

AGENDA

BOARD OF DIRECTORS FINANCE AND FACILITIES COMMITTEE

February 15, 2022

5:30 – 6:30 PM



Zoom Meeting:

<https://zoom.us/j/96161703345?pwd=RGJQc24xQTNuNDIiViNyOFdiOXNVdz09>

Meeting ID: 961 6170 3345

Passcode: 970677

- I. WELCOME
- II. APPROVAL OF MINUTES (JAN MEETING)
- III. JANUARY 2022 FINANCIALS
- IV. POLICY AND PROCEDURES
 - 2022 Sliding Fee Schedule
- V. ANNOUNCEMENTS

Next Meeting: **Tuesday, March 15th 5:30 – 6:30 pm**

Everyone deserves to go home.

DRAFT
BOARD OF DIRECTORS
FINANCE AND FACILITIES COMMITTEE
ZOOM MEETING
January 24, 2022



PARTICIPANTS: G. Watson, A. Foreman, K. Eckert, C. Thomaskutty. Staff: G. Welch, K. Lindamood, T. Thomas, L. Dooley

Meeting Call to Order by: G. Watson, Chair

- I. **APPROVAL OF MINUTES:** The committee reviewed the November and December minutes. Follow-up Topics: None. **By unanimous vote, the November 22, 2021 and December 20, 2021 minutes were approved by the committee.**
- II. **COMMITTEE MEMBERSHIP UPDATE:** Katie Eckert has resigned from the committee. The committee expressed their gratitude for all of her work on the committee.
- III. **DECEMBER 2021 FINANCIALS (Highlights):**
 Draft year-end statements, preparing for 2021 annual audit. Will be finalized once the auditor sign off on them.

Revenue:

- Overall revenue unfavorable to budget by (\$2.1M) primarily driven by Patient Service revenue.
- Grants – Unfavorable to budget (\$253k) through December. As we finalize audit schedules, expect this number to move slightly in a positive direction.
- Patient Service Revenue – Net PSR unfavorable to budget (\$1.8M). Continuing to stabilize AthenaOne EMR and processes. December was hit hard by holidays and time off and was pretty much consistent with November billings (\$3k less)
- Contributions – below budget by (\$122k). Will also be finalizing private grant balances, expect some positive movement here as well.
- ACIS – At budget due to seeing a higher percentage of clients receiving qualifying services in a month compared to last year. Contract year goes from July 1 to June 30. Fully spent for year ending June 30, 2021 and new year began July 1, 2021.
- Other Sources – Favorable to budget \$83k –Pharmacy 340B rebate revenue slightly below budget and interest income slightly above budget

Expenses:

- Overall expenses \$1.2M favorable to budget driven primarily by salaries, benefits, and client assistance
- Salaries – Favorable to budget \$771k
 - Current active agency headcount of 229 vs. budget of 255 (26 favorable)
 - Approximately 25 open positions being actively recruited, 4 have recently been hired and have start dates.
- Employee benefits – favorable to budget by \$711k, due to lower than expected expenses as a percent of salary
- Contract Services – Unfavorable to budget (\$449k) – utilizing more temps to fill necessary positions while recruiting and unbudgeted EMR conversion expenses
- Pharmacy – Unfavorable to budget (\$671k) driven by higher number of total scripts
- Utilities – Unfavorable to budget (\$60k)
- Equipment – Unfavorable to budget (\$75k) because of additional necessary laptop purchases
- Remaining expense categories favorable to budget

Liquidity Management:

- All cash, including investments, equates to 201.8 DCOH. Operating cash on hand balances are 71.6 days.
- The lower operating DCOH are being impacted by
 - System conversion and catching up billings in the Athena system – have additional bandwidth helping work down the backlog
 - Grant receivables being worked as some city grant balances are experiencing end of year cyclical highs

