



**CAROLINA HEALTH CENTERS, INC.
FINANCE COMMITTEE OF THE BOARD OF DIRECTORS
AUGUST 24, 2020
4:00 PM**

1. Call to Order
2. Review of Financial Reports
3. Review of Provider Incentive formula
4. Ratios
5. Site Profitability Analysis
6. Adjourn

**CAROLINA HEALTH CENTERS, INC.
FINANCE COMMITTEE MEETING MINUTES
APRIL 27, 2020**

<u>Committee Members</u>			<u>Ex Officio</u>		
Name:	Present	Absent	Name:	Present	Absent
Malcom O’Neal, Chair	X		Sue Veer	X	
Nate Andrews	X		Paul Grogan	X	
Mario Luna	X		Greg Bullard	X	
Donna Hutchinson	X				

1. The meeting was called to order via Zoom at approximately 4:00

2. Paul presented the monthly statistical and financial reports and a copy is attached to the minutes. We had a loss of \$102,757 compared to a budgeted gain of \$ 113,001. The difference was a result of decreased volume related to Covid-19. For the fiscal year-to-date, we had a loss of \$ 176,761 compared to the budgeted loss of \$204,830. .

3. Ratio Reports - Quarterly ratios were reviewed and discussed and all looked acceptable with no significant new trends.

4. Revised 990 return. - Paul discussed an issue with the presentation of pharmacy income on the 990 return for FY 19 which has already been submitted. The committee agreed that this return should be revised to match the format in previous fiscal years. Paul will send a revised draft out to the board next month.

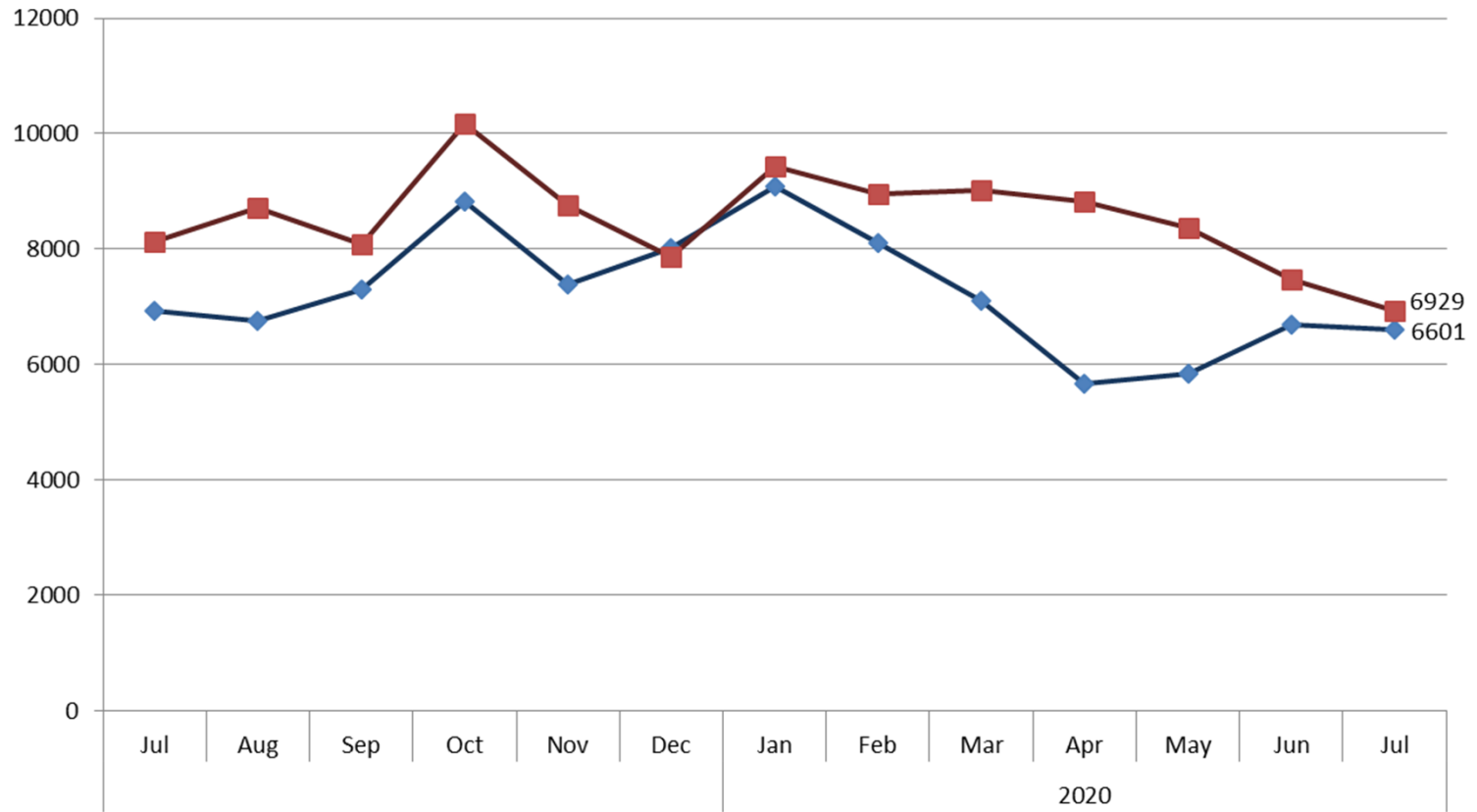
5. 403B Retirement plan. - Paul presented a proposal to change the employee match percentage back to fifty cents on the dollar beginning June 1, 2020. This match applies to the first five percent of an employee’s income. The committee agreed to present this to the full board for approval.

