



REDWOOD COAST MEDICAL SERVICES, INC
BOARD OF DIRECTORS - MEETING AGENDA (Zoom Online Meeting)
March 29, 2023 5:00 PM – 7:00 PM

Order of Business	Business Item	Person	Vote(s) Required	Page #
5:00 pm	AGENDA <ul style="list-style-type: none"> Review and vote on acceptance of Meeting Agenda 	Leslie Bates	Vote	Page 1
5:01 pm	MINUTES <ul style="list-style-type: none"> Vote on acceptance of the Minutes of February 22, 2023 	Leslie Bates	Vote	Page 2-4
5:05 pm	BOARD NOMINATION <ul style="list-style-type: none"> Welcome Andrea Polk Vote on appointment of Andrea Polk to the RCMS Board of Directors 	Leslie Bates	Vote	
5:15 pm	FINANCE COMMITTEE REPORT <ul style="list-style-type: none"> Report on February Financials Vote on acceptance of the February Financials 	Drew McCalley	Vote	Page 5-15
5:30 pm	AUDIT COMMITTEE REPORT <ul style="list-style-type: none"> Report on 	Drew McCalley		
5:40 pm	CEO REPORT <ul style="list-style-type: none"> Operations/Staffing Update 	Ara Chakrabarti		
5:55 pm	MEDICAL TEAM REPORT <ul style="list-style-type: none"> Update on clinic operations 	Afsoon Foorahar		
6:10 pm	DEVELOPMENT, GRANTS, OUTREACH & RISK/COMPLIANCE REPORT <ul style="list-style-type: none"> Update Board Training: HRSA Compliance Manual Ch. 9 – Sliding Fee Discount Program 	Dawn McQuarrie		Page 16-22
6:20 pm	PERFORMANCE IMPROVEMENT COMMITTEE <ul style="list-style-type: none"> 2022 Urgent Care Survey Results Updates 	Susan Hamlin		
6:35 pm	INFORMATION TECHNOLOGY COMMITTEE REPORT <ul style="list-style-type: none"> Update 	Drew McCalley		
6:45 pm	EXECUTIVE COMMITTEE REPORT <ul style="list-style-type: none"> Update Public comments/shout-outs 	Leslie Bates		

The mission of the Redwood Coast Medical Services is to provide high quality, family-oriented, community based primary care, including a broad range of preventive health services, to residents and visitors within the coastal areas of Southern Mendocino and Northern Sonoma Counties. Services are designed to meet identified needs of the communities served, are integrated with other existing health care services and systems and are evaluated on a regular basis to assure that community health needs are being met. As a non-profit corporation receiving public funds, RCMS provides services to qualifying individuals on a sliding fee scale as well as to patients with MediCal and MediCare coverage, private insurance or self pay status. RCMS plays a special role as the sole provider of medical care in the community and in responding to public health emergencies.



Redwood Coast Medical Services, Inc.
Board of Directors Meeting – Zoom Online Meeting
Meeting Minutes of February 22, 2023

BOARD MEMBER	P	A/E	BOARD MEMBER	P	A/E
Leslie Bates	X		Drew McCalley	X	
Janis Dolphin	X		Brian Murphy		X
Barbara Fast	X		Jim Nybakken	X	
Susan Hamlin	X		Laurie Voss	X	
Hall Kelley	X		Harriet Wright	X	
Patricia Lynch	X				

STAFF PRESENT	
Ara Chakrabarti	Karen Wilder
Afsoon Foorohar	
Jennifer Black	
Dawn McQuarrie	
Renee Kaucnik	
Christie MacVitie	

Public Attendees: 10

CALL TO ORDER: Leslie Bates called the meeting to order at 5:00 pm.

APPROVAL OF AGENDA: After review and slight adjustments, Leslie Bates moved to accept the agenda. Unanimously accepted.

APPROVAL OF MINUTES: After review and corrections, Leslie Bates moved to accept the minutes of January 25, 2023. Vote: Unanimously accepted.

FINANCE COMMITTEE REPORT: Drew McCalley, Board Treasurer

- Welcome the new contracted Chief Financial Officer, Christie MacVitie, from the Mendocino Community Health Clinics (MCHC) in Ukiah
- Federally Qualified Health Centers in Fort Bragg and Anderson Valley are partnering with RCMS to contract with Christie's CFO service for all three of their health clinics
- Reviewed the new layout of the Executive Summary for the month of January 2023
- Statement of Financial Position remains strong despite the ongoing shortfall in patient visits
- New graphs for current ratios shows more trend data
- Days in Net Accounts Receivable Outstanding remains inflated due to the NextGen billing issue identified and carried over from October
- Patient Visits:
 - Primary Care visits were down as anticipated due to provider shortages
 - Urgent Care visits remain strong and continue to exceed budget goals
 - Dental and Behavioral Health visits continue to run below budget but with new staff hired in Behavioral Health visits in that department should start to trend up
- The payor mix remains consistent with MediCare being the highest payor group
- New graph included to see unduplicated patients – the Health Resources and Services Administration (HRSA) uses this number to determine the level of financial assistance to provide the organization and reviews this information annually
- Grants and Other Revenue – grant revenue increased and other income from 340B pharmacy program was higher than budget helping to offset the shortfall in patient service revenues
- Discussed how the 340B program works in partnership with Mendocino Coast Pharmacy and how budget estimates were made

On behalf of the Finance Committee, Drew McCalley made the recommendation for the Board to accept the January 2023 financials as presented. Seconded: Nybakken. Vote: Unanimously accepted.



CEO REPORT: Ara Chakrabarti, CEO

Communications:

- RCMS received funding to implement RCMS as a Test-to-Treat facility, come within first 5 days and RCMS has free medications to treat them

Operations:

- Continuing to find ways to improve internal communications
- Welcome to the new contracted CFO, Christie MacVitie
- Dr. Mark Kal seeing patients again on a part-time basis in the Sea Watch Center
- Welcome new Physician Assistant, Lon Transue to the Primary Care Team
- Welcome Sona Weber, Licensed Clinical Social Worker (LCSW) to the Behavioral Health Team
- Primary Care team down one provider for an extended personal leave of absence
- Clinical Manager is also out on an extended leave of absence
- In the process of installing a new lab information system that will integrate with NextGen
- Issues with integrating the patient portal, anticipating delay
- Discussed Urgent Care contract with Coast Life Support District, another entity has responded to the RFP and tomorrow CLSD will receive both proposal presentations

Facility Update: Jim Nybakken

- Waiting for a meeting with the Planning & Building Department of Mendocino County on March 9

MEDICAL TEAM REPORT: Afsoon Foorohar, Medical Director

- Public Health Updates:
 - There have been a couple of cases of Norovirus in our community
 - Uptick in influenza A virus this week
- Please continue to wash hands frequently

DEVELOPMENT, GRANTS, OUTREACH & RISK/COMPLIANCE REPORT: Dawn McQuarrie, Programs Director

- New grant opportunity – early childhood development HRSA grant

On behalf of the Grants Department, Dawn McQuarrie made a recommendation to pursue the Early Childhood Development grant as presented. Motion: McCalley. Seconded: Nybakken. Vote: Unanimously accepted.