IV. 2022 CAPITAL BUDGET**Historical context:**

- For 2021 budget, initially had approved a \$1,329,000 capital budget. Of this approval, \$200,000 was coming from an OHI grant, which meant only \$1,129,000 was going to be coming out of HCH cash reserves.
- Subsequent to initial approval, HCH was able to apply for and successfully receive multiple grants to cover a significant portion of the capital budget expenses. The following items were funded through the following mechanisms:
 - Heat Pump Replacement project \$605,000 of the \$660,000 was funded through HRSA ARP C8E Grant
 - PA Overhead System of \$51,500 completely funded through H8F
 - New vehicle for \$25,000 completely funded through H8F
 - As a result, \$681,500 of the initial capital budget was funded through grants. The remaining balance from HCH cash reserves was \$447,500.
- During the course of 2021, additional information was learned that resulted in the cancelation of four projects:
 - \$20,000 for additional server storage (this is being rolled into a 2022 request to replace and expand network storage servers for \$109,495)
 - \$205,000 for incremental power panels and generator power
 - \$15,000 for West Baltimore move/signage
 - \$25,000 for Garage weather proofing
 - \$265,000 of the capital budget projects were purposefully canceled
 - The net impact to HCH cash was \$182,500 for the year based on completed capital budget items
 - \$82,500 - Switch replacement
 - \$45,000 - Power grid assessment
 - \$55,000 – HVAC non grant portion
- There are two projects still a work in progress status (CIP account):
 - HVAC replacement project - \$990,000
 - 2020 capital approved - \$330,000
 - 2021 capital approved - \$660,000 total, \$605,000 funded by grants
 - HCH cash reserves impact = \$385,000
 - Balance remaining - \$385,000 (spending grant funds first)
 - Dental Equipment replacement - \$200,000
- Pending a decision from HRSA on ability to carry over funding into 2022
- Potentially impacts HCH capital required

Current Proposal:

The 2022 capital proposal is for \$560,495 and includes continued investment in our IT infrastructure, software, and core building. The total impact to HCH cash reserves would be \$560,495, which is approximately \$73k over budgeted depreciation costs (\$487k). The continuation of previously approved capital projects from prior years are projected to have a cash impact of \$385k. Combined total cash impact in excess of depreciation is \$458k.

By unanimous vote, the 2022 Capital Budget was approved by the Finance and Facilities Committee to present to the full board.

- V. POLICIES AND PROCEDURES:** Gary Welch requested that the Committee present to the full board for approval:
- A. Property Control Policy:** Purpose of the policy is to provide an accurate and auditable record of all of the Agency Property acquired, depreciated and retired.
 - B. Acceptable Use Policy:** Purpose of the policy is to establish conditions of use, stipulates constraints and lays out best practice for all use of the Agency's computing resources.

By unanimous vote, the Property Control Policy and the Acceptable Use Policy were approved by the Finance and Facilities Committee to present to the full board.

- VI. AUDIT UPDATES:** The timeline for completion of the audits with Ellin and Tucker will be by April 2022. There will be a concurrent audit completion with both 2020 and 2021 audit.

Next Meeting: February 15, 2022

Health Care for the Homeless

January 2022 Financial Results

Revenue:

- Overall revenue favorable to budget by \$53k primarily driven by pharmacy rebates.
- Grants – Unfavorable to budget (\$67k) through January.
- Patient Service Revenue – Net PSR unfavorable to budget (\$87k)
 - Continuing to stabilize AthenaOne EMR and processes. January revenue up \$73k compared to December 2021.
- Contributions – favorable to budget by \$52k.
- ACIS – Unfavorable to budget by (\$5k)
- Other Sources – Favorable to budget \$159k –Pharmacy 340B rebate revenue favorable to budget for January

Expenses:

- Overall expenses \$246k favorable to budget driven primarily by salaries, benefits, and business operations
- Salaries – Favorable to budget \$102k
 - Current active agency headcount of 223 vs. budget of 254 (favorable)
 - Approximately 29 open positions being actively recruited, five have recently been hired and have start dates.
- Employee benefits – favorable to budget by \$14k, due to lower than expected expenses as a percent of salary
- Client Assistance – Unfavorable to budget (\$61K)
- Pharmacy – Unfavorable to budget (\$25k) driven by higher number of total scripts
- Medical Supplies – Unfavorable to budget (\$21k)
- Staff Development – Unfavorable to budget (\$40k) because of timing of PD submissions
- Remaining expense categories favorable to budget