6. The meeting was adjourned at approximately 4:45

Total CHC Encounters

◆ Current Year
■ Prior Year

FY 21 13,298
FY 20 14,398



**Carolina Health Centers
Profit and Loss Statement
Fiscal Year 2021
Current Month**

	<u>Jul 20</u>	<u>Budget</u>	<u>\$ Over Budget</u>
Income			
420000 · Grant Revenue	\$ 488,115	\$ 847,690	\$ (359,575)
430000 · Pharmacy Income	\$ 1,502,527	\$ 1,259,723	\$ 242,804
430500 · Contract Pharmacy Revenue	\$ 201,543	\$ 160,000	\$ 41,543
440000 · Patient Care Income	\$ 200		
440100 · Patient Care Billing System Rev	\$ 740,459	\$ 794,900	\$ (54,441)
460000 · Other Income	\$ 95,461	\$ 68,608	\$ 26,853
Total Income	\$ 3,028,305	\$ 3,130,921	\$ (102,616)
Expense			
620000 · General Administration	\$ 140,620	\$ 166,505	\$ (25,885)
630000 · Facility	\$ 124,421	\$ 103,361	\$ 21,060
650000 · Information Technology	\$ 86,422	\$ 60,145	\$ 26,277
670000 · Patient Care Services	\$ 175,872	\$ 162,157	\$ 13,715
680000 · Pharmacy Retail Expense	\$ 767,088	\$ 695,246	\$ 71,842
680500 · Contract Pharmacy Costs	\$ 40,024	\$ 48,000	\$ (7,976)
700000 · Human Resources	\$ 1,491,253	\$ 1,499,204	\$ (7,951)
Total Expense	\$ 2,825,700	\$ 2,734,618	\$ 91,082
Net Income	<u>\$ 202,605</u>	<u>\$ 396,303</u>	<u>\$ (193,698)</u>

