

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

FINANCE COMMITTEE – OPEN SESSION

Minutes – April 28, 2025

Victoria Viventi took roll call at 7:31 a.m.

By Zoom: Richardson LaBruce, Vernita Dore, Alice Howard, Karen Carroll, Allison Coppage, Shawna Doran, Chris Ketchie, Courtney Smith, Kim Yawn

Present: Tommy Harmon (chair), Evan Kane, M.D., Tony Britton, Bill Himmelsbach, Russell Baxley, Ken Miller, Kurt Gambla, Cindy Gibson, Victoria Tinsley

Absent:

CALL to ORDER: Mr. Harmon called the meeting to order at 7:31 a.m.

APPROVAL of MINUTES – March 24, 2025: Mr. Britton made a motion, which was seconded by Dr. Kane to approve the minutes of the March 24, 2025, meeting. Unanimous approval.

FINANCIAL STATEMENTS:

Volume Analysis:

- For March volumes did improve however, as this is the end of the second quarter this report will focus on year-to-date (YTD) results.
- In general, YTD results are behind plan but ahead of Prior Year (PY).
- Adult discharges YTD were 4,649, budget was 4,578, and prior year was 4,434.
- Acute discharges were 4,177, budget was 4,120, and last year was 3,993.
- Mental health discharges were 306, budget was 289 and last year was 275.
- Rehab discharges were 166, budget was 170 and prior year was 166.
- YTD Adult patient days were 20,077, budget was 19,278, and last year was 18,982.
- YTD CMI adjusted Average Length of Stay (ALOS) for the month is 2.80, budget was 2.72 and last year was 2.78.
- YTD Case Mix Index (CMI) improved again this month to 1.55, budget was 1.55 and last year was 1.54.
- The other YTD primary indicators for the month were as follows:
- Deliveries were 525, budget was 546 and prior year was 572.
- Emergency room visits were 21,942, budget was 23,365, and prior year was 22,928.

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- Outpatient Registrations were 125,571, budget was 132,997 and last year was 125,844.
- Hilton Head Imaging was 11,800, budget was 11,721, and last year was 10,621.
- Observation days were 3,236, budget was 3,253, and prior year was 3,174.
- YTD Surgical volumes were 6,347, budget was 6,032, and last year was 6,099.
- YTD Beaufort Physician Partners (BPP) visits were 154,819, budget was 185,004, and last year was 146,801.
- YTD Express Care Volumes were the following:
 - Beaufort 11,325, budget was 12,735, prior year was 11,369.
 - Okatie 8,370, budget was 9,523, prior year was 8,261.
 - Bluffton 5,241, budget was 6,928, prior year was 5,713.

Revenue:

- YTD Gross Patient Revenue was \$558.1M, budget was \$594.4M and last year was \$552.5M.
- YTD Uncompensated Care was \$14.7M or 2.6% of Gross Revenue, budget was \$21.4M or 3.6% of Gross and last year was \$18.5M or 3.3% of Gross.
- YTD Total Net Patient Revenue was \$169.7M, budget was \$178.8M and last year was \$162.3M.
- YTD Net to Gross was 30.4%, budget was 30.1%, and prior year was 29.4%.
- YTD Total operating Revenue was \$180.8M, budget was \$194.1M and last year was \$169.2M.
- YTD Total operating Revenue for the Obligated Group was \$182.6M and PY was \$169.2M
- Difference between Obligated Group and BMH is 1.9M of interest earned and unrealized revenues from investments.
- Cash for the month came in at 94.8%. Year to date we are at 98.2% or \$2.9M below the goal, for the 30-day average we are at 98.7% or \$2.2M below the goal.
- No HAWQ money was received in March.
- On the 12 month rolling cash goal, we are at 98.4% or \$5.3M below the 60-day average goal and at 98.5% or \$5.0M below the 30-day trailing goal.
- Gross AR Days increased from 55.5 to 56.9 and net days increased from 37.7 to 38.7.
- Although we have added both the Emergency Department and Hospitalist groups, we have yet to receive many payments due to the credentialing process.

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Expenses:

- YTD Total Expenses were \$178.8M, budget was \$188.7M and last year was \$168.0M.
- YTD Total Expenses for the Obligated Group were 180.4M with PY at \$168.2M
- YTD Salaries were \$68.2M, budget was \$70.3M and last year was \$62.2M.
- March salaries were at a 12-month low at \$10.1M, prior 11-month average was \$11.5M
- YTD Contract Labor was \$4.0M, budget was \$3.7M and last year was \$5.0M.
- YTD Benefits were \$22.3M, budget was \$24.3M and last year was \$21.3M.
- March Healthcare was a 12-month low at \$742k, prior 11-month average was \$1.4M
- YTD Supplies were \$30.8M, budget was \$36.6M, and prior year was \$33.9M.
- YTD Purchased Services were \$17.6M, budget was \$17.3M, and prior year was \$16.1M.
- YTD Other Expenses were \$19.9M, budget was \$20.6M and prior year was \$16.7M.
 - o Difference between Obligated Group and BMH is 1.6M of bond costs.

Profitability:

- Net Profit for March was \$3.7M, budgeted Net Profit was \$888k, and prior year was 890k profit.
- YTD Net Profit is \$1.9M, budgeted Net Profit was \$5.4M and last year net profit was \$1.3M.
- YTD Actual to Budget variance is (\$3.4M) and Actual to Prior Year variance is \$724k.
- YTD Obligated Group Net Profit is \$2.3M, PY was 1.0M.
- EBITDA for March was \$5.1M, budget was \$2.3M and last year was \$2.0M.
- YTD EBITDA is \$10.0M, budget was \$14.0M and prior year was \$9.2M
- YTD Actual to Budget variance is (\$4.0M) and Actual to Prior Year variance is \$879k.
- YTD Obligated Group EBITDA was \$10.3M profit and PY was \$8.9M.
- Days Cash increased from 70.7 to 72.9.
 - One day cash did decrease from \$960k to \$942k which added 1.4 days to the calculation.

Mr. Baxley gave an update on the CFO search for BMH. He advised there is interest in the position and will be bringing the top 3 to 5 candidates on site for interviews with the team.

ADJOURN: A motion was made by Dr. Kane and seconded by Ms. Dore to adjourn the meeting. Unanimous approval. The meeting adjourned at 7:51 a.m.

Respectfully submitted,

Tommy Harmon, Jr., Chair