Liquidity Management:

- All cash, including investments, equates to 174.6 DCOH. Operating cash on hand balances are 55.5 days.
- The lower operating DCOH are being impacted by
 - System conversion and catching up billings in the Athena system – have additional bandwidth helping work down the backlog
 - Grant receivables being worked as some city grant balances are experiencing end of year cyclical highs

Health Care for the Homeless
Statement of Activities
Jan-22

	<u>Jan 22</u>		<u>Jan 22</u>		<u>Jan 21</u>			
	<u>Actual</u>		<u>Budget</u>	<u>Bud Var (\$)</u>	<u>Bud Var (%)</u>	<u>PY Actual</u>	<u>PY Var (\$)</u>	<u>PY Var (%)</u>
Grants	\$ 1,093,177	\$	1,160,137	\$ (66,960)	-6%	\$ 879,669	\$ 213,508	24%
Patient Services, Net	\$ 574,728	\$	661,366	\$ (86,638)	-13%	\$ 410,322	\$ 164,406	40%
Contributions	\$ 124,285	\$	72,071	\$ 52,214	72%	\$ 86,957	\$ 37,328	43%
ACIS	\$ 85,000	\$	89,712	\$ (4,712)	-5%	\$ 85,000	\$ -	0%
Other Sources	\$ 531,074	\$	371,887	\$ 159,187	43%	\$ 318,903	\$ 212,171	67%
Developer Fees	\$ -	\$	-	\$ -	0%	\$ -	\$ -	0%
Total Revenue	\$ 2,408,264	\$	2,355,173	\$ 53,091	2%	\$ 1,780,851	\$ 627,413	35%
Salaries	\$ 1,245,790	\$	1,347,801	\$ (102,011)	-8%	\$ 1,171,193	\$ 74,597	6%
Employee Benefits	\$ 351,079	\$	365,478	\$ (14,399)	-4%	\$ 298,040	\$ 53,039	18%
Purchased Services	\$ -	\$	-	\$ -	0%	\$ -	\$ -	0%
Contract Services	\$ 30,651	\$	41,175	\$ (10,524)	-26%	\$ 27,128	\$ 3,523	13%
Office Supplies	\$ 6,398	\$	13,793	\$ (7,395)	-54%	\$ 4,751	\$ 1,647	35%
Client Assistance	\$ 316,360	\$	255,746	\$ 60,614	24%	\$ 190,965	\$ 125,395	66%
Pharmacy	\$ 192,557	\$	167,952	\$ 24,605	15%	\$ 143,106	\$ 49,451	35%
Medical Supplies	\$ 50,102	\$	28,962	\$ 21,140	73%	\$ 22,273	\$ 27,829	125%
Business Operations	\$ 49,127	\$	80,573	\$ (31,446)	-39%	\$ 56,142	\$ (7,015)	-12%
Staff Development	\$ 53,030	\$	13,207	\$ 39,823	302%	\$ 16,845	\$ 36,185	215%
Building Operations	\$ 66,250	\$	67,881	\$ (1,631)	-2%	\$ 46,731	\$ 19,519	42%
Utilities	\$ 17,466	\$	32,274	\$ (14,808)	-46%	\$ 25,476	\$ (8,010)	-31%
Equipment	\$ 32,291	\$	41,703	\$ (9,412)	-23%	\$ 4,742	\$ 27,549	581%
Fundraising Events	\$ 11,954	\$	13,716	\$ (1,762)	-13%	\$ -	\$ 11,954	0%
In-Kind Expense	\$ -	\$	-	\$ -	0%	\$ -	\$ -	0%
Interest Expense	\$ -	\$	-	\$ -	0%	\$ -	\$ -	0%
Depreciation	\$ 41,003	\$	48,688	\$ (7,685)	-16%	\$ 39,938	\$ 1,065	3%
Total Operating Expenses	\$ 2,464,057	\$	2,518,949	\$ (54,892)	-2%	\$ 2,047,330	\$ 416,727	20.4%
Net Operating Surplus (Shortfall)	\$ (55,793)	\$	(163,776)	\$ 107,983	-66%	\$ (266,479)	\$ 210,686	-79%
Unrealized Gain (Loss) Investments	\$ (361,331)	\$	-	\$ (361,331)		\$ 3,544	\$ (364,875)	-10296%
Net Surplus (Deficit)	\$ (417,124)	\$	(163,776)	\$ (253,348)	155%	\$ (262,935)	\$ (154,189)	59%

