



Lewis County Health System

Your Health Partner

FINANCE COMMITTEE

Date: January 22, 2024

Call to Order: 10:58 a.m.

Adjourn: 12:15 p.m.

Present: Philip McDowell, Chair, Jenny Jones, Marguerite Mastascusa, Dr. Howard Meny, Karen Rennie, Michael Young (entered at 11:34 a.m.), Gerald Cayer, Kerry Herbine, Jeffery Hellinger, Dr. Sean Harney, Ryan Piche (entered at 11:10 a.m.), and Michelle Kelley (Recorder/Virtually).

Excused: Trista Mullin, Controller

Not Present: None

Guests: Raymond Meier, Esq. (11:05 -11:40 a.m.)

CALL TO ORDER

- Meeting was called to order by the Chair of the Finance Committee, Mr. Philip McDowell.
- Mr. McDowell read the Lewis County Health System Vision & Mission statements.

NEW BUSINESS:

- PCO (Radiology Services): Mr. Cayer shared with the group how our radiology services through PCO are unique for a rural health care system. We have an interventional radiologist on site three weeks per month and a nighthawk coverage one week per month.
- PCO (Contract Addendum): A Second Amendment to our Professional Services Agreement was signed with PCO effective January 1, 2024, through December 31, 2024. Mr. Kerry Herbine noted that this new amendment is priced differently and essentially, we saw a rate increase of approximately \$240k based on the interventional radiologist being on site 3 out of 4 weeks. Mr. Herbine also noted that the payback from the previous agreement ends, and we start fresh in this new agreement.
- Delphi Anesthesia (Addendum): Mr. Hellinger shared we re-negotiated a contract with Delphi for Anesthesia services effective December 1, 2023. Mr. Herbine added that the new addendum includes an extra provider due to the increase in volume in surgical cases.
- Foundation / Municipal Status: Attorney Ray Meier gave a presentation on clinic ownership by a municipal hospital versus a 501c3 and the property tax implications of each scenario. He noted that in order for a 501c3 to be a revenue generating entity, its activities need to be directly related to their mission.

OLD BUSINESS

- Reserve Balances: Mr. Hellinger shared the compliance reserve was originally at ~\$5.1M in January of 2023 and was \$8.4M as of December 31, 2023. He noted that the \$8.4M consists of IGT funds for both the hospital and SNF and cost report settlements from CMS. He added that the \$1.3M liability is due to a 3rd party and will be paid in January of 2024 as NYS has asked for the return of their advanced payment.

OTHER BUSINESS

- None

FINANCIALS:

- Mr. Hellinger reviewed the December financials via a PowerPoint presentation.
- The distributed finance packet included an overview of the Executive Summary Sheet, Statement of Operations, Key Statistical Report, Balance Sheet, Cash Flow, OR Daily Stats and RVU data.
- Chair, Mr. McDowell, noted that expenditures will be higher than budget in the following areas in 2024: Radiology, Anesthesia, Maternity and Travelers. He added that he has requested Mr. Hellinger to monitor the travelers' expenses vs. the FTE budget.

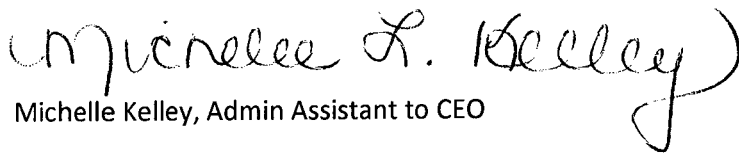
OTHER:

- Cash Balance: Mr. Hellinger shared the total amount available for cash on hand as of December 31, 2023, and how it is calculated and noted that we currently have ~\$5.2M remaining of the \$32M bond for the capital project.
- 4th Quarter Key Financial Metrics: Mr. Hellinger reviewed the 4th Quarter 2023 Key Financial Metrics with the group compared to 4th Quarter 2022.
- Mrs. Jennifer Jones, Chair of the HR Committee, noted that contract negotiations with CSEA will begin in March of 2024. Mr. Hellinger noted that the CSEA employees recently received a 3.75% raise based on their current contract which is in its final year.

Adjournment:

On motion by Dr. Meny seconded by Mr. Young, the Committee agreed to adjourn the meeting at 12:15 p.m. Approved.

Respectfully submitted,



Michelle Kelley, Admin Assistant to CEO