**Carolina Health Centers
Profit and Loss Statement
Fiscal Year To Date FY 2021
C**

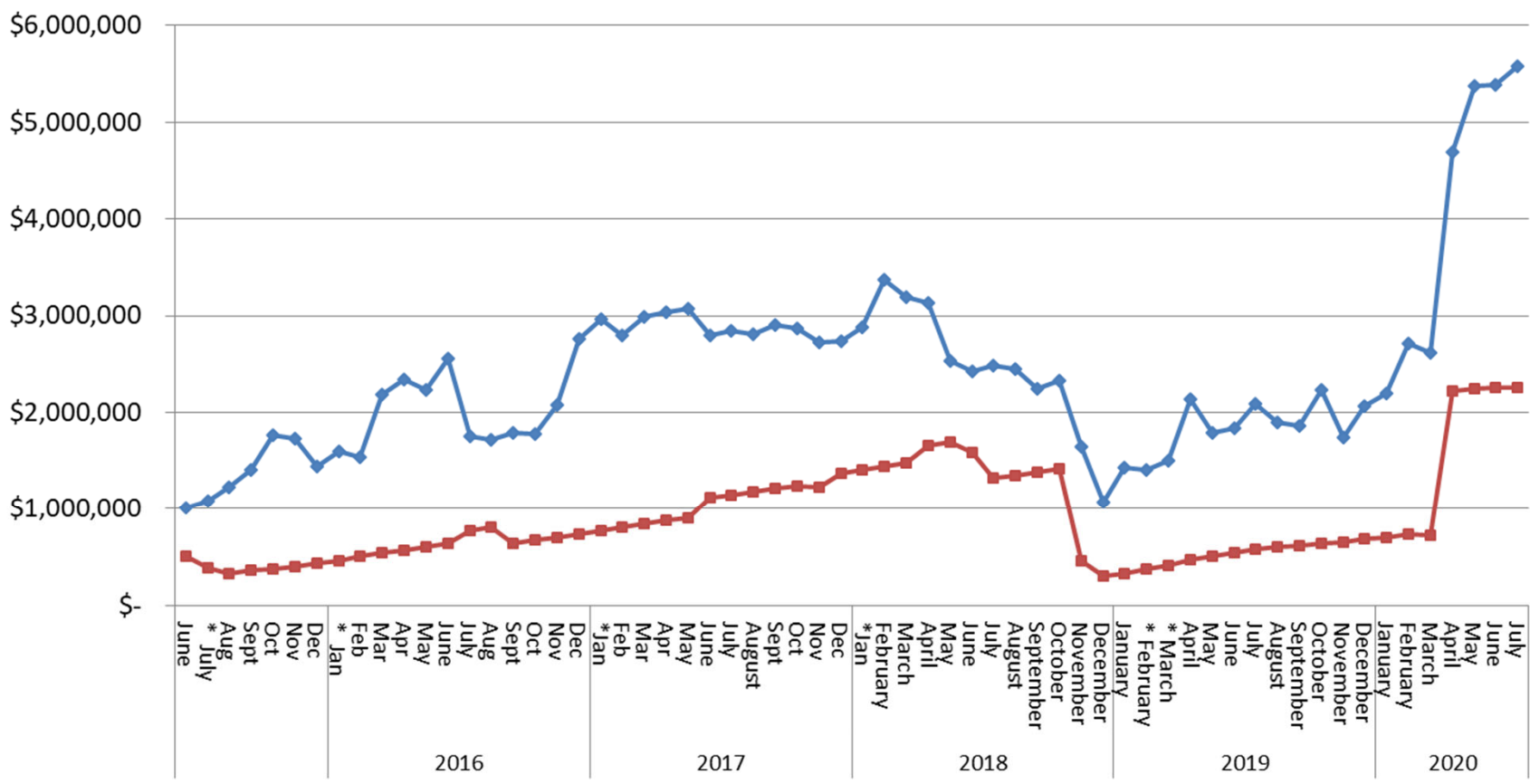
	<u>Jun - Jul 20</u>	<u>Budget</u>	<u>\$ Over Budget</u>
Income			
420000 · Grant Revenue	\$ 936,648	\$ 1,468,902	\$ (532,254)
430000 · Pharmacy Income	\$ 2,832,845	\$ 2,509,905	\$ 322,940
430500 · Contract Pharmacy Revenue	\$ 381,525	\$ 320,000	\$ 61,525
440000 · Patient Care Income	\$ 200		
440100 · Patient Care Billing System Rev	\$ 1,508,918	\$ 1,489,800	\$ 19,118
460000 · Other Income	\$ 153,867	\$ 95,980	\$ 57,887
Total Income	<u>\$ 5,814,003</u>	<u>\$ 5,884,587</u>	<u>\$ (70,584)</u>
Expense			
620000 · General Administration	\$ 332,094	\$ 324,033	\$ 8,061
630000 · Facility	\$ 225,717	\$ 181,137	\$ 44,580
650000 · Information Technology	\$ 151,868	\$ 118,145	\$ 33,723
670000 · Patient Care Services	\$ 360,467	\$ 319,692	\$ 40,775
680000 · Pharmacy Retail Expense	\$ 1,539,074	\$ 1,405,685	\$ 133,389
680500 · Contract Pharmacy Costs	\$ 81,284	\$ 91,000	\$ (9,716)
700000 · Human Resources	\$ 3,054,478	\$ 3,050,327	\$ 4,151
Total Expense	<u>\$ 5,744,982</u>	<u>\$ 5,490,019</u>	<u>\$ 254,963</u>
Net Income	<u><u>\$ 69,021</u></u>	<u><u>\$ 394,568</u></u>	<u><u>\$ (325,547)</u></u>