Health Care for the Homeless
FTE Rollforward
1/31/2022

[illegible]

Encounters by Department

2022 Encounters Agency Team Stats	YTD				Prior Month
	2021	2022	Diff	+/-	
Addictions	2,967	345	(755)	-20%	
Dental	568	-	(684)	-55%	
Housing Services	19,307	1,953	4,960	35%	
Medical	29,775	2,076	(1,211)	-4%	
Nursing		938			
Behavioral Health	10,397	749	(2,503)	-19%	
Psychiatry	5,640	548	(856)	-13%	
Pediatrics	2,294	181	(796)	-26%	
Occupational Therapy	890	100	120	16%	
Convalescent Care	1,905	-	(2,123)	-53%	
Case Management	13,343	103	2,791	26%	
Supportive Services	2,170	1,409	(497)	-19%	
Benefits	344	59	(426)	-55%	
Total Encounters	89,600	8,461	(1,980)	-2.2%	

Fallsway	81,240	7,602	(1,591)	-2%	
Baltimore County	2,142	220	(453)	-17%	
ODB Dental	-	-	(271)	-100%	
Mobile Clinic	206	-	27	15%	
CCP	2,046	126	(2,087)	-50%	
West Baltimore	3,966	520	1,006	34%	

AGENCY ENCOUNTERS													
2020		YTD	2021		YTD	YTD Diff	2022		YTD	YTD Diff			
Jan	9,283	9,918	Jan	7,518	7,518	(2,400)	-24%	Jan	8,468	8,468	950	12.6%	
Feb	8,261	18,179	Feb	7,042	14,560	(3,619)	-20%	Feb	-	8,468			
Mar	7,783	25,962	Mar	9,226	23,786	(2,176)	-8%	Mar	-	8,468			
Apr	6,803	32,765	Apr	8,851	32,637	(128)	0%	Apr	-	8,468			
May	6,847	39,612	May	7,494	40,131	519	1%	May	-	8,468			
Jun	7,491	47,103	Jun	8,138	48,269	1,166	2%	Jun	-	8,468			
Jul	7,649	54,752	Jul	7,704	55,973	1,221	2%	Jul	-	8,468			
Aug	6,909	61,661	Aug	4,197	60,170	(1,491)	-2%	Aug	-	8,468			
Sep	7,385	69,046	Sep	6,408	66,578	(2,468)	-4%	Sep	-	8,468			
Oct	7,784	76,830	Oct	6,965	73,543	(3,287)	-4%	Oct	-	8,468			
Nov	6,952	83,782	Nov	8,052	81,595	(2,187)	-3%	Nov	-	8,468			
Dec	6,504	90,286	Dec	8,005	89,600	(686)	-1%	Dec	-	8,468			
Total	113,536		Total	89,600				Total	8,468				

