

**MEDINA COUNTY HOSPITAL DISTRICT
FINANCE COMMITTEE MEETING
December 20, 2021
Minutes**

PRESENT: Tim Hardt, Director
William "Bill" Bain, Director
Tony Johnson, Director
Judy Winkler, Director

Janice Simons, CEO
Kevin Frosch, CFO
Billie Bell, CNO
Randi Davis, Executive Administrative Assistant

ABSENT: Dr. Carlton Young, Chairman
Marc Strode, Methodist Healthcare System

1. **CALL TO ORDER** Mr. Hardt called the meeting of the Finance Committee of the Medina County Hospital District to order at 5:00 p.m. He stated for the record that the Committee has four members present, representing a quorum.
2. **QUORUM CHECK**

3. **PUBLIC COMMENT:** There were no members of the public present.

4. **MINUTES** **MOTION**
A. Regular Meeting of November 22, 2021 Mr. Bain made a motion to approve the Finance Committee Minutes of November 22, 2021 as presented in the packet. Mr. Johnson seconded.

VOTE

The motion passed unanimously.

5. **REVIEW NOVEMBER FINANCIALS** There was discussion regarding the financial report for November, as presented in the board packet.

Mr. Hardt noted that the financials for this month were positive, and asked Kevin to proceed with the Financial Report for November.

Mr. Frosch reviewed the November financial statement.

- A. **Summary** Mr. Frosch stated that the Gross Revenue was 7.9% above budget for the month, and 11.5% above budget on a YTD basis. The Net Revenue for the month was 18.3% above budget. Expenses were 4.4% above expected levels for the period and are 4.3% above YTD. Mr. Frosch noted that cash collections for the month were very strong.
- B. **Financial Summary**
- C. **Income Statement**
- D. **Balance Sheet**
- E. **Cash Flow /Reconciliation** Mr. Frosch reviewed the November volumes. Patient days were below expectations by 14 days, swingbed days were up by 12, outpatient visits were

below expected levels by 107 visits, and RHC visits were above budget by an astounding 854 visits for the November reporting period. Emergency Department visits were up by a total of 45 visits, surgeries were 8 encounters below expected levels for the month, and births were down 4 from the expected levels.

Mr. Frosch proceeded with the Revenue/Net Revenue portion of the November Financial Report. As previously mentioned, the net revenue for the month was 18.3% above budget for the month. Cash collections were extremely strong for the period. The deductions as a percent of gross revenue line item was 6.8% below the expected level for the period. 340B revenue was significantly below expected levels for the month for the second month in a row. A more extensive review with the vendor has been initiated to determine if there is an ongoing issue that needs to be addressed. The Contractual Deductions and Bad Debt lines showed variances to the budget for the month and have roughly evened out with budgeted expectations for the year.

Mr. Frosch moved to the Expenses report for November. Total Operating Expenses were above budget by 4.4% for the month and 4.3% for the year so far. The Salaries line item was \$48K below budget due to several employee position openings that have not been filled. The Agency Staffing line item for November was \$93K above expected levels due to high agency rates and high Medina Regional Hospital usage. The Supplies and Drugs line was \$43K above budget for the month. The Legal & Professional line item was a \$36K variance to budget due to a settlement in the period as well as Provider Relief Fund reporting legal consultations that were not budgeted for.

Mr. Frosch reviewed the ongoing action items, as well as accomplishments since the last reporting period. The BKD Audit site work was officially completed for the annual financial audit and all requested supporting documentation has been submitted. Additionally, the period 1 reporting for the Provider Relief Funds was submitted during the month of November. Finally, the Disproportionate Share Hospital/Uncompensated Care (DSH/UC) application for the hospital has been completed.

Finally, Mr. Frosch opened the floor for any questions or discussions from the committee members. The Finance Committee commended Mr. Frosch and the rest of administration on their hard work and great second month of the new fiscal year.

F. OTHER REPORTS

- A. Aged Trial Balance
- B. Accounts Payable Aging
- C. Rural Health Clinic Schedules
- D. Key Indicators and Scorecard
- E. Investments
- F. Debts & Cash Review and Analysis: MRH Debt & Cash Review report was presented and reviewed.

6. ADJOURNMENT

There being no further business to come before the Finance Committee, the meeting was adjourned at 5:41 p.m.



Tim Hardt, Committee Chair