- The annual Uniform Data System (UDS) Report was submitted Feb. 14 (1 day early)
- Monthly Board Training on the HRSA Compliance Manual – Uniform Data System Report:
 - Due annually to Health Resource Services Administration (HRSA) on February 15 required for all FQHCs
 - Includes information on patient demographics, staffing, utilization, programs, clinical measure, financial measure, etc.
 - Explain all variances from year to year
 - Complete Data Authorization Report to “crosswalk” information being submitted
- The Pulse Newsletter open rate is now over 60%
- Continuing to leverage all media to outreach (web, social media, lobby TVs, flyers, The Pulse, etc.)
- Promoting RCMS as a Test-to-Treat facility
- Ongoing outreach and enrollment assistance with a focus on MediCal wind down
- Surveys continue to go out on a weekly basis for Urgent Care and quarterly for Primary Care
- Risk and Compliance – continuing to review and update policies and procedures ongoing and finalizing 2022 Activities Report and will present at the next meeting
- In the process of submitting annual facility renewal and lab license renewal has been received
- Discussed new lab oversight and designation as a moderately complex laboratory



HUMAN RESOURCES COMMITTEE REPORT: Renee Kaucnik, HR Manager

- RCMS currently has 3 open positions: Front Desk Receptions, Dental Hygienist, and RN/LVN for Urgent Care
- Staff are currently working on annual courses for compliance – online course system has been revamped and staff are completing requirements early

PERFORMANCE IMPROVEMENT COMMITTEE REPORT: Barbara Fast, Committee Chair

- Susan Hamlin has joined the committee and has agreed to be Co-Chair
- No credentialing, or incidents to report this month
- Report on the updated Domestic Violence policy and procedure

On behalf of the Performance Improvement Committee, Barbara Fast made the recommendation for the Board to accept the updated Domestic Violence policy as presented. Vote: Unanimously accepted.

- Reported on the results of the recent quarterly Primary Care surveys
 - Return rate of about 15%
 - Overall patient experience is very good when they are able to see a provider
 - One area for improvement identified on the surveys was following through on patient plans – recommended printers in exam rooms to help

INFORMATION TECHNOLOGY COMMITTEE REPORT: Drew McCalley, Committee Chair

- The committee meetings are back on track for meeting monthly
- Discussed problems with the billing system integration
- Discussed the number of remotely loaded NextGen software terminals – this structure caused many communications issues and complications with the upgrade process
- Patient portal has been put on hold by NextGen due to the large number of problems within the system, looking into an alternative 3rd party system, and also in discussion with NextGen on getting some of the cost for that investment back

EXECUTIVE COMMITTEE REPORT:

- Successful Valentine's lunch provided by the board
- With Gabriel Ramirez stepping down, Mendonoma Health Alliance was down a representative on the board but Rich Hughes stepped up to fill that spot
- Discussed the responsibility of the Board to carry out the goals identified at the Board Retreat - attached

PUBLIC COMMENT/SHOUT OUTS:

- Public Comment:
 - Does RCMS have a provider that speaks Spanish and can provide CPR/First Aid Trainings?
 - Would RCMS consider hosting a class on tracking your regular appointments as they don't seem to send out reminders.
 - In relations to earlier discussions, CLSD is required to go through the Request for Proposal process because they receive public tax dollars for this funding
- Shout Outs:
 - Susan Hamlin: Thank you Hall Kelley for putting out the notice about what RCMS did during the storms
 - Janis Dolphin: Thank you Dawn McQuarrie, Kathy Hall and Christie MacVitie for completing the UDS report
 - Ara Chakrabarti: Thank you Lynn Bailey for helping with so many things within the organization

Meeting adjourned at 6:09 PM.

Karen Wilder, for Janis Dolphin, Board Secretary for the RCMS Board of Directors

REDWOOD COAST MEDICAL SERVICES, INC.

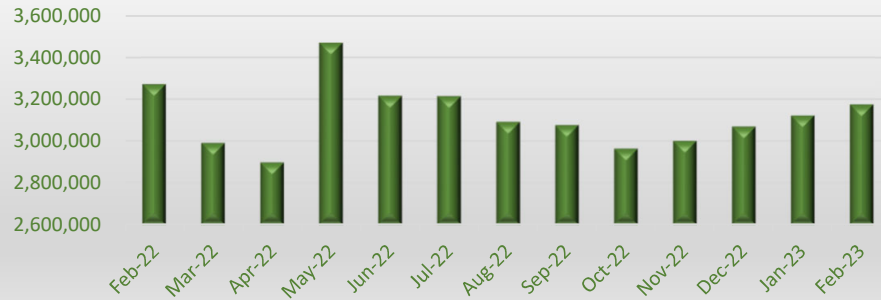
EXECUTIVE SUMMARY

FEBRUARY 2023

STATEMENT OF FINANCIAL POSITION					
ASSETS	Feb-23	Feb-22	Change	Jan-23	Change
Current Assets	3,951,253	4,042,710	-2.26%	4,005,423	-1.35%
Long-Term Assets	2,552,212	2,398,866	6.39%	2,532,354	0.78%
TOTAL ASSETS	6,503,466	6,441,576	0.96%	6,537,777	-0.52%
LIABILITIES AND NET ASSETS					
Current Liabilities	575,229	938,337	-38.70%	355,009	62.03%
Estimated Medi-Cal Liabilities	550,381	385,423	42.80%	546,081	0.79%
Long-Term Debt	15,467	11,600	33.33%	19,334	-20.00%
Total Liabilities	1,141,077	1,335,360	-14.55%	920,424	23.97%
Net Assets	5,362,389	5,106,216	5.02%	5,617,353	-4.54%
TOTAL LIABILITIES AND NET ASSETS	6,503,466	6,441,576	0.96%	6,537,777	-0.52%
STATEMENT OF ACTIVITIES - YTD					
REVENUES	Actual	Budget	Variance	Prior Year	Variance
Patient Service Revenue	2,235,931	3,013,744	-25.81%	2,289,759	-2.35%
Grant & Other Revenue	2,827,952	2,532,375	11.67%	2,843,616	-0.55%
NET REVENUE	5,063,883	5,546,119	-8.70%	5,133,376	-1.35%
OPERATING EXPENSES					
Salaries and Benefits	3,587,006	3,995,951	-10.23%	3,662,606	-2.06%
Contracted Services	96,807	351,736	-72.48%	206,142	-53.04%
Facility Costs	187,573	231,800	-19.08%	203,223	-7.70%
Supplies	380,717	371,761	2.41%	349,712	8.87%
Depreciation & Amortization	51,222	41,496	23.44%	41,485	23.47%
Other Operating Expenses	1,121,877	1,050,271	6.82%	952,471	17.79%
TOTAL OPERATING EXPENSES	5,425,202	6,043,015	-10.22%	5,415,639	0.18%
OPERATING EXCESS/(DEFICIENCY)	(361,319)	(496,896)	-27.28%	(282,264)	28.01%
Net Capital Income/(Expenses)	508,923	480,032	6.02%	622,763	-18.28%
TOTAL EXCESS/(DEFICIENCY)	147,604	(16,864)	-975.26%	340,499	-56.65%

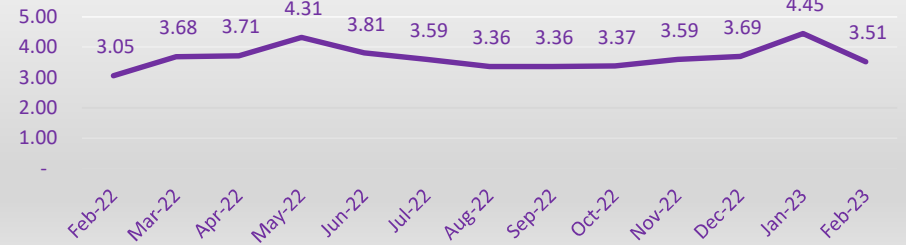
REDWOOD COAST MEDICAL SERVICES, INC.
EXECUTIVE SUMMARY
FEBRUARY 2023

