

WESTCHESTER COUNTY HEALTH CARE CORPORATION

FINANCE COMMITTEE MEETING

November 6, 2019

5:15 P.M.

BOARD ANNEX ROOM

EXECUTIVE OFFICES

COMMITTEE MEMBERS PRESENT: Mr. Shroff
Mr. Hochberg
Mr. Tulis
Mr. Heimerdinger
Mr. Wishnie
Mr. Quintero
Mr. McCoy
Mr. Geist
Mr. Israel

COMMITTEE MEMBERS EXCUSED: Mr. Rosenblut

BOARD MEMBERS PRESENT: Ms. Gevertz
Dr. Frishman
Dr. Adamson
Dr. Garrick

STAFF PRESENT: Ms. Switzer
Mr. Brudnicki
Mr. Fersko
Ms. