



**DISTRICT CLINIC HOLDINGS, INC.
d.b.a. C.L. BRUMBACK PRIMARY CARE CLINICS
BOARD OF DIRECTORS FINANCE COMMITTEE
MEETING MINUTES
June 26, 2019
1515 N. Flagler Drive
West Palm Beach, FL 33401**

1. Call to Order

Mr. Elder called the meeting to order at 12:19 p.m.

A. Roll Call

Committee members present: James Elder, Joseph Morel, Michael Smith

Committee members excused:

Staff present included: Dr. Belma Andric, VP & Executive Director of Clinic Services; and Valerie Shahriari, General Counsel

Recording/transcribing Secretary: Jonathan Dominique

- 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. Smith made a motion to approve the agenda as presented/amended. The motion was duly seconded by Mr. Morel. A vote was called, and the motion passed unanimously.

3. Awards and Presentations

None.

4. Disclosure of Voting Conflict

None.

5. Public Comment

None.

6. Meeting Minutes

- A. Staff Recommends a MOTION TO APPROVE:
C.L. Brumback Primary Care Clinics Finance Committee Minutes of May 28, 2019.

CONCLUSION/ACTION: Mr. Smith made a motion to approve the C.L. Brumback Primary Care Clinics Finance Committee minutes of May 28, 2019 as presented. The motion was duly seconded by Mr. Morel. A vote was called, and the motion passed unanimously.

7. Consent Agenda – Motion to Approve Consent Agenda Items

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.

A. ADMINISTRATION

- 7A-1 RECEIVE AND FILE:
June 2019 Internet Posting of District Public Meeting
<http://www.hcdpbc.org-Resources-Public Meetings>

- 7A-2 RECEIVE AND FILE:
Attendance Tracking

8. Regular Agenda

A. FINANCE

- 8A-1 RECEIVE AND FILE:
C.L. Brumback Primary Care Clinics Finance Report: May 2019

The May statements represent the financial performance for the first eight months of the 2019 fiscal year for C. L. Brumback.

Volume Analysis

Total medical clinic visits in all adult and pediatric clinics of 69,084 are 2,992 (4.2%) under the budget of 72,076 and 1,405 (2.1%) under the prior year of 67,679. Total dental visits of 18,382 are 4,753 (20.5%) under the budget of 23,135 and 2,745 (13.0%) under the prior year of 21,127.

Net Revenue

Clinic Medical net patient revenue of \$6.1M is \$1.3M (26.6%) over the budget of \$4.8M and \$1.7M (21.9%) under the prior year of \$7.9M. Medical net patient revenue per visit is \$88.77 compared to the budget of \$67.22 and prior year of \$116.06. Clinic Dental net patient revenue of \$1.9M is \$367k (24.1%) over the budget of \$1.5M and \$1.3M (40.1%) under the prior year of \$3.2M. Dental net patient revenue per visit is \$102.94 compared to the budget of \$65.92 and prior year of \$149.41. For both Clinic Medical and Clinic Dental, the positive variance in actual to budget net patient revenue per visit was caused by the unbudgeted HCD subsidy and LIP payments.

Expenses

Variances in expenses were caused by the following: savings and timing in salaries (\$130k), benefits (\$207k), medical supplies (\$72k), medical services (\$225k), drugs (\$45k), and other expense (\$69k) were partially offset by overages in purchased services (\$50k), other supplies (\$91k), repairs & maintenance (\$181k), and lease & rental (\$11k), resulting in a favorable net variance of \$425k in total Clinic operating expense. Clinic Medical operating expenses of \$13.4M are \$269k (2.0%) under the budget of \$13.7M and \$996k (8.0%) over the prior year of \$12.4M. Savings in salaries (\$64k), benefits (\$171k), medical services (\$225k), and other expenses (\$65k) are the main contributors to the favorable variance. Clinic Dental operating expenses of \$3.06M are \$156k (4.9%) under the budget of \$3.2M and \$99k (3.4%) over the prior year of \$2.95M. Savings in salaries (\$67k), benefits (\$36K), purchased services (\$30k), and medical supplies (\$41k) contribute to the favorable variance.

Mr. Smith asked about the Lower Volume (2%), revenue (22%), net patient revenue, etc. in relations to Increased Expense this year.

Ms. Bayik explained that last year, district cares was paying a per/visit subsidy for its members and uninsured patients. This year they have elected to pay the subsidy only for their own patients. That funding is missing for this year and the LIP payment was also higher for this year (YTD \$1.8 Million last year vs \$1.2 Million this year).

Mr. Smith asked about expenses being \$1 million more than last year.

Ms. Bayik pointed out that there has been an expansion of services i.e. the mobile clinic, substance abuse program costs, the move to the Belle Glade Clinics to their new location at the hospital. Even with use of Athena, the Allscripts expense has been high because we haven't been able to terminate all of those contracts. So far there has been a refund of approx. \$76,000 and we are currently in progress to see how much more we can acquire from the cancellations.

Mr. Morel Asked about Dental visits being down to 18,000 from 21,000 last year, and if that has any relation to the switch in focus to pediatric dentistry.

Ms. Bayik states that it is, in fact possible, that these numbers can be attributed to the new MDI strategy.

Dr. Andric points out the history of the needs when the dental clinics first opened. That there was such a need it was overwhelming the clinics and didn't allow for treatment of dental emergencies as the schedules were always filled with dental appointments. Now most of these treatments involved long-term treatment plans that are now starting to term. In this switch in strategy we are at the point where volume will go down, but this is finally opening up the templates that will allow us to accommodate all sorts of care (especially pediatric emergencies). This drop in productivity is an expected part of this transition period.

Ms. Bayik states that although the volume is lower for dental visits, there are actually more procedures conducted per visit resulting in higher gross charges and the pediatric services have higher gross charges per visit. So although we may see a significant variance in volume, the variance in gross revenue is a lot less and efficiency in visits has gone up.

CONCLUSION/ACTION: Receive & File. No further action necessary.

9. VP and Executive Director of Clinic Services Comments

None.

10. Board Member Comments

Mr. Smith asked about the progress of the Belle Glade Clinic opening.

Dr. Andric stated that we're scheduling AHCA visit for first half of July, and if we pass to have the clinic open by August 1st. However, AHCA visits occur only once per month and if, for any reason, the inspection doesn't go well it will be pushed back another month.

(Announcement System, Equipment installation) are what we're waiting on to officially schedule an opening.

Mr. Elder asked if patients are still being seen in the current space

Dr. Andric stated that we are still seeing patients in the clinic

11. Establishment of Upcoming Meetings

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

There being no further business, the meeting was adjourned at 12:36 p.m.



DCHI Finance Committee Chair

7/31/2019

Date