



**DISTRICT CLINIC HOLDINGS, INC.
d.b.a. C.L. BRUMBACK PRIMARY CARE CLINICS
BOARD OF DIRECTORS FINANCE COMMITTEE
MEETING MINUTES
November 28, 2018
1515 N. Flagler Drive
West Palm Beach, FL 33401**

1. Call to Order

David Kendle called the meeting to order at 12:14 p.m.

A. Roll Call

Committee members present: David Kendle, Chairperson; Vice Chairperson, James Elder, Bessie Brown (12:22 pm); Frances Navarro

Excused: Joan Roude

Staff present included: Dr. Belma Andric, VP & Executive Director of Clinic Services; Dawn Richards, Chief Financial Officer, Darcy J. Davis, CEO

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. Navarro 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 October 24, 2018.

CONCLUSION/ACTION: Mr. Elder made a motion to approve the C.L. Brumback Primary Care Clinics Finance Committee minutes of October 24, 2018 as presented. The motion was duly seconded by Ms. Navarro. A vote was called, and the motion passed unanimously.

7. Consent Agenda – Motion to Approve Consent Agenda Items

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

A. ADMINISTRATION

- 7A-1 RECEIVE AND FILE:
November 2018 Internet Posting of District Public Meeting
<http://www.hcdpbc.org-Resources-Public Meetings>
- 7A-2 RECEIVE AND FILE:
Attendance Tracking
- 7A-3 RECEIVE AND FILE:
Proposed Schedule for 2019 Finance Committee Meetings

8. Regular Agenda

Reports

A. FINANCE

- 8A-1 RECEIVE AND FILE:
C.L. Brumback Primary Care Clinics Finance Committee Report for September 2018 was included in the pre-meeting package and presented by CFO, Dawn Richards.

Summary

YTD Clinic volumes (medical, dental, and MAT combined), are below budget by 16,552 visits or 11.1%. MAT clinic visits YTD of 3,763 were below budget of 15,392 by 11,629 or 75.6% due to unanticipated changes to the MAT strategy. All other medical clinics combined (net of MAT) were above budgeted volume by 2,135 visits or 2.2%. Mobile van visits YTD of 416 were below budget of 2,070 by 1,654 or 79.9%. Total revenues, year to date, are over budget by \$2.0M or 8.7% due to volume variance in medical clinics, including unbudgeted LIP payment and incentive payments. Total operating expenses are under budget by \$1.8M or 7.4% due to delayed strategy implementations. Net operating margin is a loss of \$2.3M compared to a budgeted loss of \$6.9M. YTD the Health Care District has subsidized the Primary Care Clinics with \$2.4M.

Volume Analysis

Total medical clinic visits YTD in all adult and pediatric clinics of 101,579 were below budget of 111,073 by 9,494 or 8.5% but are over prior year of 86,878 by 14,701 or 16.9%. Dental visits YTD of 30,411 were under budget of 37,469 by 7,058 or 18.8% and below prior year of 33,445 by 3,034 or 9.1%. MAT clinic visits YTD of 3,763 were below budget of 15,392 by 11,629 or 75.6% due to unanticipated changes to the MAT strategy. Medical visits (net of MAT) YTD of 97,816 were above budget of 95,681 by 2,135 or 2.2% and above prior year of 85,812 by 12,004 or 14.0%.

Net Revenue

Clinic net patient revenue YTD of \$15.3M exceeded budget of \$13.7M by \$1.6M or 11.4% and above prior year of \$12.3M by \$3.0M or 24.4%. Clinics received an unbudgeted LIP payment of \$2.2M. Other revenue exceeded budget by \$1.7M due to EHR incentives. Grant revenue YTD of \$7.3M was below budget of \$8.6M by \$1.3M or 15.5% and above prior year of \$6.7M by \$645k or 9.7%. Due to the delayed relocation of the Belle Glade clinic to Lakeside Medical Center, the clinics were unable to recognize HRSA grant funding for construction at the site.

Expenses

Clinic operating expenses YTD of \$23.2M were under budget of \$25.0M by \$1.8M or 7.4% and above prior year of \$20.0M by \$3.2M or 16.3%. Most of this positive variance related to salaries (\$1.0M), repair and maintenance (\$675k), benefits

(\$246k), drugs (\$137k), and medical supplies (\$95k). These are mainly due to unimplemented strategies in West Boca Dental, Lake Worth Dental and Lantana (MAT). Drugs are under budget due to use of the District in house pharmacy and 340B medications. Purchased services exceeded the budget by \$306k due to the Athena clinic EHR implementation.

