

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

FINANCE COMMITTEE – OPEN SESSION

Minutes – June 24, 2024

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

By Zoom: Dan Barton, Richardson LaBruce, Vernita Dore, Alice Howard, Brian Hoffman, Karen Carroll, Allison Coppage, Chris Ketchie, Courtney Smith, Kim Yawn

Present: Tommy Harmon (Chair), Bill Himmelsbach, Stephen Larson, M.D., Russell Baxley, Ken Miller, Kurt Gambla, D.O., Dee Robinson, Victoria Viventi

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

APPROVAL of MINUTES – May 20, 2024: Mr. LaBruce made a motion, which was seconded by Dr. Larson to approve the minutes of the May 20, 2024, meeting. Unanimous approval.

FINANCIAL STATEMENTS:

May volumes remained strong. Adult discharges were 804 above budget and prior year. Acute discharges were 716, mental health discharges were 59 and rehab discharges were 29. Adult patient days were 3,391, above budget and prior year. The case mix index [CMI] adjusted average length of stay (ALOS) decreased from 2.85 to 2.77, compared to last year 2.93. Case mix index increased to 1.52 from 1.50, budget was 1.55 and last year was 1.46. Deliveries were 70, budget was 76 and prior year was 79. Emergency room visits were 4,049, and budget was 3,799. Outpatient registrations were 21,761, budget was 20,427 and last year was 19,323. Observation days were 628, and budget was 542. Surgical volumes increased to 1,060 and budget was 959. Beaufort Physician Practices visits were 25,845, budget was 25,614. Express care volumes: Beaufort had 1,703 visits, budget of 1,823; Okatie had 1,251 visits, budget of 1,312, and Bluffton had 908 visits, above budget of 904.

Patient gross revenue was \$98.3M, budget was \$91.0M and last year was \$91.5M. May was the second highest gross revenue compared to the prior 12 months. Uncompensated care was \$2.8M or 2.9% of Gross Revenue, Budget was \$3.2M or 3.5% of Gross, last year was \$287k or 0.3% of Gross. Total net patient revenue was \$28.4M, budget was \$26.0M and last year was \$27.1M. Net to gross was 28.9%, budget is 28.6% and last year was 29.6%. Total operating revenue was \$33.6M, budget was \$27.3M and prior year was \$27.9M.

Cash collections were strong for the month coming in at 104.2% or \$1.2M above goal. There was \$4.4M in HAWQ money recognized this month. May YTD we are at 105.6% or \$12.0M above the goal. YTD for the 30-day average was 105.1% or \$10.9M above the goal. 12-month rolling cash report is 102.0% of \$6.2M ahead of the 60 day goal and 101.3% or \$4.2M ahead of the 30 day goal. Gross AR days increased going from 58.8 to 59.7 and net days increased from 33.1 to 35.1.

Total expenses were \$30.2M, budget was \$26.9M and prior year was \$25.4M. Although total expenses were the highest of the 12 month period on an Adjusted Admission basis of \$8,398 it was lower than both May and YTD targets of \$8,425 and \$8,427. Salaries were \$11.0M, budget was \$10.2M and prior year of \$9.4M. Contract labor remained fairly constant at \$741k, budget was \$906k and last year was \$1.0M. Benefits increased from \$3.1M to \$3.6M, budget was \$3.1M and last year was \$3.4M. Supplies were \$5.8M, budget was \$5.5M and last year was \$4.8M. Purchased services were \$3.3M, budget was \$2.4M and last year was \$2.8M. Other expenses were \$3.7M, budget of \$2.4M, prior year of \$1.6M. July Hospital License Tax will be \$3.5M.

May net profit for the month is \$3.4M, on a budgeted profit of \$429k and previous year had a profit of \$2.5M. YTD net profit is \$6.0M, budgeted net profit was \$3.3M, and last year was a \$3.4M operating profit. YTD Actual to Budget Variance is \$2.6M and Actual to Prior Year Variance is \$2.6M. EBITDA was \$4.7M, budget was \$2.0M, and Last Year was \$4.0M. YTD EBITDA is \$16.6M, budget is \$15.8M, last year was \$15.4M. YTD actual to budget variance is \$753k and actual to prior year EBITDA variance is \$1.1M. 'Free Cash' defined as operating income/loss plus noncash depreciation was \$4.3M, last year it was \$3.3M. YTD 'Free Cash' is \$13.1M, last year it was \$10.2M. Days cash increased from 73.6 days to 79.3, one day of cash was over \$900k at \$901,179.

Mr. Miller continued with the finance education series and presented on two topics to include Accounting and Budgeting as well as Long Term Debt Financing and Leases and IT Subscriptions. The education continues to be well received by the committee and will be shared with the full hospital board for their information as well.

ADJOURN: A motion was made by Mrs. Dore and seconded by Mr. LaBruce to adjourn the meeting. Unanimous approval. The meeting adjourned at 8:20 a.m.

Respectfully submitted,

Tommy Harmon, Jr., Chair