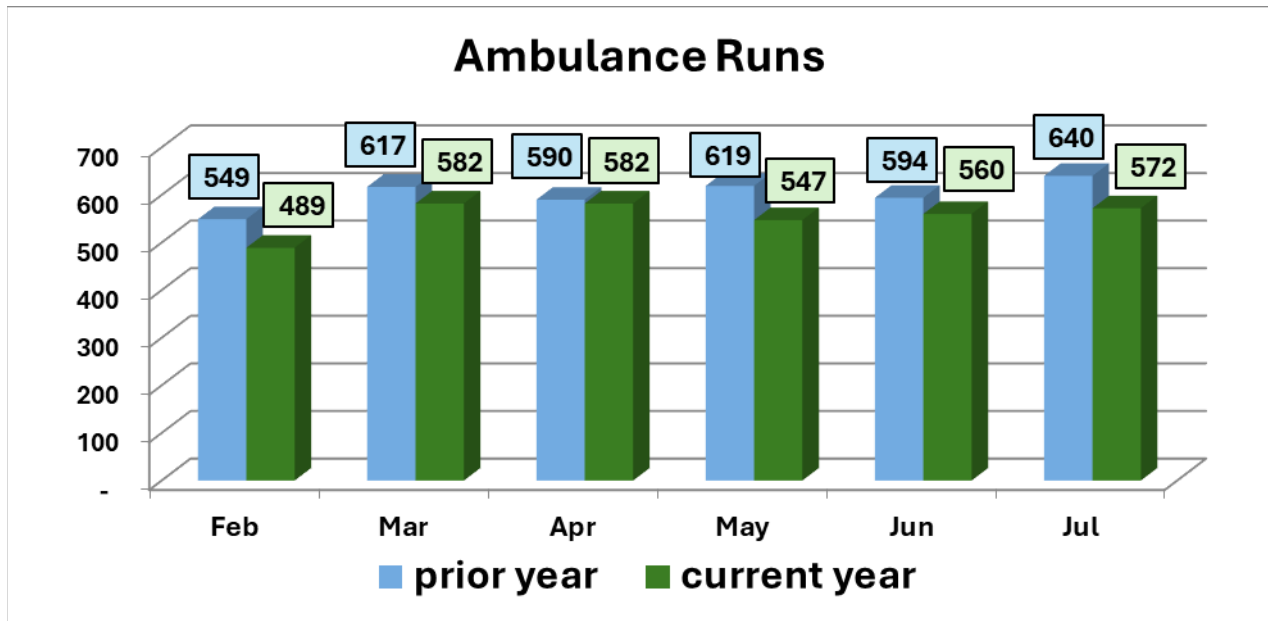


During July, telehealth visits comprised 18% of total clinic visits. Telehealth visits remain a fantastic tool to see clinic patients that may not otherwise have access.



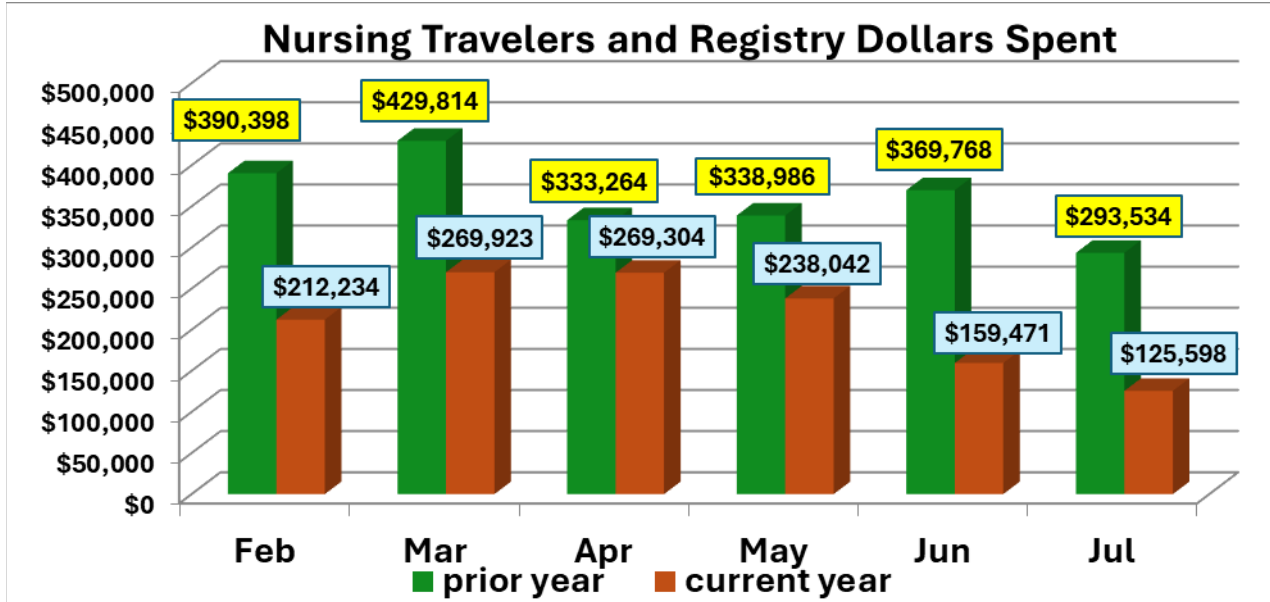
### Ambulance Services:

Our ambulance services sector had 572 “runs” in July. Although there is still a nationwide shortage of Paramedics, our open positions are filled.