**Carolina Health Centers
Balance Sheet
Fiscal Year 2021
Year to Date**

	<u>July 2020</u>	<u>July 2019</u>
ASSETS		
Current Assets		
Checking/Savings	\$ 5,575,859	\$ 2,090,970
Accounts Receivable	\$ 1,308,142	\$ 1,555,042
Other Current Assets	<u>\$ 871,430</u>	<u>\$ 958,468</u>
Total Current Assets	\$ 7,755,431	\$ 4,604,480
Fixed Assets	\$ 8,214,029	\$ 8,730,632
Other Assets	<u>\$ 159,636</u>	<u>\$ 98,543</u>
TOTAL ASSETS	<u>\$ 16,129,096</u>	<u>\$ 13,433,655</u>
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable	\$ 339,567	\$ 354,363
Credit Cards	\$ 15,660	\$ 22,966
Other Current Liabilities	<u>\$ 2,458,119</u>	<u>\$ 825,232</u>
Total Current Liabilities	\$ 2,813,346	\$ 1,202,561
Long Term Liabilities	<u>\$ 2,653,499</u>	<u>\$ 2,923,990</u>
Total Liabilities	\$ 5,466,845	\$ 4,126,551
Equity	<u>\$ 10,662,250</u>	<u>\$ 9,307,103</u>
TOTAL LIABILITIES & EQUITY	<u>\$ 16,129,095</u>	<u>\$ 13,433,654</u>