Cash on Hand

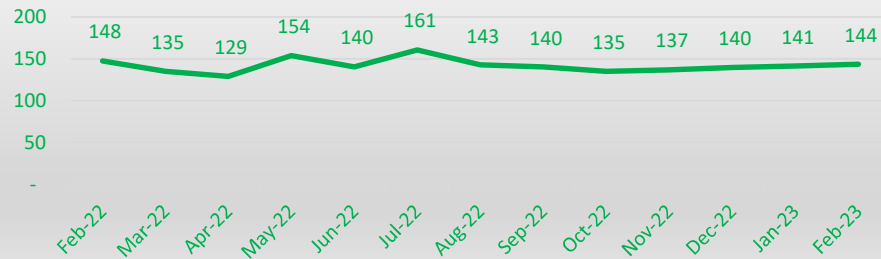


Current Ratio

Healthy = > 1.0, higher is better
(Current Asset divided by Current Liabilities)



Days Unrestricted Cash on Hand
Recommend > 60 days; higher is better

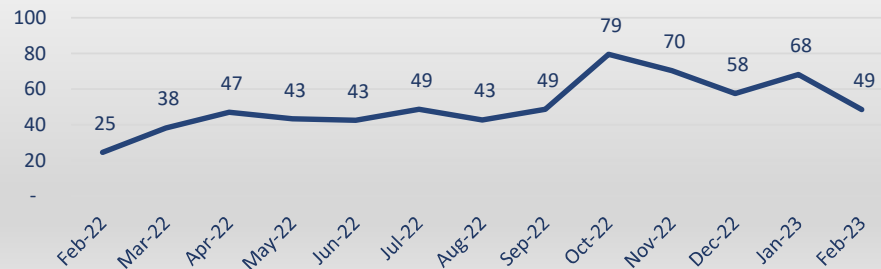


Net Margin

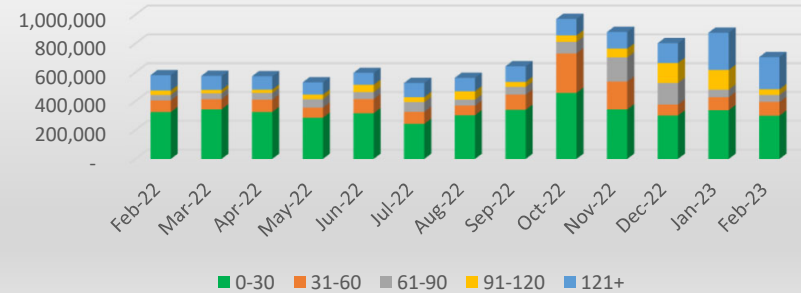
Healthy = < 100%; lower is better



Days Net AR Outstanding
Recommend < 45 days, lower is better

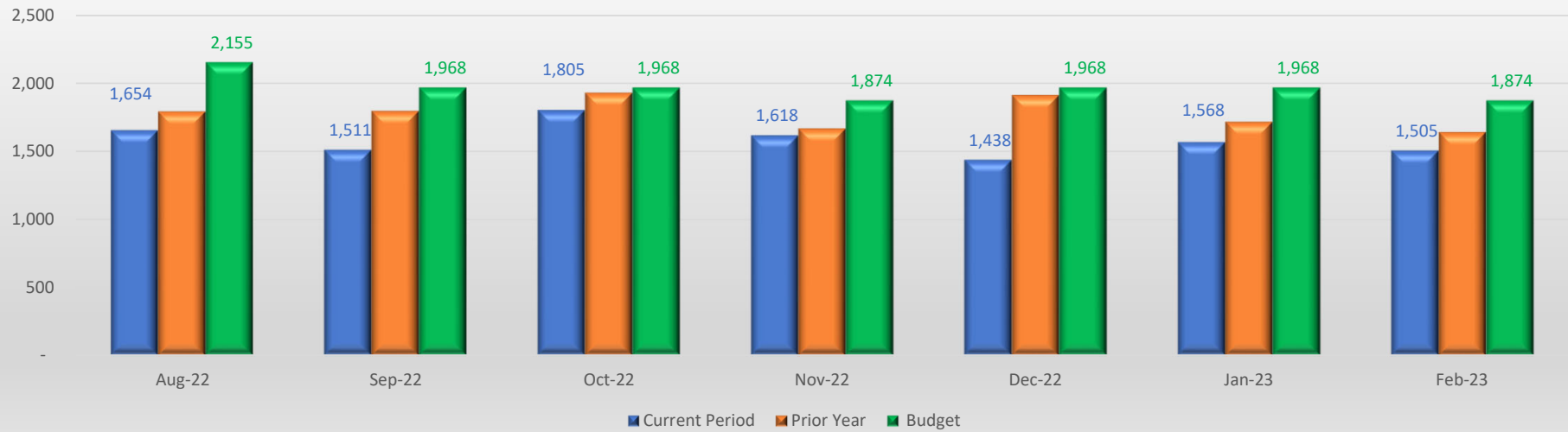


Patient AR Balance



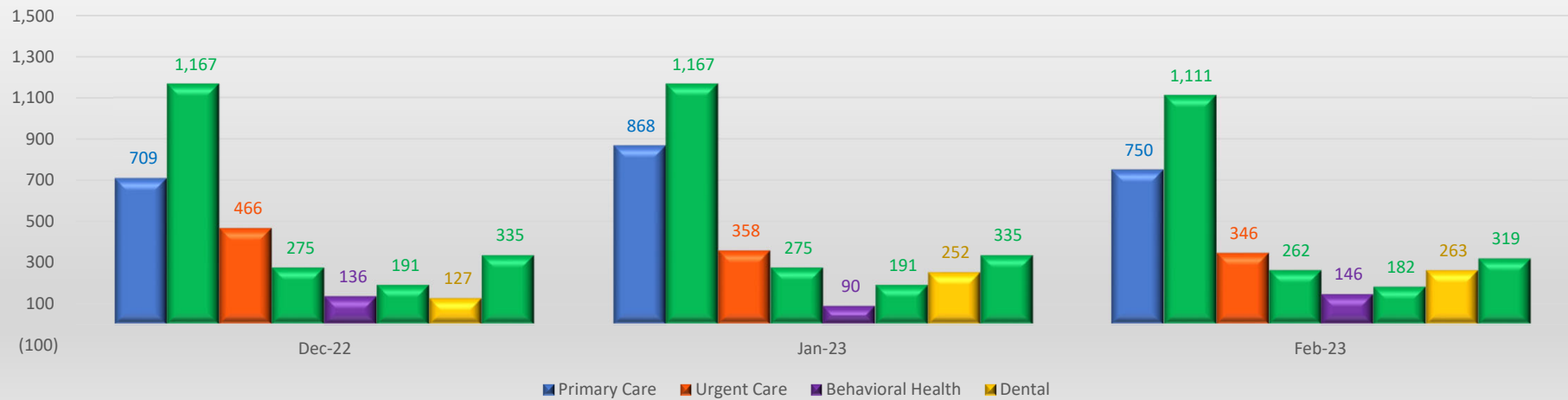
REDWOOD COAST MEDICAL SERVICES, INC.
EXECUTIVE SUMMARY
FEBRUARY 2023

Monthly Visits



Monthly Visits by Department

Budgeted visits depicted in green



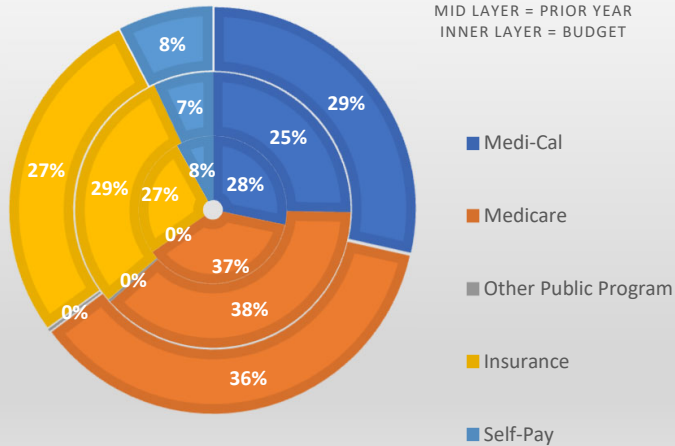
REDWOOD COAST MEDICAL SERVICES, INC.

