



DISTRICT CLINIC HOLDINGS, INC.
d.b.a. C.L. BRUMBACK PRIMARY CARE CLINICS
BOARD OF DIRECTORS FINANCE COMMITTEE
MEETING MINUTES
February 27, 2019
1515 N. Flagler Drive
West Palm Beach, FL 33401

1. Call to Order

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

A. Roll Call

Committee members present: James Elder, Chairperson; Joseph Morel, Vice-Chairperson; Mike Smith, Treasurer

Excused:

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: Alena Ranucci

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: Mr. Morel 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 November 28, 2018.

CONCLUSION/ACTION: Mr. Morel made a motion to approve the C.L. Brumback Primary Care Clinics Finance Committee minutes of November 28, 2018 as presented. The motion was duly seconded by Mr. Smith. 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:
February 2019 Internet Posting of District Public Meeting
<https://www.hcdpbc.org/EventViewTrainingDetails.aspx?Bck=Y&EventID=230&m=0j0&DisplayType=C>

- 7A-2 RECEIVE AND FILE:
Attendance Tracking

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

8. Regular Agenda

Reports

A. FINANCE

- 8A-1 Staff Recommends a MOTION TO APPROVE:
The January statements represent the financial performance for the first four month of the 2019 fiscal year for C.L. Brumback. Included are explanation of volume, revenue and expense variances.

Summary

Clinic volumes (medical, dental and Suboxone combined) are under budget by 2,605 visits or 5.9%. Suboxone clinic visits of 1,173 are over the 1,106 budgeted visits by 67 or 6.1%. All other medical clinics combined (net of Suboxone) are under budget by 676 visits or 2.1%. Mobile van visits of 745 are over the 698 budgeted visits by 47 or 6.7%. Total revenues are over budget by \$1.6M or 25.8% due to unanticipated Low Income Pool (LIP) revenue and unbudgeted subsidy payments for District Care medical and dental visits. Total operating expenses are under budget by \$526k or 6.3%. The Clinic's net operating loss of \$1.5M is under budgeted loss of \$3.8M. The Health Care District subsidy to the clinics is \$2.6M compared to the budget of \$4.4M.

Volume Analysis

Total medical clinic visits in all adult and pediatric clinics of 33,017 are under the 33,626 budgeted visits by 6090 or 1.8% and are over the 32,769 prior year visits by 248 or 0.8%. Dental visits of 8,691 are under the 10,687 budgeted visits by 1,996 or 18.7% and under the 10,881 prior year visits by 2,190 or 20.1%. Suboxone clinic visits of 1,173 are over the 1,106 budgeted visits by 67 or 6.1%. Medical visits (net of Suboxone) of 31,844 are under the 32,520 budgeted visits by 676 or 2.1% and under the 31,871 prior year visits by 27 or 0.1%

Net Revenue

Clinic Medical Net patient revenue of \$3.1 M is \$787k (33.9%) over the budget of \$2.3 M and \$306k (9.0) under the prior year of \$3.4M. Medical net patient revenue per visit is \$94.13 compared to the budget of \$69.01 and prior year of \$104.18. Clinic Dental net patient revenue of \$1.1M is \$346k (46.9%) over the budget of \$737k and \$186k (14.7%) under the prior year of \$1.3M. Dental net patient revenue per visit is \$124.65 compared to the budget of \$69.00 and prior year of \$116.68. The significant variance in medical and dental net patient revenue relative to the budget is a direct result of the unanticipated LIP revenue and unbudgeted District Care Subsidy payments. LOP revenue is \$549,700 (\$16.65 per visit) over budget for the medical clinics, and \$321,380 (\$36.98 per visit) over budget for the dental clinics. The unbudgeted District Care subsidy payments are \$497,910 (\$15.08 per visit) for the medical clinics, and \$108,900 (\$12.53) for the dental clinics. Grant Revenue of \$3.5M is \$468k (15.5%) over the budget of \$3.1 M and \$1.0M (42.0%) over prior year of \$2.5M. The positive variance is attributable to a higher than budgeted drawdown of grant funds in January due to a change in our procedure to improve the process.

Expenses

Savings in salaries (\$125k), benefits (\$143k), medical supplies (\$49k), other supplies (\$64k), and medical services (\$125k) account for nearly all of the \$526k favorable variance in total Clinic operating expense. Clinic Medical operating expenses of \$6.3M are \$406k (6.0%) under the budget of \$6.7M and \$521k (9.0%) over prior year of \$5.8M. Savings in salaries (\$101k), benefits (\$124k), and medical services (\$125k) are the main contributors to the favorable variance. Clinic Dental operating expenses of \$1.5m are \$121k (7.6%) under the budget of \$1.6M and \$81k (5.8%) over the prior year of \$1.4M. Savings in salaries (\$24k), benefits (\$18k), medical supplies (\$29k), and other supplies (\$16k) contribute to the favorable variance. The positive variance in salaries and benefits are attributable to vacant positions in the medical and dental clinics, as well as in clinic administration.

Mr. Smith stated that dental visits seemed to lower this prior year by 20%. Dr. Andric replied that this is a result of projected visits back in 2016 and in 2017. As a result, we extended the hours to dental services. However 90-91% are adults all of these patients had very extensive treatment plans that we didn't have enough openings to schedule kids or adults with emergencies. We needed to change templates to accommodate pediatric patients as adults with emergencies. At present time, we are around 50% with pediatric patients. We are very excited about this because there are not a lot of pediatric providers in the area so there is a huge need in the community.

Mr. Elder asked about our internal audit. Mina replied that all of our allocation comes directly from The Districts administrative department. We have a model that allocates the percentage of their expenses to each of the programs throughout the district based on whatever expenses have occurred, year to date. We charge the allocations. On a month to month basis you budget based on the allocations, but by the end of the year what you budget for likely is over budgeted.

8A-2 Staff recommends a MOTION TO APPROVE: Sliding Fee Scale.

Marcia Young provided the board with an updated sliding fee scale to reflect the 2019 Federal Poverty Guidelines published by the Federal Register/Vol. 84, No. 22/ Friday, February 1, 2019. The guidelines in this 2019 notice reflect the 2.4 percent price increase between calendar years 2017 and 2018. After this inflation adjustment, the guidelines are rounded and adjusted to standardize the differences between family sizes.

CONCLUSION/ACTION: Mr. Morel made a motion to approve the Financial Report January 2019 as presented. The motion was duly seconded by Mr. Smith. A vote was called, and the motion passed unanimously.

9. VP and Executive Director of Clinic Services Comments

10. Board Member Comments

11. Establishment of Upcoming Meetings

March 27, 2019 (HCD Board Room)

12:15pm Strategic Planning

April 24, 2019 (HCD Board Room)

12:15pm Finance Committee

May 29, 2019 (HCD Board Room)

12:15pm Finance Committee

June 26, 2019 (HCD Board Room)

12:15pm Finance Committee

July 31, 2019 (HCD Board Room)

12:15pm Finance Committee

August 28, 2019 (HCD Board Room)

12:15pm Finance Committee

September 25, 2019 (HCD Board Room)

12:15pm Finance Committee

October 30, 2019 (HCD Board Room)

12:15pm Finance Committee

November 27, 2019 (HCD Board Room)

12:15pm Finance Committee

December 18, 2019 (HCD Board Room)

12:15pm Finance Committee

12. Motion to Adjourn

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

There being no further business, the meeting was adjourned at 12:40l p.m.



DCHI Finance Committee Chair

4/24/2019

Date