Health Care for the Homeless
Jan-22
Statement of Activities

	2022 Annual Budget	Stmt Period Budget	Stmt Period Actual	Stmt Period Variance
Revenue				
Grant Revenue				
	13,659,681.00	1,160,137.00	1,093,176.69	(66,960.31)
Total Grant Revenue	13,659,681.00	1,160,137.00	1,093,176.69	(66,960.31)
Patient Service Revenue				
	8,266,088.00	661,366.00	574,728.30	(86,637.70)
Other Revenue				
Pharmacy Rebate	4,267,801.00	362,471.00	503,158.34	140,687.34
Rental Income	15,000.00	1,250.00	1,250.00	0.00
Fee for Service Revenue	0.00	0.00	19,994.50	19,994.50
Interest Income - Operations	97,990.00	8,166.00	6,671.08	(1,494.92)
Miscellaneous/Meaningful Use	0.00	0.00	0.00	0.00
Total Other Revenue	4,380,791.00	371,887.00	531,073.92	159,186.92
Contributions Revenue				
Development Grants	0.00	0.00	0.00	0.00
Contributions	2,300,000.00	72,071.00	124,284.87	52,213.87
Fundraising Events	300,000.00		0.00	0.00
Total Contributions Revenue	2,600,000.00	72,071.00	124,284.87	52,213.87
ACIS Revenue				
	1,245,279.00	89,712.00	85,000.00	(4,712.00)
Total ACIS Revenue	1,245,279.00	89,712.00	85,000.00	(4,712.00)
Developer Fee Revenue	186,855.00	0.00	0.00	0.00
Total Developer Revenue	186,855.00	0.00	0.00	0.00
Total Revenue	30,338,694.00	2,355,173.00	2,408,263.78	53,090.78
Expenses				
Salaries				
	16,589,277.00	1,347,801.00	1,245,789.65	102,011.35
Total Salaries	16,589,277.00	1,347,801.00	1,245,789.65	102,011.35
Benefits				
	4,039,183.00	365,478.00	351,079.39	14,398.61
Total Benefits	4,039,183.00	365,478.00	351,079.39	14,398.61
Client Assistance				
	3,011,197.00	255,746.00	316,359.96	(60,613.96)
Total Client Assistance	3,011,197.00	255,746.00	316,359.96	(60,613.96)
Pharmacy				
	1,977,499.00	167,952.00	192,557.26	(24,605.26)
Total Pharmacy	1,977,499.00	167,952.00	192,557.26	(24,605.26)
Building Operations				
	799,241.00	67,881.00	66,249.66	1,631.34
Total Building Operations	799,241.00	67,881.00	66,249.66	1,631.34
Business Operations				
	948,679.00	80,573.00	49,127.27	31,445.73
Total Business Operations	948,679.00	80,573.00	49,127.27	31,445.73
Depreciation				
	573,265.00	48,688.00	41,002.61	7,685.39
Total Depreciation	573,265.00	48,688.00	41,002.61	7,685.39
Medical Supplies				
	341,000.00	28,962.00	50,101.92	(21,139.92)
Total Medical Supplies	341,000.00	28,962.00	50,101.92	(21,139.92)
Utilities				
	380,000.00	32,274.00	17,465.72	14,808.28
Total Utilities	380,000.00	32,274.00	17,465.72	14,808.28
Equipment				
	491,016.00	41,703.00	32,290.66	9,412.34
Total Equipment	491,016.00	41,703.00	32,290.66	9,412.34
Fundraising Events				

	161,500.00	13,716.00	11,954.40	1,761.60
Total Fundraising Events	161,500.00	13,716.00	11,954.40	1,761.60
Office Supplies				
	162,406.00	13,793.00	6,397.88	7,395.12
Total Office Supplies	162,406.00	13,793.00	6,397.88	7,395.12
Staff Development				
	154,375.00	13,207.00	53,029.65	(39,822.65)
Total Staff Development	154,375.00	13,207.00	53,029.65	(39,822.65)
Contract Services				
Temporary Staff	0.00	0.00	15,763.70	(15,763.70)
Other	484,803.00	41,175.00	14,886.88	26,288.12
Total Contract Services	484,803.00	41,175.00	30,650.58	10,524.42
Total Expenses	30,113,441.00	2,518,949.00	2,464,056.61	54,892.39
Operating excess(deficit)	225,253.00	(163,776.00)	(55,792.83)	107,983.17
Unrealized Gain on Investments	0.00	0.00	(361,330.91)	(361,330.91)
Excess (deficit)	225,253.00	(163,776.00)	(417,123.74)	(253,347.74)