CHC Operating Cash on Hand

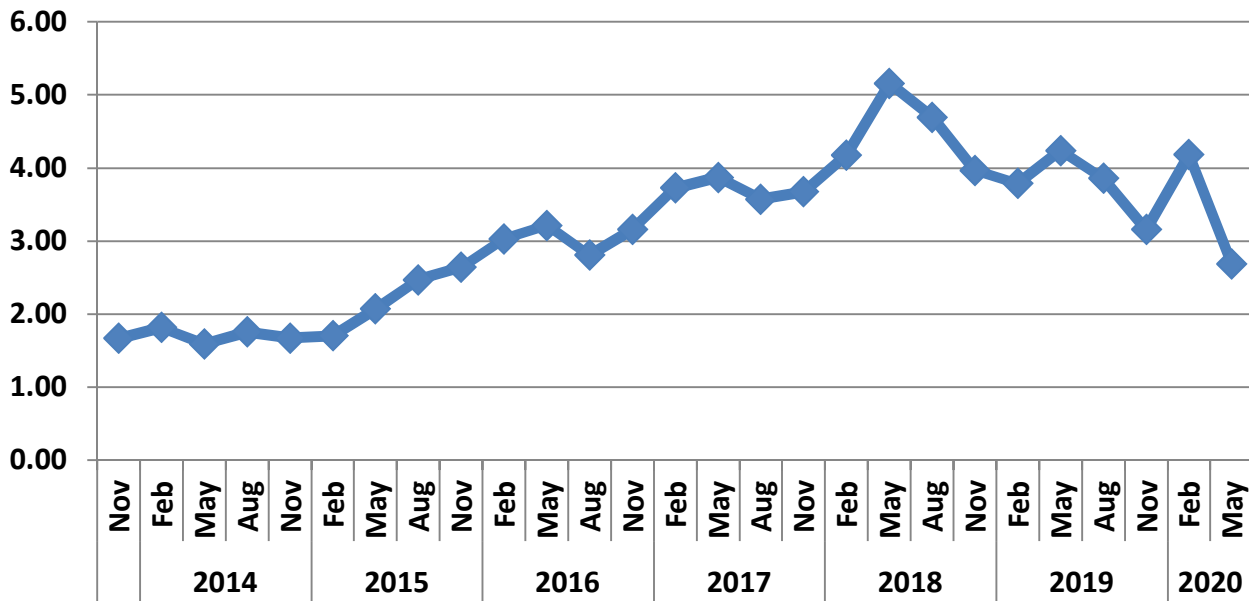
◆ Total Cash
■ Reserves



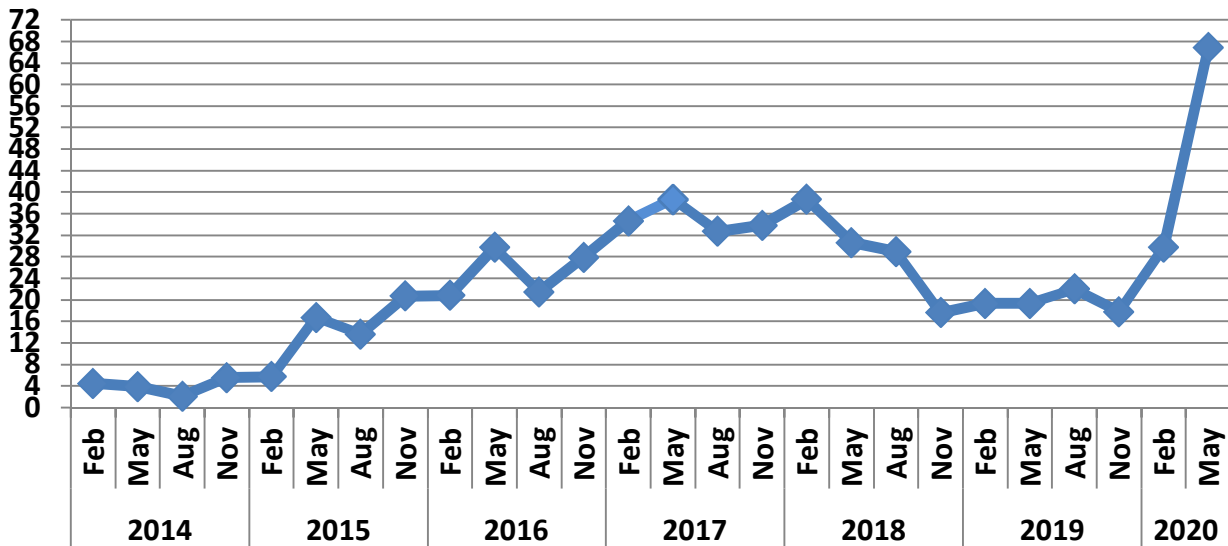
Example of Quarterly Incentive Calculation

Encounters	800
RVU 's generated by Provider	1040
RVU Dollar Value	\$ 31,200
Minus Salary Paid to Provider	\$ (25,000)
Net RVU Value	\$ 6,200
Visit Productivity Screen	90%
Visit Adjusted Value	\$ 5,580
Tenure Screen	65%
Tenure Adjusted Value	\$ 3,627
Charts Up To Date	Yes
Quarterly Payout	\$ 3,627

