

2021 Budget



Ferry County Health

Disclaimer

- Estimates were input by the managers and reviewed by Mena and myself and adjusted accordingly.
- All numbers are estimates based on historical information and could vary depending on the current circumstances.



Ferry County Health

Operating Revenue Spotlight

- Swing Bed Revenue Increase by \$150k
- Potential for Wound Care in Acute
- Clinic Revenue -\$300k decrease from 2019 actual due to COVID-19
- Pulse Cardiology start
- 340B Expected Net Revenue of \$530K
- Klondike Hills projected loss of **(\$240k)**
- All other revenues held constant with an approx. 4% increase (chargemaster)



Ferry County Health

Charge Master Increase

<i>Payer</i>	<i>% of Revenue</i>	<i>Charge Increase Sensitivity %</i>	<i>TOTAL</i>
Medicare and Medicare Advantage	49.3%	0%	0.0%
Medicaid and MCO	21.7%	0%	0.0%
Other Government (Veterans, IHS)	2.6%	0%	0.0%
Blue Cross/ Blue Shield	10.0%	72%	7.2%
Commercial	9.4%	84%	7.9%
Self Pay	3.8%	70%	2.7%
TOTAL ANTICIPATED CHANGE		Net Revenue Per \$1 charge increase	17.8%

Anticipated Increase in Charges	\$	734,958
Anticipated Contractual Allowances	\$	604,459
ChargeMaster Increase		4%
Anticipated Net Revenue Increase	\$	130,499



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Non-Operating Revenue

- Tax Revenues expected at:
 - \$.55 per \$1000 of assessed value = \$260K
- 2020 WHRAP Payments approx. \$144k which will be down to approx. \$60k in 2021
- Grant Revenue = \$30K



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Wage Changes 2020 and 2021

- Minimum Wage Increase
 - 2019- \$12.00 an hour
 - 2020- \$13.50 an hour
 - 2021- \$13.69 an hour
- Wage Highlights
 - Negotiation of the Nursing Contract
 - 2020 Increase across the board
 - Cost to Facility \$137,000
 - 2% COLA for remaining employees (excludes contract employees)
 - Cost to Facility \$39,000



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2020 Wage Increases

Greater Than	Less Than or Equal To	% Increase
\$12	\$13	12%
\$13	\$14	9%
\$14	\$15	8%
\$15	\$16	7%
\$16	\$17	6%
\$17	\$18	5%
\$18	\$19	4%
\$19	\$20	3%
\$20		2%



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Employee Medical Insurance

- A 9.84% increase to employer from last year, approx \$150k. See below total run YTD...

Ferry County Public Health District #1 - Total

Optiflex Medical Plan Experience

Administered by Premera Blue Cross

January 1, 2020 through December 31, 2020

	Stop Loss Level
Current Year	\$60k
Prior Year	\$55k

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	YTD
Fixed Fee Co													
Total Plan Costs	\$134,814	\$96,213	\$163,628	\$70,752	\$125,396	\$122,484	\$148,013	\$73,122	\$51,588				\$986,009
Gain/Loss	-\$43,453	-\$5,672	-\$72,587	\$19,353	-\$38,455	-\$34,108	-\$60,458	\$13,613	\$35,968				-\$185,800
Loss Ratio	147.6%	106.3%	179.7%	78.5%	144.2%	138.6%	169.1%	84.3%	58.9%				123.2%



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Employee Wellness (in the works)



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Capital Purchases

Department	Project Description	Estimated Cost
Laundry	New Gas Dryer	\$ 5,000.00
Lab	Genesis Plasmatherm	\$ 7,995.00
Lab	Hemogron Signature Elite	\$ 8,500.00
Nursing	Patient Beds (2)	\$ 20,000.00
Nursing	Call Light System	
Nursing	PCA Pump	\$ 10,000.00
Nursing	Portable Cardiac Monitor (2) for ED and Acute	\$ 50,000.00
Nursing	IV Pumps (2)	\$ 16,000.00
Nursing	Automatic CPR for ED	\$ 7,000.00



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Capital Purchases

Nursing	ED Upgrade	\$ 15,000.00
Nursing	Panda Warmer	\$ 22,000.00
Nursing	Wound Care/OP Chair	\$ 10,000.00
Plant	O2 System Replacement	\$ 200,000.00
Plant	Asphalt Seal Clinic and Alf	\$ 15,000.00
Plant	Shop Truck Replacement	\$ 20,000.00
Plant	Replace Kitchen Floor	\$ 25,000.00
Plant	Replace Ext. Doors and Jambs	\$ 25,000.00
Admin	HUB Beautification	\$ 25,000.00
IT	Server Upgrade	\$ 7,500.00
	Total	\$ 488,995.00



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Current Debt Load

- 2019 - \$4,026,653
- 2020 (YTD) - \$3,844,011

Total Debt Paid in 2020 = **\$182,642 (YTD)**

- Debt to Capitalization
 - 29% (Benchmark 31.29% UNC)



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Republic Drug Store

- Close date of January 1st
- Adding additional .5 FTE pharmacists in 2021 to help with staffing
- Other half of 340B will be ours (approx \$500k, built into Net Revenue)
- Estimated Net Revenue of \$250k in 2021



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Other 2021 Costs

- Likely \$120K 2020 Medicare cost report adjustment payable (no good deed goes unpunished and will most likely increase in the last couple of months of the year)
- Possible \$216K payable for a Noridian error on the 2017 desk review



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COVID UNCERTAINTY

- PPP- \$1.28 Million (should be able to keep most of the funds)
- CARES- \$3.8 million (currently need to pay back)
- Accelerated Payment- \$2.0 million (all goes back)



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Questions and Comments?