HEALTH CARE FOR THE HOMELESS

Client Discount Fee Schedule For the Uninsured 2022

<=100% FPG		
FAMILY SIZE	INCOME	CHARGE
1	\$ 13,590	\$0
2	\$ 18,310	\$0
3	\$ 23,030	\$0
4	\$ 27,750	\$0
5	\$ 32,470	\$0
6	\$ 37,190	\$0
7	\$ 41,910	\$0
8	\$ 46,630	\$0

151% - 175% FPG		
FAMILY SIZE	INCOME	CHARGE
1	\$ 20,386 - \$ 23,783	\$25
2	\$ 32,044 - \$ 32,043	\$25
3	\$ 34,546 - \$ 40,303	\$25
4	\$ 41,626 - \$ 48,563	\$25
5	\$ 48,706 - \$ 56,823	\$25
6	\$ 55,786 - \$ 65,083	\$25
7	\$ 62,866 - \$ 73,343	\$25
8	\$ 69,946 - \$ 81,603	\$25

101% - 125% FPG		
FAMILY SIZE	INCOME	CHARGE
1	\$ 13,591 - \$ 16,988	\$5
2	\$ 18,311 - \$ 22,888	\$5
3	\$ 23,031 - \$ 28,788	\$5
4	\$ 27,751 - \$ 34,688	\$5
5	\$ 32,471 - \$ 40,588	\$5
6	\$ 37,191 - \$ 46,488	\$5
7	\$ 41,911 - \$ 52,388	\$5
8	\$ 46,631 - \$ 58,288	\$5

176% - 200% FPG		
FAMILY SIZE	INCOME	CHARGE
1	\$ 23,784 - \$ 27,180	\$50
2	\$ 32,044 - \$ 36,620	\$50
3	\$ 40,304 - \$ 46,060	\$50
4	\$ 48,564 - \$ 55,500	\$50
5	\$ 56,824 - \$ 64,940	\$50
6	\$ 65,084 - \$ 74,380	\$50
7	\$ 73,344 - \$ 83,820	\$50
8	\$ 81,604 - \$ 93,260	\$50

126% - 150% FPG		
FAMILY SIZE	INCOME	CHARGE
1	\$ 16,989 - \$ 20,385	\$10
2	\$ 18,311 - \$ 27,465	\$10
3	\$ 28,789 - \$ 34,545	\$10
4	\$ 34,689 - \$ 41,625	\$10
5	\$ 40,589 - \$ 48,705	\$10
6	\$ 46,489 - \$ 55,785	\$10
7	\$ 52,389 - \$ 62,865	\$10
8	\$ 58,289 - \$ 69,945	\$10

>200% FPG		
FAMILY SIZE	INCOME	CHARGE
1	\$ 27,181 +	FULL CHARGE
2	\$ 32,044 +	FULL CHARGE
3	\$ 46,061 +	FULL CHARGE
4	\$ 55,501 +	FULL CHARGE
5	\$ 64,941 +	FULL CHARGE
6	\$ 74,381 +	FULL CHARGE
7	\$ 83,821 +	FULL CHARGE
8	\$ 93,261 +	FULL CHARGE

For families/households with more than eight members,
add \$4,720 to the income level for each additional member

Note: This fee schedule reflects the Federal Department of Health and Human Services 2022 Poverty Guidelines.
No client will be turned away because of inability to pay.

U.S.C. Sec. 254b subsec. (iii) requires Federally Qualified Health Centers to serve individuals without regard to their ability to pay for services: "(I) will assume that no patient will be denied health care services due to an individual's inability to pay for such services; and (II) will assure that any fees or payments required by the center will be reduced or waived to enable the center to fulfill the assurances described in the subclause (I)."