

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

FINANCE COMMITTEE – OPEN SESSION

Minutes – July 29, 2024

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

By Zoom: Tommy Harmon (Chair), Richardson LaBruce, Vernita Dore, Alice Howard, Brian Hoffman, Allison Coppage, Chris Ketchie, Courtney Smith, Kim Yawn

Present: Bill Himmelsbach, Russell Baxley, Ken Miller, Kurt Gambla, D.O., Dee Robinson, Cindy Gibson, Lisa Kramer, Tammy Bauknight, Victoria Viventi

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

APPROVAL of MINUTES – June 24, 2024: Mr. LaBruce made a motion, which was seconded by Mrs. Dore to approve the minutes of the June 24, 2024, meeting. Unanimous approval.

FINANCIAL STATEMENTS:

June volumes dropped slightly from May. Adult discharges were 732 above budget and prior year. Acute discharges were 654, mental health discharges were 49 and rehab discharges were 29. Adult patient days were 2,902, slightly below budget and prior year. The case mix index [CMI] adjusted average length of stay (ALOS) decreased from 2.77 to 2.59, compared to last year 2.83. Case mix index increased from 1.52 to 1.53 budget was 1.55 and last year was 1.51. Deliveries were 93, budget was 74 and prior year was 86. Emergency room visits were 3,782, and budget was 3,691. Outpatient registrations were 19,984, budget was 19,951 and last year was 18,860. YTD Outpatient registrations are 189,268 which is 14.5% above last year. Observation days were 484, and budget was 530. Surgical volumes increased from 1,060 to 1,103 and budget was 936. Surgical volumes are 9,451 which is 6.9% above last year. Beaufort Physician Practices visits were 22,334, budget was 25,017. Express care volumes: Beaufort had 1,650 visits, budget of 1,781; Okatie had 1,181 visits, budget of 1,281, and Bluffton had 797 visits, budget of 883.

Patient gross revenue was \$90.9M, budget was \$88.9M and last year was \$89.1M. Uncompensated care was \$4.3M or 4.9% of Gross Revenue, Budget was \$3.1M or 3.5% of Gross, last year was \$2.0 or 2.3% of Gross. YTD uncompensated care is \$28.7M or 3.4% of Gross Revenue, budget was \$27.8M or 3.5%. Total net patient revenue was \$26.6M, budget was \$25.3M and last year was \$24.25M. YTD is \$244.7M, budget was \$228.2M and prior year was \$216.4M. Net to gross was 29.3%, budget is 28.6% and last year was 27.2%. YTD is 29.3%, budget was 28.6% and last year was 27.6%. Total operating revenue was \$29.1M, budget was \$26.7M and prior year was \$25.6M.

Cash collections were lower than usual coming in at 84.6% or \$4.3M below goal. June YTD we are at 103.2% or \$7.7M above the goal. YTD for the 30-day average was 102.5% or \$6.1M above the goal. 12-month rolling cash report is 101.1% or \$3.5M ahead of the 60 day goal and 100.9% or \$2.9M ahead of the 30 day goal. Gross AR days increased going from 59.7 to 62.3 and net days increased from 35.1 to 35.7.

Total expenses were \$28.9M, budget was \$26.2M and prior year was \$26.5M. YTD expenses are \$255.9M, budget was \$235.8M, last year was \$225.5M. Salaries were \$11.8M, budget was \$10.0M and prior year of \$10.3M. The increase for June was driven by salary increases implemented in June. YTD salaries are \$953M, budget was \$89.8M, prior year was \$86.2M. Contract labor decreased to \$690k, budget was \$885k and last year was \$1.1M. Benefits decreased from \$3.6M to \$3.1M, budget was \$3.0M and last year was \$3.3M. YTD benefits are \$31.1M, budget was \$27.5M, last year was \$26.5M. Supplies were down from \$5.8M to \$5.2M, primarily due to lower volumes, budget was \$5.4M and last year was \$4.9M. Purchased services were \$2.7M, budget was \$2.3M and last year was \$2.9M. Other expenses were \$3.2M, budget of \$2.3M, prior year of \$1.8M.

June net profit for the month was \$195k, on a budgeted profit of \$419k and previous year had a loss of (\$912k). YTD net profit is \$6.2M, budgeted net profit was \$3.8M, and last year was a \$2.5M operating profit. YTD Actual to Budget Variance is \$2.4M and Actual to Prior Year Variance is \$3.7M. EBITDA was \$1.6M, budget was \$2.0M, and Last Year was \$572k. YTD EBITDA is \$18.1M, budget is \$17.8M, last year was \$16.0M. YTD actual to budget variance is \$350k and actual to prior year EBITDA variance is \$2.1M. 'Free Cash' defined as operating income/loss plus noncash depreciation was \$1.1M, last year it was a loss of (\$50k). YTD 'Free Cash' is \$14.2M, last year it was \$10.2M. Days cash decreased from 79.3 days to 76.6.

Mr. Miller continued with the finance education series and presented on registration and billing. Ms. Kramer, director of revenue cycle, and Ms. Bauknight, director of coding services, attended the finance meeting to clarify or answer and registration and billing questions from the committee. 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 8:05 a.m.

Respectfully submitted,

Tommy Harmon, Jr., Chair