

**BAY AREA HOSPITAL
FINANCE COMMITTEE MEETING
November 28, 2023, MINUTES
Myrtle Conference Room / Microsoft Teams**

CALL TO ORDER

Chair Ms. Barbara Taylor called the meeting to order at 5:14 pm; confirmed there was a quorum in attendance at this time.

FINANCE COMMITTEE MEMBER ATTENDANCE

Finance Chair Barbara Taylor;; Tom McAndrew, MD; Mr. Eric Farm (*Teams*); Fred Messerle

ABSENT (*excused*)

Linet Samson
Jim Hough

BAHD BOARD OF DIRECTORS ATTENDANCE

Ms. Patrice Parrott

STAFF ATTENDANCE

Mary Lou Tate, CFO; Brian Moore, CEO; Clay England, CHRO; Jenn Collins, CNO; Kelli Dion, CQO;; Dr. Lee Saltzgaber, CMO; Calvin Thomas, interim COO; Carla Ballou, Revenue Cycle Director; Brian Bennett, Security Manager; Brian Bowers, Materials Manager; Sherry Horne, Controller; Marlene Kinsella, Accountant IV; and Denise Bowers, EA

LEGAL COUNSEL

Megan Kronsteiner, Esq.

ACTION TAKEN BY THE FINANCE COMMITTEE

APPROVAL OF FINANCE COMMITTEE MINUTES – Ms. Barbara Taylor, Chairperson

Dr. Tom McAndrew moved to approve the Finance Committee minutes for October 30, 2023, as presented in the packet. Mr. Eric Farm seconded. The motion carried on call of vote.

CHANGE IN AGENDA ORDER

CAPITAL REQUESTS REPORT – Mr. Brian Bowers, Materials Manager

Ms. Taylor moved up the Capital Equipment Request report, Mr. Brian Bennett, Security Manager, to bring forward his presentation in support of the request for the purchase of #24-106, HUGS Pediatric Security System in the amount of \$269,903.00.

ACTION TAKEN BY THE FINANCE COMMITTEE

APPROVAL OF THE HUGS PEDIATRIC SECURITY SYSTEM PURCHASE

Dr. Tom McAndrew moved to recommend to the BAHD Board of Directors the purchase of the HUGS Pediatric Security System in the amount of \$269,903.00 and was seconded by Mr. Fred Messerle. There was a brief discussion and questions were asked and answered. The motion carried on call of vote.

DEFINED BENEFIT PLAN – Mr. MacGregor Hall, Deschutes Investment

Mr. Hall reviewed the defined benefits plan as presented in the packet, reviewing our historical and current investment portfolio performance. His recommendation to the committee is to keep our investment dollars in place and stay fully invested as stock market turns come fast and unexpectedly. The key takeaway was that 2023 was a comeback year for stocks, and bonds will increase in 2024.

Old Business was deferred, as the audit finding letter was just received today, and the Committee has not yet had time to receive and disseminate the findings. Ms. Tate has already forwarded the audit to the committee and board electronically and there were no findings; we had a clean audit. This will be formally addressed at the December board of directors meeting.

New Business – Mr. Brian Moore, CEO

Mr. Brian Moore reported that the hospital remains very busy, with 102 patients on census after the Thanksgiving. There has been a slight uptick in our length of stay (LOS) Post Acute Care access was limited – patients were ready to move to a different level of care but not ready to be discharged to home. Our focus has been on attaining a clean audit; completing our loan restructure and cash challenges and we are working diligently on all of these. Questions were asked and answered.

Mr. Moore introduced Mr. Calvin Thomas, interim for our Chief Operating Officer role. Mr. Thomas will be taking on Patrick Varga's direct reports.

FINANCIAL RECOVERY UPDATE – Ms. Mary Lou Tate

Ms. Tate reviewed the Financial Recovery and projections as presented in the packet; updated the committee on the payor contract negotiations status and reviewed the cash flow projections and current trends as presented in the packet.

Of note, Ms. Tate reported that we signed the Blue Cross Blue Shield payor contract, which should realize a \$2.4M contribution to our bottom line. Finally, Ms. Tate shared that the work on payor contract negotiations will reflect a total of between \$6M and \$7M to Bay Area Hospital. Ms. Taylor expressed her appreciation for the work done by Ms. Tate and her team. Questions were asked and answered.

FINANCIAL PRESENTATION AND MONTH END RESULTS – Ms. Mary Lou Tate

Ms. Mary Lou Tate reviewed the Financial Presentation and Key Performance Indicators (KPI) Review as presented in the packet. Ms. Tate invited Ms. Jennifer Collins, CNO to share an update on the BAH Orthopedic Clinic. Ms. Collins reported that the clinic was up and running; addressing a change in physicians working there due to a less than optimal fit, and SCOA is filling the gaps in the Emergency Department coverage. Ms. Collins reports that the clinic will soon be ready for external patient referrals.

Ms. Tate invited Ms. Carla Ballou, Revenue Cycle Director to give an overview of the deep dive that she and her team have been doing to investigate denials and address prior authorization training procedures. Questions were asked and answered.

Questions were asked and answered.


GOOD OF THE ORDER

Next meeting will be December 19, 2023, at 5:15 p.m.

ADJOURNMENT

There being no further business, the Finance Committee was adjourned at 6:48 p.m.

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Barbara Taylor, Finance Committee Chair

Date: January 23, 2024