CONCLUSION/ACTION: Received and filed.

8A-2 RECEIVE AND FILE

C.L. Brumback Primary Care Clinics Finance Committee Report for October 2018 was distributed at the meeting and presented by CFO, Dawn Richards.

Summary

Clinic volumes (medical, dental, and MAT combined), are over budget by 606 visits or 5.0%. MAT clinic visits of 361 were over budget of 285 by 76 or 27%. All other medical clinics combined (net of MAT) were above budgeted volume by 622 visits or 7%. Mobile van visits of 239 were over budget of 180 by 59 or 32.8%. Total revenues are under budget by \$201k or 12.9% due to less than anticipated grants revenue for the Belle Glade Construction and Quality Incentive. Total operating expenses are under budget by \$152k or 6.7% due salary vacancies. Net operating margin is a loss of \$1.1M compared to a budgeted loss of \$1.1M. The Health Care District has subsidized the Primary Care Clinics with \$1.1M.

Volume Analysis

Total medical clinic visits in all adult and pediatric clinics of 9,362 were over budget of 8,664 by 698 or 8.0% and are over prior year of 8,668 by 694 or 8.0%. Dental visits of 2,653 were under budget of 2,745 by 92 or 3.4% and below prior year of 3,165 by 512 or 16.2%. MAT clinic visits of 361 were over budget of 285 by 76 or 26.7%. Medical visits (net of MAT) of 9,001 were above budget of 8,379 by 622 or 7% and above prior year of 8,469 by 532 or 6%.

Net Revenue

Clinic Medical net patient revenue of \$592k was slightly below budget of \$593k by \$1k or .1% and below prior year of \$830k or 28.7% due to the elimination of Primary Care Services through District Cares program effective October 1, 2018. Medical net patient revenue per visit was \$63.2 compared to budget of \$68.4 and prior year of \$95.7. Clinic Dental net patient revenue of \$179k was below budget of \$187k by \$9k or 4.6% and below prior year of \$371k by \$192k or 51.8% due to

the elimination of Primary Care services through District Cares program effective October 1, 2018. Dental net patient revenue per visit was \$67.4 compared to budget of \$68.3 and prior year of \$117.1. Grant revenue of \$575k was below budget of \$755K by \$180K or 23.9% and below prior year of \$581K by \$7k or 1.1%. This is to the delayed relocation of the Belle Glade clinic to Lakeside Medical Center, the clinics were unable to recognize HRSA grant funding for construction at the site. Other revenue of \$5k is below budget of \$16k by \$11k or 70.6% due to let than anticipated EHR incentive.

Expenses

Total Clinics operating expenses are positive in salaries and wages (\$61k), benefits (\$72k), and other expenses (\$15k). Salary vacancies in the Clinics attribute to the positive variance in salaries and wages including benefits. Other expense was below budget by \$15k due to less than anticipated expenses relating to books and publication. Clinic Medical operating expenses of \$1.7M were below budget of \$1.9M by \$137k or 7.3% and above prior year \$1.4M by \$269k or 18.6%. Notable favorable variances are in salaries and wages (\$61k), benefits (\$64k), and other expense (\$14k). Clinic Dental operating expenses of \$421k were below budget of \$437k by \$17k or 3.8% and above prior year of \$365k by \$56k or 15.3%. Most of this positive variance relates to benefits (\$8k), repairs and maintenance (\$9k), and other expense (\$1k).

Graphs were reviewed as referenced in the Finance Package.

Mr. Elder asked what was paid prior to October 1 for District Cares program. Dawn Richards advised it was \$69 per medical visit and \$100 per dental visit. This is budgeted at zero starting October 1. What will happen in October the District will issue a lump sum reimbursement based on clinic usage and it will show under general support and transfer in.

CONCLUSION/ACTION: Received and filed.

9. VP and Executive Director of Clinic Services Comments

None.

10. Board Member Comments

11. Establishment of Upcoming Meetings

December 12, 2018 (HCD Board Room) - Cancelled

January 30, 2019 (HCD Board Room)

- 12:15pm Finance Committee

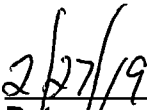
12. Motion to Adjourn

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

There being no further business, the meeting was adjourned at 12:29 p.m.



DCHI Finance Committee Chair



Date