University Medical Center of Southern Nevada
Governing Board Audit and Finance Committee Meeting
SPECIAL BUDGET MEETING
March 30, 2017

UMC ProVidence Suite
Trauma Building, 5th Floor
800 Hope Place
Las Vegas, Clark County, Nevada
Thursday March 30, 2017
2:00 p.m.

The University Medical Center Governing Board Audit and Finance Committee met in the Providence Suite, UMC Trauma Building, 5th Floor, Las Vegas, Clark County, Nevada, on Thursday March 30, 2017, at the hour of 2:00 p.m. The meeting was called to order at the hour of 2:06 p.m. by Chair, Harry Hagerty and the following members were present, which constituted a quorum of the members thereof.

CALL TO ORDER

Board Members:

Present:
Harry Hagerty – Chair
Eileen Raney
Robyn Caspersen
Jeff Ellis
Laura Lopez-Hobbs
Dr. Donald Mackay – Via Phone

Absent

Others Present:
Mason VanHouweling, Chief Executive Officer
Tony Marinello, Chief Operating Officer
Susan Pitz, General Counsel
Jennifer Wakem, Chief Financial Officer
Hillary McElroy, Controller
Brent Hilton, Assistant Controller
Kelly Swanson, Budget Manager
Terra Lovelin, Board Secretary

SECTION 1. OPENING CEREMONIES

ITEM NO. 1 PUBLIC COMMENT

Committee Chair Harry Hagerty asked if there were any persons present in the audience wishing to be heard on any item on this agenda.

Speaker(s): None

ITEM NO. 2 Approval of Agenda *(For possible action)*

FINAL ACTION: A motion was made by Member Raney that the agenda be approved as recommended. Motion carried by unanimous vote.

SECTION 2. BUSINESS ITEMS

ITEM NO. 3 Receive and review the FY 2018 tentative budget as submitted to Clark County for consideration and discussion of changes prior to final budget; and direct staff accordingly. *(For possible action)*

DOCUMENTS SUBMITTED:
- FY 2018 Budget Summary

DISCUSSION: Jennifer Wakem, CFO presented the budget to the committee. Net revenue is expected to drop $3.6 million and expenses are up $ 27.3 million. We are expecting a $10.9 million dollar increase in new patient revenue.

Mr. VanHouweling added that the hospital is at capacity and our case mix index is going up, we are seeing much sicker patients now. We don't have enough ICU beds and other higher need beds. He is concerned we do not have enough capacity to build enough volume.

Member Raney commented that we do not do discharge planning and Mr. Marinello added that the team is working on this. There are additional Case Manager and Social Worker positions that have been approved to expedite the discharges.

Member Lopez asked about the budget number and if the number was what the County was looking for, or if it was ours.

Mr. VanHouweling replied that the County is concerned with how much money they will need to reserve for the hospital.

Chair Hagerty commented that he would expect to see a larger, more detailed budget for an organization our size.

Kelly Swanson, Budget Manager explained to the Committee the process that the Finance Department goes through to get the numbers that are presented today.

Chair Hagerty said it was hard to accept these numbers without seeing more details.

Member Raney would like to see the five things UMC is going to do to improve throughput.

A discussion ensued about ED admissions and the renovation.

Mr. VanHouweling discussed how yield could be increased through the payor mix. There are also opportunities in clinical documentation and length of stay (LOS). We need to make sure we are entering the right coding and documentation to get paid for the services that are performed by the Doctors.

The committee requested that the final budget number should go to the Governing Board in April.

Member Caspersen inquired about the process of anticipating what expenses will go up and down and Hillary McElroy, Controller replied with some examples.

FINAL ACTION TAKEN: The committee would like staff to bring to the next Audit and Finance Committee meeting, a new, more detailed budget.

COMMENTS BY THE GENERAL PUBLIC:

At this time, Chair Hagerty asked if there were any persons present in the audience wishing to be heard on any items not listed on the posted agenda.

SPEAKERS(S): None

There being no further business to come before the Committee at this time, at the hour of 3:30 p.m., Chair Hagerty adjourned the meeting.

MINUTES APPROVED: April 13, 2017
Minutes Prepared by: Terra Lovelin