

**BEAUFORT MEMORIAL HOSPITAL BOARD OF TRUSTEES
MEETING
BMAC BOARD ROOM 317 OR ZOOM**

FINANCE COMMITTEE – OPEN SESSION

Minutes – May 20, 2024

Victoria Viventi took roll call at 7:30 a.m.

By Zoom: Vernita Dore, Dan Barton, Stephen Larson, M.D., Bill Himmelsbach, Richardson LaBruce, Alice Howard, Brian Hoffman, Chris Ketchie, Courtney Smith, Allison Coppage, Kim Yawn

Present: Tommy Harmon (Chair), Russell Baxley, Karen Carroll, Kurt Gambla, D.O., Dee Robinson, Cindy Gibson, Victoria Viventi

CALL to ORDER: Mr. Harmon called the meeting to order at 7:30 a.m.

APPROVAL of MINUTES – April 22, 2024: Mr. LaBruce made a motion, which was seconded by Mrs. Dore to approve the minutes of the April 22, 2024, meeting. Unanimous approval.

FINANCIAL STATEMENTS:

Ms. Gibson reported on behalf of Mr. Miller for the May finance committee meeting. April volumes remained strong. Adult discharges were 738 above budget and prior year. Acute discharges were 652, mental health discharges were 58 and rehab discharges were 28. Adult patient days were 3,155, above budget and prior year. The case mix index [CMI] adjusted average length of stay (ALOS) remained at 2.85, compared to last year 2.61. Case mix index remained at 1.50, budget was 1.55 and last year was 1.55. Deliveries were 75, budget was 70 and prior year was 100. Emergency room visits were 3,713 and budget was 3,509. Outpatient registrations were 21,679, budget was 18,970 and last year was 17,236. Observation days were 475, and budget was 504. Surgical volumes increased from 1,079 to 1,189 and budget was 890. Beaufort Physician Practices visits were 25,127, budget was 24,018. Express care volumes continue to remain strong: Beaufort had 1,661 visits, close to budget of 1,693; Okatie had 1,281 visits, above budget of 1,218, and Bluffton had 900 visits, above budget of 839.

Patient gross revenue was \$93.7M, budget was \$84.5M and last year was \$83.0M. Uncompensated care was \$3.1M or 3.3% of Gross Revenue, Budget was \$2.9M or 3.5% of Gross, last year was \$2.1M or 2.6% of Gross. Total net patient revenue was \$27.4M, budget was \$24.1M and last year was \$23.2M. Net to gross was 29.2%, budget is 28.6% and last year was 28.0%. Total operating revenue was \$30.2M, budget was \$25.3M and prior year was \$26.4M.

Cash collections did not meet the goal for April and no HAWQ money was received. March YTD we are at 107.3% or \$11.4M above the goal. April YTD is at 105.8% or \$10.8M above the goal. YTD for the 30-day average was 104.7% or \$8.8M above the goal. Gross AR days decreased going from 59.4 to 58.8 and net days decreased from 34.5 to 33.1.

Total expenses were \$28.9M, budget was \$24.9M and prior year was \$26.0M. Salaries were \$10.3M, budget was \$9.5M and prior year of \$9.8M. Contract labor remained below \$1.0M at \$704k, budget was \$841k and last year was \$1.0M. Benefits decreased from \$3.7M to \$3.1M, budget was \$2.9M and last year was \$3.7M. Supplies dropped from \$5.8M to \$5.5M, budget was \$5.1M and last year was \$5.2M. Purchased services were \$3.1M, budget was \$2.2M and last year was \$2.1M. Other expenses were \$4.2M, budget of \$2.2M, prior year of \$1.7M. Hospital license fee, legal expenses and radiation oncology fees were the main drivers in other expenses.

April net profit for the month is \$1.3M, on a budgeted profit of \$399k and previous year had a profit of \$440k. YTD net profit is \$2.5M, budgeted net profit was \$2.9M, and last year was a \$909k operating profit. YTD Actual to Budget Variance is a loss of (\$371k) and Actual to Prior Year Variance is \$1.6M. EBITDA was \$2.6M, budget was \$1.9M, and Last Year was \$1.9M. YTD EBITDA is \$11.8M, budget is \$13.8M, last year was \$11.5M. YTD actual to budget variance is a loss (\$2.0M) and actual to prior year EBITDA variance is \$329k. 'Free Cash' defined as operating income/loss plus noncash depreciation was \$2.2M, last year it was \$1.3M. YTD 'Free Cash' is \$8.9M, last year it was \$6.7M. Days cash decreased from 84.7 days to 73.6, as expected. The drop in days cash is similar to January when the hospital license tax was also paid.

Mr. Harmon noted the committee will need to prepare for a funding recommendation for the Bluffton Medical Services Building. Mr. Baxley advised they are reviewing different funding options and once there is more concrete numbers, they will present options to the committee.

ADJOURN: A motion was made by Mrs. Dore and seconded by Dr. Larson to adjourn the meeting. Unanimous approval. The meeting adjourned at 7:42 a.m.

Respectfully submitted,

Tommy Harmon, Jr., Chair