EXECUTIVE SUMMARY

FEBRUARY 2023

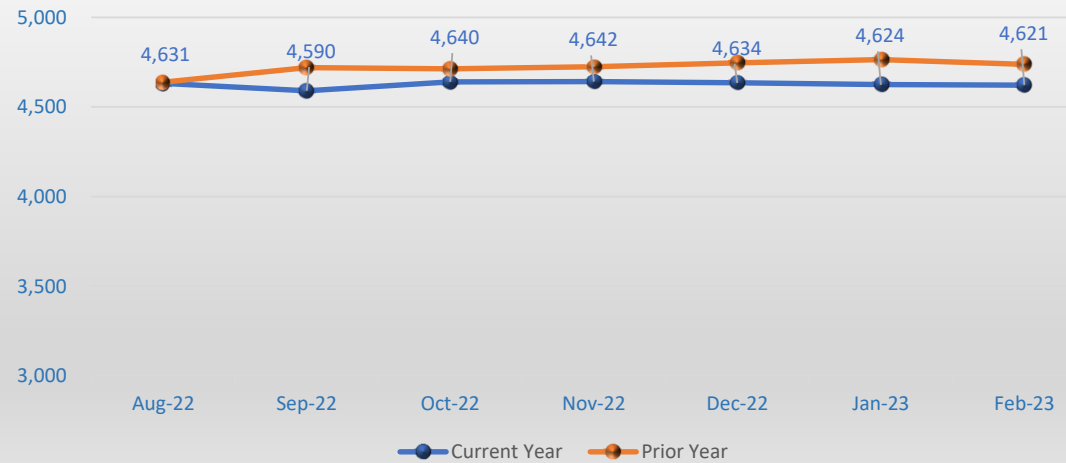
YTD PAYOR MIX

OUTER LAYER = CURRENT YEAR
MID LAYER = PRIOR YEAR
INNER LAYER = BUDGET

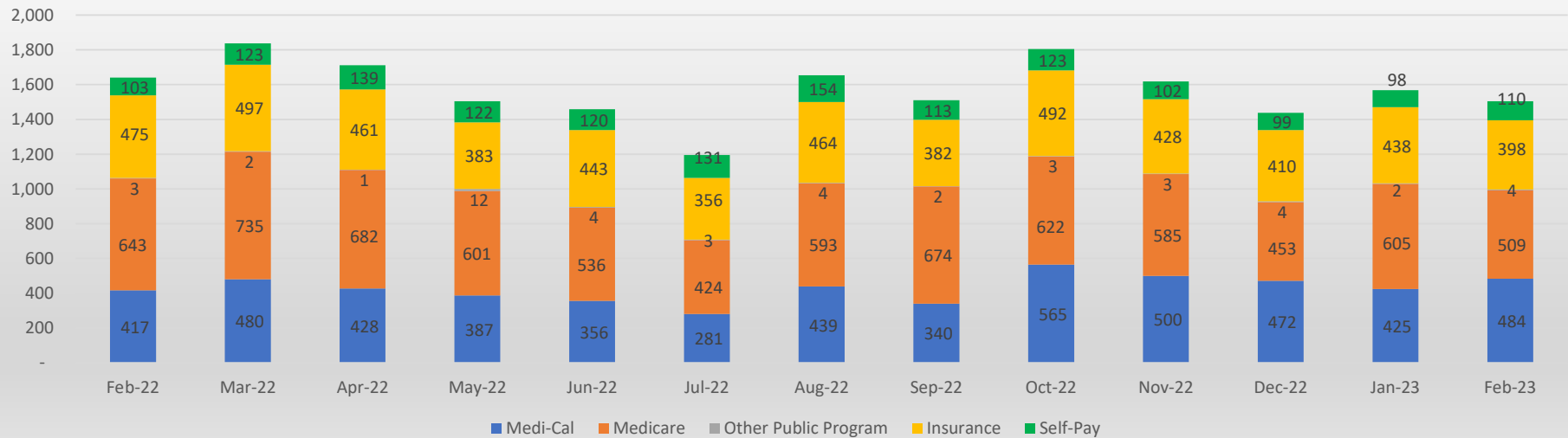


Unduplicated Patients

SAC = 5,000



Monthly Visits by Financial Class



REDWOOD COAST MEDICAL SERVICES, INC.

FINANCIAL NARRATIVE – PRELIMINARY

FEBRUARY 2023

Prepared by MCHC

Operating financial results:

February resulted in an operating loss of \$91,187, which was \$44,818 less than the budgeted loss of \$46,369. The year-to-date operating loss was \$361,319.

- Net Patient Revenue (NPR) – \$51,176 lower than budget due to lower visits.

NPR Variance	(51,176.03)
Due to higher/(lower) visits	(68,332.34)
○ *Due to higher/(lower) rate per visit	17,156.31

- Grants and Other Revenue – \$75,614 less than budget
 - Federal 330 grant – \$19,543 lower than budget due to the timing of the payrolls covered by these funds.
 - ARPA – \$26,667 less than budget due to having overbudgeted this program.
 - Grant Revenue-Other – \$17,054 lower than budget
 - 340B – \$7,337 lower than budget
- Operating Expenses – \$81,972 under budget
 - Total Compensation was \$75,291 under budget due to vacant positions.
 - Repairs & Maintenance-Facility was \$5,706 less than budget.
 - Computer Supplies & Support was \$4,742 higher than budget.
 - Consulting Fees were \$4,540 lower than budget.
 - Consulting Fees-Accounting were \$3,498 higher than budget
 - Consulting Fees-CFO were \$6,333 lower than budget due to having accrued too much expense in January.
 - Minor Equipment was \$3,142 less than budget.
 - Outreach was \$6,152 less than budget
 - Provider Housing was \$4,790 less than budget.
 - Supplies-Office were \$3,462 lower than budget.
 - Supplies-Vaccines were \$3,334 lower than budget.
 - Transcription Services were \$9,462 higher than budget.

Changes in Financial position:

- February's ending cash balance was \$3,173,573.
 - Cash increased by \$52,132 during the month.

Visits:

- February visits of 1,505 were 369 lower than the budgeted visits of 1,874 due to unfilled provider positions.
 - Primary Care – 361 fewer than budgeted (750 vs. 1,111)
 - Urgent Care – 84 more than budgeted (346 vs. 262)
 - Behavioral Health – 36 fewer than budgeted (146 vs. 182)
 - Dental – 56 fewer than budgeted (263 vs. 319)

REDWOOD COAST MEDICAL SERVICES, INC.