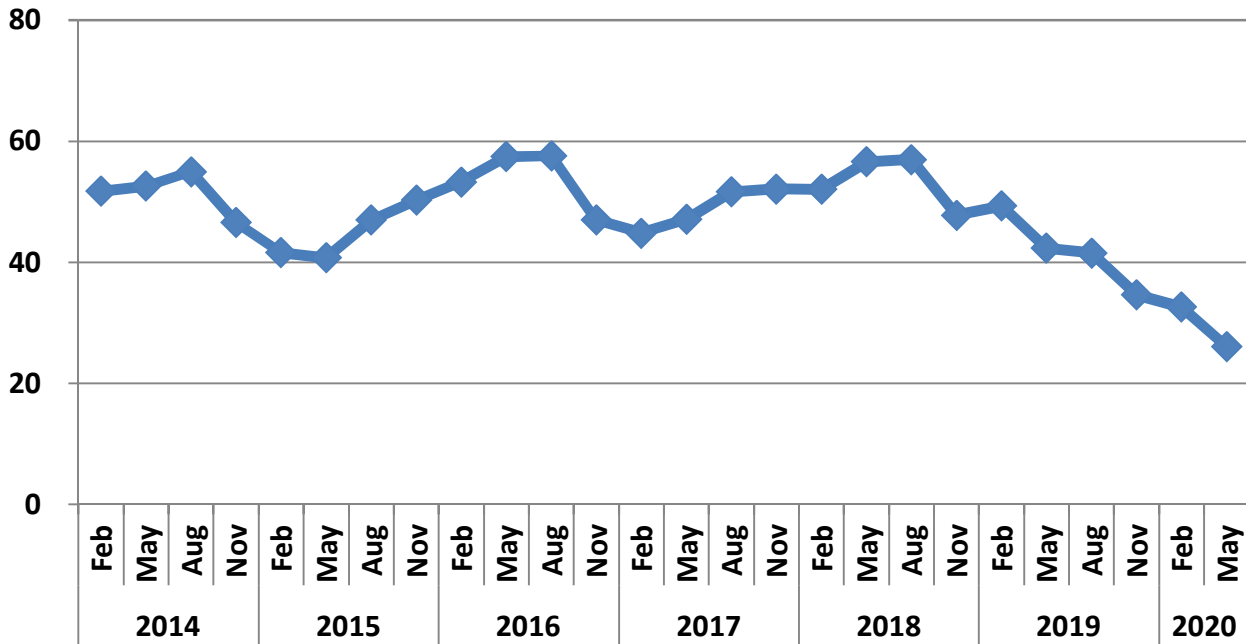
Current Ratio By Quarter



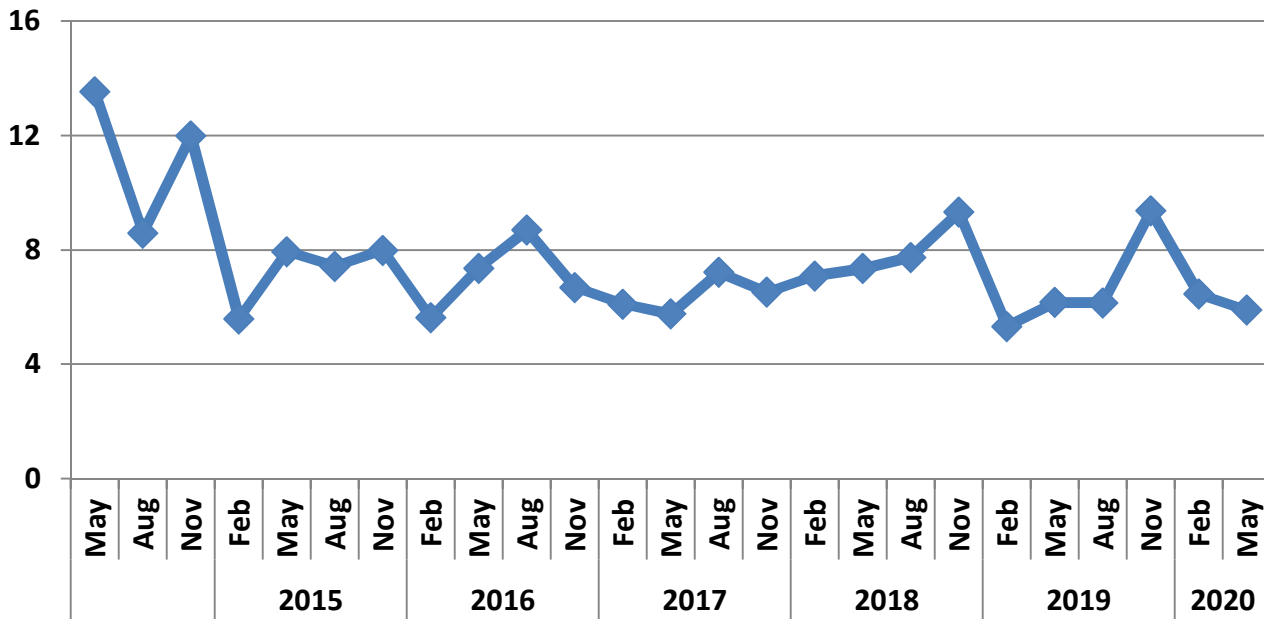
Days of Operating Cash on Hand



Days in AR (Gross)



Days in Accounts Payable



CHC Net Income By Site

Site	FY 18	FY 19	FY 20
Bethany Center	\$ (77,984)	\$ (98,011)	\$ (53,661)
Calhoun Falls	\$ 150,250	\$ 14,398	\$ (72,924)
CCP NW	\$ 249,037	\$ 176,105	\$ 713,437
CCP Village	\$ 1,103,172	\$ 1,000,200	\$ 1,865,568
Contract 340B	\$ -	\$ 379,486	\$ 1,331,039
Early Childhood Services	\$ (297,733)	\$ (399,592)	\$ (433,486)
Hometown	\$ 372,266	\$ 372,134	\$ 238,016
Lakelands	\$ (163,367)	\$ (210,004)	\$ (291,878)
LC 4	\$ (416,674)	\$ (730,281)	\$ (371,363)
McCormick	\$ (266,224)	\$ (270,963)	\$ (407,196)
Pendergrass FHC	\$ (69,549)	\$ (81,848)	\$ (72,235)
Ridge Spring	\$ (203,619)	\$ (145,891)	\$ (200,994)
Saluda	\$ (127,453)	\$ (103,181)	\$ (96,525)
The Childrens Center	\$ 1,609,445	\$ 987,585	\$ 188,170
Uptown	\$ (928,171)	\$ (1,254,480)	\$ (1,186,833)
Village Family Practice	\$ 140,661	\$ 8,407	\$ (153,547)
	\$ 1,074,057	\$ (355,937)	\$ 995,589