

HEALTH BOARD Meeting

**October 13, 2016
Wayne County Health Department**

Multipurpose Room

PRESENT: John Lebo, Chairperson
Jeff Butler, Vice-Chairperson
Jon Igelman MD
Richard Siebert, DVM
Elizabeth Bennett
Pat Ravinet, B.S.
David Keller, MD, Secretary of the Health Board
Eric Coulter, MBA, Ed.D, Executive Director
Julie Floyd, Secretary

ABSENT: Dr. Paul Rider

GUESTS: Ellen Smith CPA, Kim Flanigan COO, Dan Gaafar CPA, Porter Miller President of the Governing Board, and Chris Beeson, Liaison

ROLL CALL

DETERMINATION OF QUORUM

John Lebo called the meeting to order and it was determined that there was a quorum and asked for a motion to accept the minutes from September 15, 2016 which were mailed to Board members. Jon Igelman made the motion and it was seconded by Jeff Butler. The motion passed unanimously.

COMMUNICATIONS:

Each member received a copy of the Agenda.

OLD BUSINESS:

NEW BUSINESS:

Dr. Coulter introduced himself, each guest and member introduced themselves.

Congratulation was given to Jon and Suzette Igelman on their 60th Wedding Anniversary.

Dr. Coulter spoke to the group on the amount of savings to the county because of the Federal Health Center program is close to one million dollars.

Dr. Coulter introduced Ellen Smith, CFO of Wayne County Health Center; Ellen has over twenty years of experience in the accounting and audit field. Ellen has done a great job for the Community Health Center. The Health Center has grown so much that we are in need of a CFO to be on site.

Dr. Coulter introduced Dan Gaafar, CPA; Dan is an experienced Healthcare consultant. Dan is the Chair of a Governing Board at Raphael Health Center in Indianapolis.

Mr. Gaafar gave a brief history of the FQHC and explained Section 330. Health centers are considered outpatient facilities with Medicaid and Medicare and viewed as inpatient reimbursement. FQHC allows financial advantage of the grants available. Medicare pays at a Prospective Payment System, PPS rate. Medicaid is a cost based reimbursement. The Health Center will need expenses and encounters to be in line to establish a high enough level for the PPS rate. The first full fiscal year is used to establish the PPS rate, 2016 will be used to establish the base rate, and this rate will be used on a continued basis. If the final PPS rate is set at \$175 an encounter for Medicaid, if the final rate is lower than \$175 it will retro-active to when the organization was first certified in August of 2015. If the rate falls to \$150 the Health Center would pay back to the state \$25 per encounter. The pay back is taken from future payments not writing a check to the state. The rate is based on productivity, cost divided by provider visits.

HRSA's grants require accounting of how grant money is spent for all funds. HRSA views this as their funds and an annual audit must be completed, the feds will test for cash management, how the grant is spent, kept, and managed and easily tracked.

Pat Ravinet asked "Is the 100% the initial grant only"?

Dan explained whenever HRSA gives you money a Notice of Award (NoA) is received. The budget information is listed on the award, adding all monies given and expenditures of the HRSA grant. Our grant has \$6.3 million in expenditures \$1.7 million in HRSA funds, this ends May 31, 2017 and the new budget begins June 1, 2017 and runs through May 31, 2018. The 100% is viewed as the \$6.3 million not the \$1.7 million. The \$6.3 million is Health Center money and is the budget to live within. Each year one million will be given to the Health Center.

Pat also asked, "Does that include Patient pay"? Both Ellen and Dan answered yes it does. Ellen explained the original New Access Point was put together with the thought of what the Health Centers budget would be, this would include patient revenue and grants, and HRSA will hold us to that budget. Dan Gaafar reported that HRSA requires various reporting measure to verify the money given matches expenses used.

Health Fund balance is \$1.6 million, one million to the Health Center and \$600,000 to Public Health. Indirect cost of \$220,000 and rent are not part of the million. Rent for the Health Center is figured on 9300 square feet at \$12.50 per square foot equaling \$116,000. Porter Miller, a local realtor commented prime commercial rate in Richmond is \$12.50 a square foot and does not exceed that amount.

Dan Gaafar explained the logic behind who pays for the HVAC, should it include rent? The Health Center Fund is funding over a 10 year period adding \$4.00 per square foot onto rent. Additional rent of \$37,000 a year onto the \$116,000 plus \$220,000 of indirect cost a year the Health Center is paying back to the county \$373,000.

Dr. Coulter stated Public Health cost is approximately \$900,000 under written by \$300,000 in revenues and fees, basically giving the County the first year of Public Health, if we give then the \$600,000. The County must pay for Public Health. Dan Gaafar noted the County is saving money not funding Health Clinic for 2016 plus getting \$373,000 back.

Elizabeth Bennett asked if a contract would be between the Health Center and the County. Dan Gaafar recommends a contract, and Ellen explained why it is important.

Ellen Smith commented while operating as a Rural Health Center all was funded under one big fund, becoming an FQHC it is required to separate the funds for the Health Center and Public Health and have a starting point to track what is coming in and going out. We will then be able to track the funds separately. HRSA is stringent on co-mingling of funds from the County. Porter Miller commented at the site visit HRSA was emphatic the funds cannot be co-mingled, and must be in two separate accounts. Dan commented if HRSA is not happy they could take funds away.

Dan and Ellen explained the encounter rates and how the process works to get the PPS rate.

Jon Igelman made a Motion to give Dr. Coulter the support on contracts to begin spending. We will begin working contractually with Ellen Smith CFO, BethAnn Perkins Consulting; Dr. Deitsch, the attorneys, an audit, and cost report for 2016, many will receive a 30% retainer. Jeff Butler seconded the Motion. Motion passed unanimously.

County gave all RN's a \$2.00 raise along with 3% in 2017. The wages are getting more competitive and closer to the average rate.

Syringe Exchange Program was discussed, and will continue to update statistics each month.

A bookkeeper is still needed, and will continue to look for someone to fill the position.

Next board meeting will be November 17, 2016 at 12:00 (noon).

Jeff Butler made a motion to adjourn, Pat Ravinet seconded the motion. The motion passed unanimously.

John Lebo, Chairperson

October 13, 2016