Statement of Financial Position - Preliminary

As of 2/28/2023

	Current Year	Prior Year	Variance
Current Assets			
Cash & Investments			
Cash on Hand	1,982,794.29	2,041,312.65	(58,518.36)
Investments	1,190,778.97	1,229,605.36	(38,826.39)
Total Cash & Investments	3,173,573.26	3,270,918.01	(97,344.75)
Patient Accounts Receivable			
Accounts Receivable	693,812.01	425,913.19	267,898.82
Allowance for Doubtful Accounts	(247,152.00)	(194,036.00)	(53,116.00)
Total Patient Accounts Receivable	446,660.01	231,877.19	214,782.82
Other Current Assets			
Grants Receivable	84,726.48	341,704.50	(256,978.02)
Partnership QIP Receivable	44,788.00	36,932.09	7,855.91
340B Receivable	21,251.66	0.00	21,251.66
Other Accounts Receivable	66,666.66	66,666.66	0.00
Prepaid Expenses	107,587.00	94,611.32	12,975.68
Other Assets	6,000.00	7,000.00	(1,000.00)
Total Other Current Assets	331,019.80	546,914.57	(215,894.77)
Total Current Assets	3,951,253.07	4,049,709.77	(98,456.70)
Property & Equipment			
Property & Equipment	4,952,988.60	4,691,120.49	261,868.11
Accumulated Depreciation	(2,400,776.17)	(2,299,254.25)	(101,521.92)
Total Property & Equipment	2,552,212.43	2,391,866.24	160,346.19
Total Assets	6,503,465.50	6,441,576.01	61,889.49
Current Liabilities			
Accounts Payable	79,179.98	159,914.43	(80,734.45)
Accrued Compensation and Related Liabilities	443,530.74	468,198.84	(24,668.10)
Medi-Cal Payable - Current Year	56,656.00	147,575.00	(90,919.00)
Medi-Cal Payable - Prior Year	493,724.93	237,847.68	255,877.25
Other Liabilities	2,800.00	2,800.00	0.00
Other Accounts Payable	49,718.00	40,471.35	9,246.65
Current Portion of Long Term Debt	15,467.00	69,604.93	(54,137.93)
Deferred Revenue	0.00	208,948.07	(208,948.07)
Total Current Liabilities	1,141,076.65	1,335,360.30	(194,283.65)
Total Liabilities	1,141,076.65	1,335,360.30	(194,283.65)
Net Assets			
Unrestricted Net Assets	5,214,784.69	4,765,716.71	449,067.98
Current Year Net Excess/Deficit	147,604.16	340,499.00	(192,894.84)
Total Net Assets	5,362,388.85	5,106,215.71	256,173.14
Total Liabilities & Net Assets	6,503,465.50	6,441,576.01	61,889.49

REDWOOD COAST MEDICAL SERVICES, INC.

Statement of Activities From 2/1/2023 Through 2/28/2023

	MTD Actual	MTD Budget	Variance	YTD Actual	YTD Budget	Variance
Patient Revenue						
Medi-Cal	169,947.45	114,867.00	55,080.45	879,217.44	997,530.00	(118,312.56)
Medicare	77,375.85	146,064.00	(68,688.15)	871,848.89	1,268,446.00	(396,597.11)
Family Pact	0.00	1,355.00	(1,355.00)	5,632.00	11,770.00	(6,138.00)
Insurance	34,326.19	64,967.00	(30,640.81)	369,045.08	564,184.00	(195,138.92)
Self Pay & Other	36,935.48	42,142.00	(5,206.52)	309,166.46	365,970.00	(56,803.54)
Sliding Scale & Other Write-Offs	(15,907.00)	(15,804.00)	(103.00)	(107,632.04)	(137,240.00)	29,607.96
Cost Report & Other Settlements	0.00	0.00	0.00	36,364.00	0.00	36,364.00
Provision for Doubtful Accounts	(6,349.00)	(6,371.00)	22.00	(124,570.36)	(55,282.00)	(69,288.36)
Patient Refunds	(473.00)	(188.00)	(285.00)	(3,140.35)	(1,634.00)	(1,506.35)
Total Patient Revenue	<u>295,855.97</u>	<u>347,032.00</u>	<u>(51,176.03)</u>	<u>2,235,931.12</u>	<u>3,013,744.00</u>	<u>(777,812.88)</u>
Operating Expenses						
Operating Expenses	<u>627,976.94</u>	<u>709,949.00</u>	<u>81,972.06</u>	<u>5,425,202.15</u>	<u>6,043,015.00</u>	<u>617,812.85</u>
Total Operating Expenses	<u>627,976.94</u>	<u>709,949.00</u>	<u>81,972.06</u>	<u>5,425,202.15</u>	<u>6,043,015.00</u>	<u>617,812.85</u>
Net Before Other Revenue	<u>(332,120.97)</u>	<u>(362,917.00)</u>	<u>30,796.03</u>	<u>(3,189,271.03)</u>	<u>(3,029,271.00)</u>	<u>(160,000.03)</u>
Grants & Other Revenue						
Grant Revenue-Federal 330	135,085.07	154,628.00	(19,542.93)	1,312,564.07	1,237,024.00	75,540.07
Grant Revenue-Federal ARPA	0.00	26,667.00	(26,667.00)	74,387.00	213,329.00	(138,942.00)
Grant Revenue-CADRE	0.00	917.00	(917.00)	1,233.00	7,336.00	(6,103.00)
Grant Revenue-Fed Hypertension	9,110.00	9,990.00	(880.00)	45,991.00	79,920.00	(33,929.00)
Grant Revenue-Federal UDS	12.00	0.00	12.00	34,948.00	0.00	34,948.00
Grant Revenue-Other	5,862.50	22,916.00	(17,053.50)	349,342.45	183,328.00	166,014.45
340B Revenue	13,496.32	20,833.00	(7,336.68)	367,174.80	166,664.00	200,510.80
Contract Revenue-CLSD	66,666.66	66,667.00	(0.34)	533,333.28	533,336.00	(2.72)
Partnership QIP Revenue	8,333.00	8,334.00	(1.00)	73,218.00	66,672.00	6,546.00
Rental Income	1,147.00	3,000.00	(1,853.00)	12,146.00	24,000.00	(11,854.00)
Other Income	4.90	13.00	(8.10)	34.90	98.00	(63.10)
Interest & Dividends Earned	<u>1,216.89</u>	<u>2,583.00</u>	<u>(1,366.11)</u>	<u>23,579.23</u>	<u>20,668.00</u>	<u>2,911.23</u>
Total Grants & Other Revenue	<u>240,934.34</u>	<u>316,548.00</u>	<u>(75,613.66)</u>	<u>2,827,951.73</u>	<u>2,532,375.00</u>	<u>295,576.73</u>
Net Operating Income/(Loss)	<u>(91,186.63)</u>	<u>(46,369.00)</u>	<u>(44,817.63)</u>	<u>(361,319.30)</u>	<u>(496,896.00)</u>	<u>135,576.70</u>
Fundraising & Capital Activity						
Capital Grant Revenue	34,986.00	25,000.00	9,986.00	226,790.22	200,000.00	26,790.22
Fundraising Income	14,595.10	29,167.00	(14,571.90)	264,211.61	233,336.00	30,875.61
Fundraising Expense	(1,038.47)	(4,371.00)	3,332.53	(17,303.31)	(34,968.00)	17,664.69
Donations	1,395.00	9,583.00	(8,188.00)	14,884.14	76,664.00	(61,779.86)
Realized/Unrealized Gains/(Losses)	<u>(23,210.74)</u>	<u>625.00</u>	<u>(23,835.74)</u>	<u>20,340.80</u>	<u>5,000.00</u>	<u>15,340.80</u>
Total Fundraising & Capital Activity	<u>26,726.89</u>	<u>60,004.00</u>	<u>(33,277.11)</u>	<u>508,923.46</u>	<u>480,032.00</u>	<u>28,891.46</u>
Net Excess of Revenue over Expenses	<u>(64,459.74)</u>	<u>13,635.00</u>	<u>(78,094.74)</u>	<u>147,604.16</u>	<u>(16,864.00)</u>	<u>164,468.16</u>

REDWOOD COAST MEDICAL SERVICES, INC.