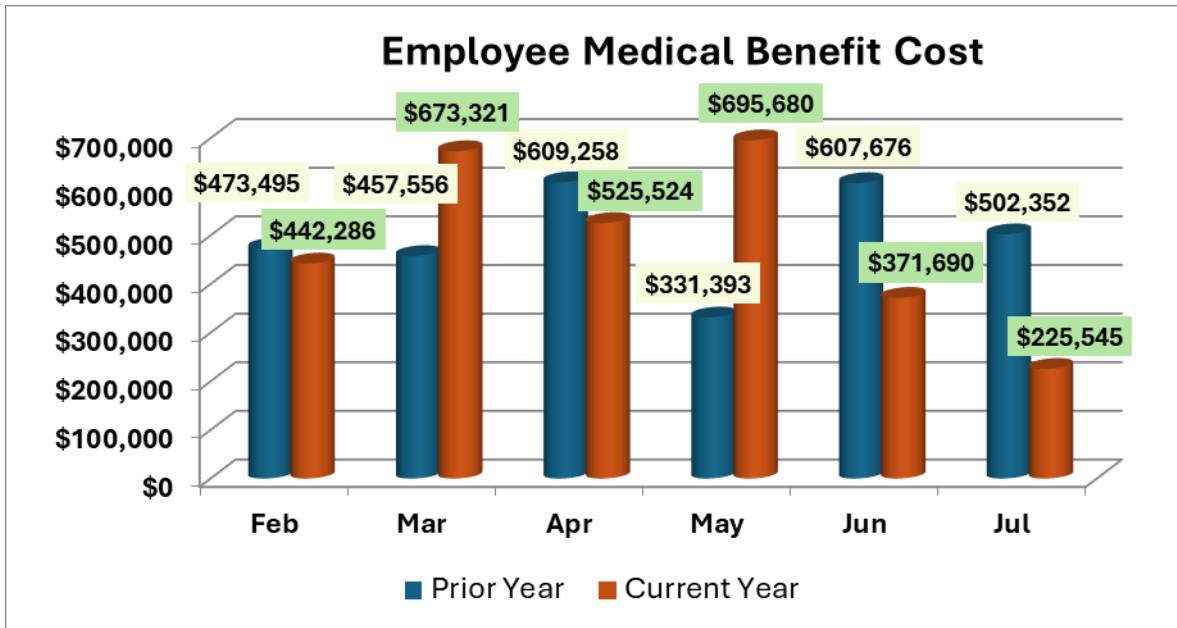


## Expenses:

The nursing shortage continues to require the use of travelers. In July we incurred \$126K in traveler costs. The hiring of more nurses and closure of the ICU has positively impacted traveler costs.



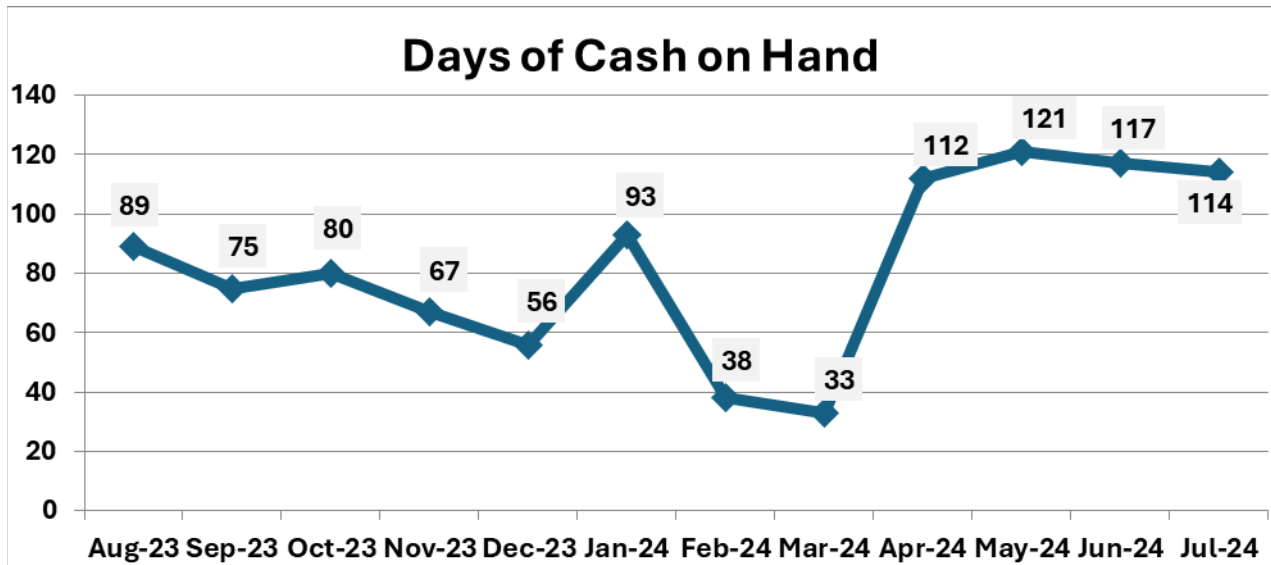
Our benefit package is an important tool for employee attraction and retention. In July we incurred \$226K in health insurance costs for our employees and their dependents.



## Balance Sheet

### Days of Cash on Hand

Our days of cash on hand as of the end of July were at 114 days. This total includes \$5 million dollars received from the 2024 revenue bonds that are being held to repay the balance of the bridge loans due in January of 2025, which amounts to approximately 24 days of cash on hand. The District continues to manage cash closely.



### Accounts Receivable Gross Days

The gross accounts receivable days for the last twelve months are shown below. Gross days in accounts receivable decreased by 8 days. We were able to hire more staff during July. They are going through training and will soon help us reduce the open accounts receivable balances.

