

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

FINANCE COMMITTEE – OPEN SESSION

Minutes – October 28, 2024

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

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

Present: Tommy Harmon (chair), Bill Himmelsbach, Evan Kane, MD, Ken Miller, Kurt Gambla, D.O., Dee Robinson, Cindy Gibson, Victoria Viventi

Absent:

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

APPROVAL of MINUTES – September 23, 2024: Mrs. Dore made a motion, which was seconded by Mr. LaBruce to approve the minutes of the September 23, 2024, meeting. Unanimous approval.

FINANCIAL STATEMENTS:

September volumes were down from prior month and budget but up to prior year. The focus of this overview is on Fiscal Year End 2024 (FY24). FY24 volumes were, in general, ahead of prior year and mixed to budget. Adult discharges were 9,059; budget was 8,973, and prior year was 8,787. Acute discharges were 8,131, budget was 8,007 and last year was 7,868. Mental health discharges were 585, budget was 592 and last year was 587. Rehab discharges were 343, budget was 375 and last year was 332. Adult patient days were 38,384, budget was 37,869, and last year was 37,073. The case mix index [CMI] adjusted average length of stay (ALOS) for the year was 2.79, budget was 2.72 and last year was 2.71. Case mix index for the year was 1.52, budget was 1.55, and last year was 1.56. Deliveries for the year were 1,110, budget was 913 and prior year was 1,024. Emergency room visits for the year were 45,700, budget was 45,584, last year was 44,653. Outpatient registrations for the year were 250,793, budget was 246,413 and prior year was 221,058. Observation days for the year were 6,415, budget was 6,542 and prior year was 6,365. Surgical volumes for the year were 12,355 and budget was 11,565, and last year was 11,592. Inpatient volumes were 1,660, budget of 1,687, prior year of 1,613. Outpatient surgical volumes were 10,695, budget of 9,879, prior year of 9,979. Beaufort Physician Practices visits for the year were 292,214, budget was 308,991 and prior year was 279,546. Express care volumes for the year: Beaufort had 21,715 visits, budget of 21,996, last year was 20,500; Okatie had 15,715 visits, budget of 15,826, last year was 14,750. Bluffton had 10,768 visits, budget of 10,902, last year was 10,159.

Patient gross revenue for the year was \$1.1B, budget was \$1.1B and last year was \$1.0B. Uncompensated care for the year was \$36.9M or 3.3% of Gross Revenue, budget was \$38.1M or 3.5% of Gross Revenue, last year was \$33.8M or 3.2% of Gross. September uncompensated care was up at \$4.1M or 4.7% of Gross. Total net patient revenue for the year was \$331.3M, budget

was \$313.7M and last year was \$288.5M. Net to gross for FY24 was 29.8%, budget was 28.6% and last year was 27.6%. For FY24 we did recognize \$23.4 in HAWQ payments. For September 2024 we also removed \$3.3M in reserves for DSH for the years 2019-2023. Total operating revenue for the year was \$355.7M, budget was \$329.2M and prior year was \$303.7M. For September 2024 we recognized \$1.0M in CARES reserves as well as \$1.4M in OR grant dollars.

For the FY24 cash collections we ended at 102.8% or \$9.1M above the goal. YTD for the 30-day average we finished at 102.3% or \$7.5M above the goal. We received \$7.4M of HAWQ payments in September that we will recognize first quarter of FY25. Gross AR days decreased going from 59.9 to 57.4 and net days also decreased from 36.1 to 35.2.

Total expenses for FY24 were \$343.0M, budget was \$324.0M and prior year was \$303.5M. Salaries for the year were \$130.3M, budget was \$123.3M and the prior year of \$116.7M. Contract labor for the year was \$8.9M, budget was \$10.9M and last year was \$12.4M. Benefits for the year were \$41.0M, budget was \$37.7M and last year was \$35.4M. Supplies for the year were \$65.1M, budget was \$66.1M and last year was \$60.0M. Purchased services for the year were \$34.7M, budget was \$28.5M and last year was \$27.6M. Other expenses were \$36.9M, budget of \$28.7M, prior year of \$23.7M. For FY24 we did pay \$14.8M in Hospital License Tax (HLT) vs \$3.8M in FY23.

September net profit for the month was \$3.4M, on a budgeted profit of \$477k and previous year had a loss of (\$529k). YTD net profit is \$12.7M, budgeted net profit was \$5.2M, and last year was a \$251k operating profit. YTD Actual to Budget Variance is \$7.5M and Actual to Prior Year Variance is \$12.5M. EBITDA was \$4.8M, budget was \$2.3M, and Last Year was \$923k. YTD EBITDA was \$28.9M, budget was \$24.4M, last year was \$18.1M. YTD actual to budget variance is \$4.5M and actual to prior year EBITDA variance is \$10.8M. YTD 'Free Cash' defined as operating income/loss plus noncash depreciation was \$23.7M, last year it was \$10.5M. Days cash increased from 75.2 to 83.0.

ADJOURN: A motion was made by Mrs. Dore and seconded by Dr. Kane to adjourn the meeting. Unanimous approval. The meeting adjourned at 7:57 a.m.

Respectfully submitted,

Tommy Harmon, Jr., Chair