Schedule of Expenses From 2/1/2023 Through 2/28/2023

	Actual	Budget	Variance	YTD Actual	YTD Budget	Variance
Salaries & Wages						
Salaries & Wages	338,443.03	380,101.00	41,657.97	2,973,774.53	3,328,873.00	355,098.47
Total Salaries & Wages	338,443.03	380,101.00	41,657.97	2,973,774.53	3,328,873.00	355,098.47
Benefits						
Payroll Taxes	27,389.58	28,240.00	850.42	222,849.82	243,597.00	20,747.18
Health Insurance	44,909.52	42,734.00	(2,175.52)	338,327.01	368,607.00	30,279.99
Workmans Compensation	6,116.73	4,380.00	(1,736.73)	41,399.70	37,779.00	(3,620.70)
Other Benefits	2,729.91	1,985.00	(744.91)	10,655.13	17,095.00	6,439.87
Total Benefits	81,145.74	77,339.00	(3,806.74)	613,231.66	667,078.00	53,846.34
Contracted Services						
Contracted Physician	0.00	28,167.00	28,167.00	0.00	225,336.00	225,336.00
Contracted Physicians Assistant	0.00	15,000.00	15,000.00	78,488.29	120,000.00	41,511.71
Contracted Mental Health Provider	4,340.00	0.00	(4,340.00)	33,480.00	0.00	(33,480.00)
Contracted Dentist Svcs	2,187.50	800.00	(1,387.50)	10,812.50	6,400.00	(4,412.50)
Contracted Pharmacist	0.00	0.00	0.00	3,165.78	0.00	(3,165.78)
Total Contracted Services	6,527.50	43,967.00	37,439.50	125,946.57	351,736.00	225,789.43
Total Compensation	426,116.27	501,407.00	75,290.73	3,712,952.76	4,347,687.00	634,734.24
Facility Expenses						
Depreciation-Facility	4,290.49	3,409.00	(881.49)	34,403.49	27,272.00	(7,131.49)
Janitorial	5,050.00	5,084.00	34.00	44,046.00	40,672.00	(3,374.00)
Rent	8,873.00	7,412.00	(1,461.00)	61,784.00	59,296.00	(2,488.00)
Repairs & Maint-Facility	1,379.50	7,084.00	5,704.50	11,920.54	56,672.00	44,751.46
Utilities	8,023.77	6,833.00	(1,190.77)	54,166.57	54,664.00	497.43
Real Estate Taxes	1,687.00	2,562.00	875.00	15,656.18	20,496.00	4,839.82
Total Facility Expenses	29,303.76	32,384.00	3,080.24	221,976.78	259,072.00	37,095.22
Other Expenses						
Advice Line	1,820.00	2,083.00	263.00	12,297.50	16,664.00	4,366.50
Audit Fees	0.00	0.00	0.00	0.00	27,000.00	27,000.00
Bad Debt	0.00	1,000.00	1,000.00	0.00	8,000.00	8,000.00
Bank Charges	918.49	833.00	(85.49)	5,530.48	6,664.00	1,133.52
Board Expense	1,380.00	1,250.00	(130.00)	9,510.00	10,000.00	490.00
Billing Services	1,644.67	583.00	(1,061.67)	11,261.34	4,664.00	(6,597.34)
Computer Supplies & Support	37,658.82	32,917.00	(4,741.82)	317,293.83	263,336.00	(53,957.83)
Consulting Fees	711.45	5,251.00	4,539.55	5,666.59	42,008.00	36,341.41
Consulting Fees - Accounting	17,248.00	13,750.00	(3,498.00)	151,643.25	110,000.00	(41,643.25)
Consulting Fees - Government Compliance	5,583.00	3,750.00	(1,833.00)	41,003.00	30,000.00	(11,003.00)
Consulting Fees - CFO	(916.00)	5,417.00	6,333.00	19,339.00	43,336.00	23,997.00
Continuing Education	490.87	2,334.00	1,843.13	17,888.64	18,672.00	783.36
Depreciation Expense	2,699.14	1,778.00	(921.14)	16,818.14	14,224.00	(2,594.14)
Donations/Contributions	24.15	342.00	317.85	2,712.87	2,736.00	23.13
Dues & Subscriptions	1,324.15	1,625.00	300.85	15,260.36	13,000.00	(2,260.36)
Employment Advertising	0.00	208.00	208.00	135.00	1,664.00	1,529.00
Equipment Lease	1,947.54	1,708.00	(239.54)	14,507.16	13,671.00	(836.16)
Fundraising Allocation	(1,038.47)	(1,107.00)	(68.53)	(7,513.76)	(8,856.00)	(1,342.24)
Infectious Waste Disposal	1,650.00	3,083.00	1,433.00	14,394.37	24,664.00	10,269.63
Insurance-General	5,825.69	4,583.00	(1,242.69)	32,672.96	36,664.00	3,991.04
Insurance-D&O	0.00	2,833.00	2,833.00	14,649.08	22,664.00	8,014.92
Insurance-Malpractice	879.00	834.00	(45.00)	7,032.00	6,672.00	(360.00)
Interest Expense	0.00	625.00	625.00	(14,982.70)	5,000.00	19,982.70
Lab Services	3,941.11	4,626.00	684.89	42,354.80	37,008.00	(5,346.80)
Legal Fees	0.00	83.00	83.00	0.00	664.00	664.00
Loan Fees	0.00	2.00	2.00	0.00	16.00	16.00

REDWOOD COAST MEDICAL SERVICES, INC.

Schedule of Expenses

From 2/1/2023 Through 2/28/2023

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>	<u>YTD Actual</u>	<u>YTD Budget</u>	<u>Variance</u>
Memberships & Publications	994.00	625.00	(369.00)	1,680.46	5,000.00	3,319.54
Minor Equipment	357.95	3,500.00	3,142.05	18,322.11	28,000.00	9,677.89
Outreach & Hlth Ed Matls Exp	6,152.35	0.00	(6,152.35)	20,755.07	0.00	(20,755.07)
Payroll Service Fees	2,855.94	1,042.00	(1,813.94)	16,281.38	8,336.00	(7,945.38)
Penalties & Late Fees	55.94	542.00	486.06	83.88	4,336.00	4,252.12
Postage & Shipping	600.58	1,167.00	566.42	7,576.75	9,336.00	1,759.25
Publicity/Advertising	700.00	2,083.00	1,383.00	12,551.09	16,664.00	4,112.91
Recruiting Expense	5,800.00	4,167.00	(1,633.00)	59,053.32	33,336.00	(25,717.32)
Provider Housing	2,709.90	7,500.00	4,790.10	19,094.40	60,000.00	40,905.60
Repairs & Maint-Equipment	2,289.32	2,500.00	210.68	19,135.69	20,000.00	864.31
Retirement Administration	695.00	0.00	(695.00)	695.00	0.00	(695.00)
Supplies-Office	3,305.27	6,767.00	3,461.73	43,040.47	54,136.00	11,095.53
Supplies-Clinical	30,588.52	30,297.00	(291.52)	220,512.44	242,361.00	21,848.56
Supplies-Vaccines	0.00	3,334.00	3,334.00	29,521.05	26,672.00	(2,849.05)
Supplies-Pharmaceutical	4,040.18	2,879.00	(1,161.18)	32,348.60	23,032.00	(9,316.60)
Supplies-340B Pharmaceutical	3,303.43	2,028.00	(1,275.43)	47,718.02	16,224.00	(31,494.02)
Taxes & Licenses	302.00	1,501.00	1,199.00	7,202.00	12,008.00	4,806.00
Telephone/Communication	8,386.80	9,167.00	780.20	73,950.48	73,336.00	(614.48)
Transcription Services	9,462.04	0.00	(9,462.04)	62,580.20	0.00	(62,580.20)
Travel & Conferences	1,761.57	2,084.00	322.43	33,760.78	16,672.00	(17,088.78)
X-Ray Expenses	4,404.51	4,584.00	179.49	34,935.51	36,672.00	1,736.49
Total Other Expenses	<u>172,556.91</u>	<u>176,158.00</u>	<u>3,601.09</u>	<u>1,490,272.61</u>	<u>1,436,256.00</u>	<u>(54,016.61)</u>
Total Operating Expenses	<u>627,976.94</u>	<u>709,949.00</u>	<u>81,972.06</u>	<u>5,425,202.15</u>	<u>6,043,015.00</u>	<u>617,812.85</u>
Total Operating Expenses After Allocation	<u>627,976.94</u>	<u>709,949.00</u>	<u>81,972.06</u>	<u>5,425,202.15</u>	<u>6,043,015.00</u>	<u>617,812.85</u>

REDWOOD COAST MEDICAL SERVICES, INC.

