

**MEDINA COUNTY HOSPITAL DISTRICT
FINANCE COMMITTEE MEETING
November 25, 2019
Minutes**

PRESENT: Dr. Carlton Young, Chairman
Tim Hardt, Director
William "Bill" Bain, Director

Janice Simons, CEO
Kevin Frosch, CFO
Billie Bell, CNO
Stacie Hall, Recording Secretary

ABSENT: Steve Hackebell, Director
Tony Johnson, Director
Geoff Crabtree, Methodist Healthcare System

GUESTS:

1. **CALL TO ORDER** Dr. Young called the meeting of the Finance Committee of the Medina County Hospital District to order at 5:01 p.m. He stated for the record that the Committee has three members with three members being present representing a quorum.
2. **QUORUM CHECK**
3. **PUBLIC COMMENT:** There were no members of the public present.
4. **MINUTES**

A. Regular Meeting of October 28, 2019	<p style="text-align: center;"><u>MOTION</u></p> Mr. Bain made a motion to approve the Finance Committee Minutes of October 28, 2019 as presented in the packet. Mr. Hardt seconded. <p style="text-align: center;"><u>VOTE</u></p> The motion passed unanimously.
--	--
5. **REVIEW OCTOBER FINANCIALS**

A. Summary	There was discussion regarding the financial report for October, as presented in the board packet.
B. Financial Summary	
C. Income Statement	Dr. Young stated that according to the summary report provided in the Board packet volumes were ahead of budget. Dr. Young asked, "Are we seeing flu in the Emergency Department as of yet?" Ms. Bell responded that the Emergency Department has not reported as many cases of the flu, but the clinic has reported pneumonia and respiratory concerns.
D. Balance Sheet	
E. Cash Flow /Reconciliation	Mr. Frosch reviewed the October financial statement with the Board of Directors. Mr. Frosch stated that the gross and net revenue were both above budget for the month of October. Mr.

Frosch explained that solid inpatient and outpatient volumes were a driver for the period. Mr. Frosch stated that 340B revenue for the month of October was strong, but below the level budgeted. Mr. Frosch said that Gods Country Pharmacy is now a member of the 340B Program.

Mr. Frosch explained that volumes were ahead of budget for the month of October noting that patient days exceeded the prior year by 127 days and outpatient visits exceeded the prior year by 147 days. Mr. Frosch said that the Swingbed program was strong for the month of October.

Mr. Frosch said that the contractual expenses and deductions were near the level budgeted when viewed as a percentage of gross revenue. Mr. Frosch stated that the total operating expenses were above budget for the month of October. Mr. Frosch added that most expense lines displayed minimal variances from the budget. Mr. Frosch stated that the expenses were above budget, but due to higher inpatient volume then more staffing was needed.

Mr. Frosch said that supplies and drug expenses were over budget in the period and the driver to this overage was the cost of drugs in Castroville Clinic due to vaccines. Ms. Simons explained that the over age 65 flu shot is more expensive and contributed to the drug expense line. Mr. Hardt asked, "Why does Castroville Clinic not carry the shingles shot?" Ms. Simons responded that the shingles shot is very expensive and requires a patient to receive two shots. Dr. Young said that the majority of pharmacies carry the shingles shot and patients are charged through their prescription insurance for medications.

Mr. Hardt asked, "Castroville Clinic is operating as expected?" Mr. Frosch said that the Rural Health Clinics are trending same as previous year.

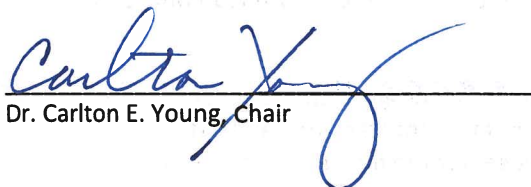
Mr. Frosch said that the Uncompensated Care DY9 application has been submitted to Texas Health and Human Services Commission. Mr. Frosch stated that BKD, Financial Auditors/Advisors were on-site November 17-22, 2019 and were pleased with their on-site audit and final report is expected in the coming weeks.

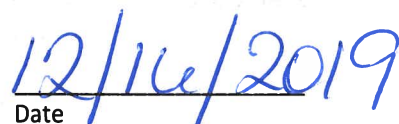
F. OTHER REPORTS

- A. Aged Trial Balance
- B. Accounts Payable Aging
- C. Rural Health Clinic Schedules
- D. Key Indicators and Scorecard
- E. Investments
- F. Blue Cross Blue Shield Contract Update

ADJOURNMENT

There being no further business to come before the Finance Committee, the meeting was adjourned at 5:47 p.m.


Dr. Carlton E. Young, Chair


Date