



C. L. Brumback
Primary Care Clinics
Health Care District Palm Beach County

**DISTRICT CLINIC HOLDINGS, INC.
d.b.a. C.L. BRUMBACK PRIMARY CARE CLINICS
BOARD OF DIRECTORS FINANCE COMMITTEE
MEETING MINUTES
October 24, 2018
1515 N. Flagler Drive
West Palm Beach, FL 33401**

1. Call to Order

Mr. Kendle called the meeting to order at 12:17 p.m.

A. Roll Call

Committee members present: David Kendle, Chairperson; Vice Chairperson, James Elder, Bessie Brown; Joan Roude, Joseph Morel

Excused: Frances Navarro

Staff present included: Dr. Belma Andric, VP & Executive Director of Clinic Services; Dawn Richards, Chief Financial Officer and Valerie Shahriari, General Counsel; Mina Bayik, Director of Finance

Recording/transcribing Secretary: Marguerite Lynch

- B. Affirmation of Mission:** To provide compassionate, comprehensive health services to all Palm Beach County residents, through collaboration and partnership, in a culturally sensitive environment.

2. Agenda Approval

A. Additions/Deletions/Substitutions

None.

B. Motion to Approve Agenda

CONCLUSION/ACTION: Ms. Roude made a motion to approve the agenda as presented/amended. The motion was duly seconded by Mr. Elder. A vote was called, and the motion passed unanimously.

3. Awards and Presentations

A. None.

4. Disclosure of Voting Conflict

None.

5. Public Comment

6. Meeting Minutes

- A. Staff Recommends a MOTION TO APPROVE:
C.L. Brumback Primary Care Clinics Finance Committee Minutes of September 26, 2018.

CONCLUSION/ACTION: Mr. Elder made a motion to approve the C.L. Brumback Primary Care Clinics Finance Committee minutes of September 26, 2018 as presented. The motion was duly seconded by Ms. Brown. A vote was called, and the motion passed unanimously.

7. Consent Agenda – Motion to Approve Consent Agenda Items

A. ADMINISTRATION

- 7A-1 RECEIVE AND FILE:
October Internet Posting of District Public Meeting
<https://www.hcdpbc.org/EventViewTrainingDetails.aspx?Bck=Y&EventID=230&m=0|0&DisplayType=C>

- 7A-2 RECEIVE AND FILE:
Attendance Tracking

CONCLUSION/ACTION: Mr. Elder made a motion to approve the Consent Agenda items. The motion was duly seconded by Ms. Brown. A vote was called, and the motion passed unanimously.

8. Regular Agenda

Reports

A. FINANCE

- 8A-1 Staff Recommends a MOTION TO APPROVE:
Management has provided the fiscal year 2019 proposed budget and supporting schedules for the Finance Committee review. The 2019 budget includes total expenditures and capital of \$31,296,081 with District support of \$13,050,000.

The 2019 Proposed Budget was presented by Director of Finance, Mina Bayik and reviewed in detail. Fiscal analysis and economic impact include Capital Requirements: \$1,221,688; Annual Net Revenue: \$18,017,381; Annual Expenditures: \$30,074,393.

Highlights include:

<u>2019 Strategic Initiatives</u>	<u>Revenue</u>	<u>Expense</u>	<u>Capital</u>	<u>FTEs</u>
1. LMC/PCC Move Clinics to Hospital	---	---	\$1.2m*	---
2. PCC Mobile Health Clinic	\$225k	\$474k*	---	4.0**
3. PCC MAT Program	\$465k	\$1,046k*	---	10.0**

* Grant offsets a portion of expenditure

** FTEs are offset by closure of Jerome Golden and/or grant funding

Strategic initiative 1: Moving the medical and dental clinics into the Lakeside Medical Center in Belle Glade will result in a cost savings of \$150,000 annually.
Strategic initiative 2: Mobile Van started operation in August 2018. 2019 will be a full year of operations with a significant cost increase to the budget.
Strategic initiative 3: Medication Assisted Treatment (MAT) will be moving into a larger space in West Palm Beach and add 4.5 FTE. Some of this expense will be funded by a substance abuse grant.