Statement of Cash Flows

As of 2/28/2023

	Current Period	Current Year
Operating Activities		
Change in Net Assets	(63,764.74)	148,299.16
Adjustments to Reconcile Change in Net Assets to Cash		
Depreciation and Amortization	6,989.63	51,221.63
(Increase)/Decrease in Accounts Receivable	176,672.19	(50,527.08)
(Increase)/Decrease in Grants Receivable	(52,441.00)	14,892.52
(Increase)/Decrease Medi-Cal Receivable - Current Year	0.00	0.00
(Increase)/Decrease in Prepaid Expenses	(12,624.33)	(49,828.87)
(Increase)/Decrease Other Assets	0.00	(4,671.78)
Increase/(Decrease) in Accounts Payable	13,495.45	25,825.98
Increase/(Decrease) in Accrued Expenses	16,219.56	(57,762.36)
Increase/(Decrease) in Deferred Revenue	0.00	0.00
Increase/(Decrease) in Medi-Cal Payable - Current Year	(86,546.00)	(166,693.00)
Increase/(Decrease) in Medi-Cal Payable - Prior Year	90,846.00	299,103.00
Increase/(Decrease) in Other Board Approved Liability	0.00	0.00
Total Adjustments to Reconcile Change in Net Assets to Cash	152,611.50	61,560.04
Total Operating Activities	88,846.76	209,859.20
Cash Flows from Investing Activities		
Building Improvements	(32,848.27)	(215,093.63)
Purchase of Equipment	0.00	(5,631.16)
Total Cash Flows from Investing Activities	(32,848.27)	(220,724.79)
Cash Flows from Financing Activities		
Increase/(Decrease) in Notes Payable	(3,866.75)	(30,934.00)
Total Cash Flows from Financing Activities	(3,866.75)	(30,934.00)
Prior Period Adj. to Net Assets	0.00	0.00
Net Increase(Decrease) in Cash	52,131.74	(41,799.59)
Cash at Beginning of Period	3,122,136.52	3,216,067.85
Cash at End of Period	3,174,268.26	3,174,268.26

Grants, Development, Outreach, and Risk/Compliance Report

March 2023 Activities

Grants/Funding

- HRSA Fiscal Year 2023 Early Childhood Development – in process – due April 18
- Population Health Management Initiative – grant awarded
- KidsVax new grant submitted
- Test to Treat – items are posted on social media and TV monitors
- CPCA Clinic Workforce Stabilization and Retention Program has been approved and payments are scheduled for March/April 2023 – 49 staff were eligible
- Looking at some other potential grants
- Attended meetings for Partnership and Kaiser grants

Marketing

- We are leveraging print media, social media, flyers, radio, TV monitors, and The Pulse
- We respond to all messages received via Facebook and website

Outreach and Enrollment

- Harm Wilkinson and Javier Chavez continue to assist our community members
- Community education is an ongoing activity

Surveys

Urgent Care surveys are sent weekly and compiled quarterly

Q1 CY23:	895 have been sent
Q4 CY22:	1,361 were sent – 175 surveys returned – 12.86% return rate
Q3 CY22:	1,088 were sent – 170 surveys returned – 15.63% return rate
Q2 CY22:	1,049 were sent – 120 surveys returned – 11.44% return rate
Q1 CY22:	1,014 were sent – 151 surveys returned – 14.89% return rate

Primary Care surveys are sent quarterly and compiled quarterly

Q4 CY22:	
Gualala:	1,268 were sent
Point Arena:	307 were sent
Q3 CY22:	
Gualala:	1,168 were sent – 137 surveys returned – 11.73% return rate
Point Arena:	312 were sent – 49 surveys returned – 15.71% return rate
Q2 CY22:	
Gualala:	1,187 were sent – 133 surveys returned – 11.20% return rate
Point Arena:	360 were sent – 54 surveys returned – 15.00% return rate
Q1 CY22:	
Gualala:	1,166 were sent – 171 surveys returned – 14.67% return rate
Point Arena:	380 were sent – 55 surveys returned – 14.47% return rate

Risk/Compliance

- Continuing to update PnPs as needed
- Attending meeting and trainings

Other

- Facility license renewals for Point Arena Dental and Point Arena Medical Center have been submitted
- Pharmacy license renewal has been submitted
- Attended the California Primary Care Association 2023 Quality and Technology conference
- Submitted all documents to Wipfli regarding our audit

Safety

March

- Cut back trees and removed fallen branches from Deer Trail rental property.
- Installed IP Speaker System for Emergency Codes broadcasts, which was funded by Medicus IT, since RingCentral system could not support it properly.
- Patterns of Voice-Data loss on RingCentral System appears to be resolved by deploying a VLAN for SIP (voice-only) network traffic
- Signed up for 3EOC to subscribe to safety data sheets, so we can deploy to users, by desktop icon.
- Met with Heidi Corrado to discuss Emergency preparedness for RCMS, and introduced her to Barbara Brittell, and Dave Crowley at CLSD.
- Started working with Barbara Brittell to divide Emergency Preparedness items, for her to manage the medical side of preparations, and I will focus on the non-medical portions. One of our first tasks is to replenish the County Emergency Trailer.

Board Training

Chapter 9: Sliding Fee Discount Program

Requirement of an FQHC that no patient shall be denied service based on inability to pay. Is also a part of our Mission Statement.

Chapter 9: Sliding Fee Discount Program

Note: This chapter contains revisions based on a technical correction. [View the revisions.](#)

Authority

Section 330(k)(3)(G) of the PHS Act; 42 CFR 51c.303(f), 42 CFR 51c.303(g), 42 CFR 51c.303(u), 42 CFR 56.303(f), 42 CFR 56.303(g), and 42 CFR 56.303(u)

Requirements

- The health center must operate in a manner such that no patient shall be denied service due to an individual's inability to pay.¹
- The health center must prepare a schedule of fees or payments for the provision of its services consistent with locally prevailing rates or charges and designed to cover its reasonable costs of operation and must prepare a corresponding schedule of discounts [sliding fee discount schedule (SFDS)] to be applied to the payment of such fees or payments, by which discounts are adjusted on the basis of the patient's ability to pay.
- The health center must establish systems for [sliding fee] eligibility determination.
- The health center's schedule of discounts must provide for:
 - A full discount to individuals and families with annual incomes at or below those set forth in the most recent [Federal Poverty Guidelines \(FPG\)](#) [100 percent of the FPG], except that nominal charges for service may be collected from such individuals and families where imposition of such fees is consistent with project goals; and
 - No discount to individuals and families with annual incomes greater than twice those set forth in such Guidelines [200 percent of the FPG].

Demonstrating Compliance

A health center would demonstrate compliance with these requirements by fulfilling all of the following:

¹ See Chapter 16: [Billing and Collections](#) for more information on waiving or reducing charges due to a patient's inability to pay.

- a. The health center has a sliding fee discount program² that applies to all [required](#) and [additional health services](#)³ within the HRSA-approved [scope of project](#) for which there are distinct fees.⁴
- b. The health center has board-approved policy(ies) for its sliding fee discount program that apply uniformly to all patients and address the following areas:
 - Definitions of income⁵ and family;
 - Assessment of all patients for sliding fee discount eligibility based only on income and family size, including methods for making such assessments;
 - The manner in which the health center's sliding fee discount schedule(s) (SFDS(s)) will be structured in order to ensure that patient charges are adjusted based on ability to pay; and
 - *Only applicable to health centers that choose to have a nominal charge for patients at or below 100 percent of the FPG:* The setting of a flat nominal charge(s) at a level that would be nominal from the perspective of the patient (for example, based on input from patient board members, patient surveys, advisory committees, or a review of co-pay amount(s) associated with Medicare and Medicaid for patients with comparable incomes) and would not reflect the actual cost of the service being provided.⁶
- c. For services provided directly by the health center ([Form 5A: Services Provided](#), Column I), the health center's SFDS(s) is structured consistent with its policy and provides discounts as follows:
 - A full discount is provided for individuals and families with annual incomes at or below 100 percent of the current FPG, unless a health center elects to have a nominal charge, which would be less than the fee paid by a patient in the first sliding fee discount pay class above 100 percent of the FPG.
 - Partial discounts are provided for individuals and families with incomes above 100 percent of the current FPG and at or below 200 percent of the current FPG, and

² A health center's sliding fee discount program consists of the schedule of discounts that is applied to the fee schedule and adjusts fees based on the patient's ability to pay. A health center's sliding fee discount program also includes the related policies and procedures for determining sliding fee eligibility and applying sliding fee discounts.

³ See Chapter 4: [Required and Additional Health Services](#) for more information on requirements for services within the scope of the project.

⁴ A distinct fee is a fee for a specific service or set of services, which is typically billed for separately within the local health care market.

⁵ Income is defined as earnings over a given period of time used to support an individual/household unit based on a set of criteria of inclusions and exclusions. Income is distinguished from assets, as assets are a fixed economic resource while income is comprised of earnings.

⁶ Nominal charges are not "minimum fees," "minimum charges," or "co-pays."

- those discounts adjust based on gradations in income levels and include at least three discount pay classes.⁷
- No discounts are provided to individuals and families with annual incomes above 200 percent of the current FPG.⁸
- d. For health centers that choose to have more than one SFDS, these SFDSs would be based on services (for example, having separate SFDSs for broad service types, such as medical and dental, or distinct subcategories of service types, such as preventive dental and additional dental services) and/or on service delivery methods (for example, having separate SFDSs for services provided directly by the health center and for in-scope services provided via formal written [contract](#)) and no other factors.
 - e. The health center's SFDS(s) has incorporated the most recent FPG.
 - f. The health center has operating procedures for assessing/re-assessing all patients for income and family size consistent with board-approved sliding fee discount program policies.
 - g. The health center has records of assessing/re-assessing patient income and family size except in situations where a patient has declined or refused to provide such information.
 - h. The health center has mechanisms for informing patients of the availability of sliding fee discounts (for example, distributing materials in language(s) and literacy levels appropriate for the patient population, including information in the intake process, publishing information on the health center's website).
 - i. For in-scope services provided via contracts (Form 5A: Services Provided, Column II, Formal Written Contract/Agreement), the health center ensures that fees for such services are discounted as follows:
 - A full discount is provided for individuals and families with annual incomes at or below 100 percent of the current FPG, unless a health center elects to have a nominal charge, which would be less than the fee paid by a patient in the first sliding fee discount pay class above 100 percent of the FPG.
 - Partial discounts are provided for individuals and families with incomes above 100 percent of the current FPG and at or below 200 percent of the current FPG, and those discounts adjust based on gradations in income levels and include at least three discount pay classes.

⁷ For example, a SFDS with discount pay classes of 101 percent to 125 percent of the FPG, 126 percent to 150 percent of the FPG, 151 percent to 175 percent of the FPG, 176 percent to 200 percent of the FPG, and over 200 percent of the FPG would have four discount pay classes between 101 percent and 200 percent of the FPG.

⁸ See Chapter 16: [Billing and Collections](#), if the health center has access to other grants or subsidies that support patient care.

Health Center Program Compliance Manual

- No discounts are provided to individuals and families with annual incomes above 200 percent of the current FPG.
- j. For services provided via formal referral arrangements (Form 5A: Services Provided, Column III), the health center ensures that fees for such services are either discounted as described in element “c.” above or discounted in a manner such that:
 - Individuals and families with incomes above 100 percent of the current FPG and at or below 200 percent of the FPG receive an equal or greater discount for these services than if the health center’s SFDS were applied to the referral provider’s fee schedule; and
 - Individuals and families at or below 100 percent of the FPG receive a full discount or a nominal charge for these services.
- k. Health center patients who are eligible for sliding fee discounts and have third-party coverage are charged no more for any out-of-pocket costs than they would have paid under the applicable SFDS discount pay class.⁹ Such discounts are subject to potential legal and contractual restrictions.¹⁰
- l. The health center evaluates, at least once every three years, its sliding fee discount program. At a minimum, the health center:
 - Collects utilization data that allows it to assess the rate at which patients within each of its discount pay classes, as well as those at or below 100 percent of the FPG, are accessing health center services;
 - Utilizes this and, if applicable, other data (for example, results of patient satisfaction surveys or focus groups, surveys of patients at various income levels) to evaluate the effectiveness of its sliding fee discount program in reducing financial barriers to care; and
 - Identifies and implements changes as needed.

Related Considerations

The following points describe areas where health centers have discretion with respect to decision-making or that may be useful for health centers to consider when implementing these requirements:

⁹ For example, an insured patient receives a health center service for which the health center has established a fee of \$80, per its fee schedule. Based on the patient’s insurance plan, the co-pay would be \$60 for this service. The health center also has determined, through an assessment of income and family size, that the patient’s income is 150 percent of the FPG and thus qualifies for the health center’s SFDS. Under the SFDS, a patient with an income at 150 percent of the FPG would receive a 50 percent discount of the \$80 fee, resulting in a charge of \$40 for this service. Rather than the \$60 co-pay, the health center would charge the patient no more than \$40 out-of-pocket, consistent with its SFDS, as long as this is not precluded or prohibited by the applicable insurance contract.

¹⁰ Such limitations may be specified by applicable Federal or state programs, or private payor contracts.

Health Center Program Compliance Manual

- The health center determines whether to establish a nominal charge for individuals and families at or below 100 percent of the FPG.
- The health center determines how to document income and family size in health center records.
- The health center determines whether to take into consideration the characteristics of its patient population when developing definitions for income and family size and procedures for assessing patient eligibility for SFDS. For example, the health center may consider the availability of income documentation for [individuals experiencing homelessness](#), build in cost of living considerations when calculating income, permit self-declaration of income and family size.
- The health center determines how and with what frequency to re-assess patient eligibility for the SFDS.
- The health center determines whether to identify individuals who refuse to provide information on income and family size as ineligible for SFDS.
- The health center determines how to make patients aware of sliding fee discounts (for example, signage, registration process).
- The health center determines:
 - Whether to establish more than three discount pay classes above 100 percent of the FPG and up to and including 200 percent of the FPG;
 - What income range to establish for each discount pay class above 100 percent of the FPG and up to and including 200 percent of the FPG;
 - What method to use for discounting fees above 100 percent of the FPG and up to and including 200 percent of the FPG (for example, percentage of fee, fixed/flat fee per discount pay class); and
 - Whether to establish multiple SFDSs (for example, separate SFDSs for medical services and dental services) including, if appropriate, different nominal charges for each SFDS.