The 2019 budget will realize four significant areas of change:

Loss of HCD medical and dental payments	(5,807,117)
Shift of lab payments from HCD to Clinics	(750,000)
Reimbursement from HCD of mental health visits	154,657
<u>Addition of Low Income Pool Funding</u>	<u>690,049</u>
Net Change in Clinics	(5,712,411)

HCD will no longer be subsidizing the medical/dental visits for the District Cares patients. The effect is to the bottom-line of income from District Cares. In the past it was \$60.00 for medical and \$100 per visit for dental. Now HCD will no longer pay by visit and they will do a lump sum transfer at the end of the month.

Summary of volumes for 2019 are projecting an increase of 6.6% for medical and 12% in dental. Total projection is 146,248. This is an overall increase of 7.8%.

Ms. Roude ask what is the fluctuation in volumes. Dr. Andric advised that we over budgeted last year and then right sized in mid-2018. Staff have moved

based on patient need. Currently physicians are expected to see 18 patients per day and ARNPs are 16 patients per day. Lantana dental has budgeted an increased volume due to increased hours for access and additional providers.

2019 Proposed Expenditures expect a 12% increase from 2018.

Total Operating Expenses 2018	\$22,641,673
Total Operating Expenses 2019	<u>\$25,263,693</u>
Total Increase	\$ 2,622,020

Highlights of the 2019 expenditures include:

	Increase/ (Decrease)
Laboratory costs transferred from HCD	\$750,000
Salaries – MAT and Mobile Van	\$678,070
MAT Program operating expenses (net of SWB)	\$314,025
Mobile van operating expenses (net of SWB)	\$185,800
Salaries – merit increases (3%)	\$428,715
Health insurance premium Increase	\$360,200
Salaries – vacancies	\$388,620
Minor equipment (Beds, Lights, Stands, Monitors)	\$141,955
Professional Fees - Athena billing and FW Health	\$237,150
Training and education	\$36,205
Answering services	\$21,175
Reduced contract physician expense	(\$15,355)
Other reductions (Travel, Mileage, Supplies)	(\$102,855)
Lease and rents (Belle Glade and Clinic Admin)	(\$139,705)
Reduced software expense (Allscripts)	(\$300,980)
<u>Reduction of expense for Jerome Golden</u>	<u>(\$361,000)</u>
Total Net Increase	\$2,622,020

Proposed Capital funding for 2019

1. Belle Glade Medical & Dental Clinic move will partially be covered by Delta Dental grant and HRSA grant funding. Overall funding \$1,208,490. There is an owner's rep and construction manager, who will be assisting in making sure this project is completed by April 2019. Dr. Andric and Terry Megiveron will partner with other District business units to make sure this is completed successfully and on time.

2. Lantana Dental Clinic will be purchasing new dental equipment for a project cost of \$13,198.

2019 FTE review

The overall 241.70 FTEs budgeted for the clinics realizes no change from the 2018 amended budget. Staffing was shifted from less volume locations to busier locations.

The MAT program expansion at JFK North is awaiting a final lease contract from JFK. There is a \$150,000 one-time grant funding for renovations. Lawyers are working on a daily basis to finalize this. Cost of renovation to be able to draw the money from HRSA is the hold up. Anticipate opening in January. We have hired an ARNP who specializes in psychiatry, mental health counseling and primary care. The current MAT team in Lantana will move to the JFK location.

Ms. Brown thanked Mina Bayik for her presentation and would like a copy of the presentation sent to all board members.

CONCLUSION/ACTION: Ms. Roude made a motion to approve the 2019 Fiscal Year Budget as presented. The motion was duly seconded by Mr. Elder. A vote was called, and the motion passed unanimously.

9. VP and Executive Director of Clinic Services Comments

None.

10. Board Member Comments

11. Establishment of Upcoming Meetings

November 28, 2018 (HCD Board Room)

- 12 p.m., Finance Committee


December 12, 2018 (HCD Board Room)

- 12 p.m., Finance Committee

12. Motion to Adjourn

Mr. Elder made a motion to adjourn. The motion was duly seconded by Ms. Brown. A vote was called, and the motion passed unanimously.

There being no further business, the meeting was adjourned at 12:41 p.m.



DCHI Finance Committee Chair

11/28/2018
Date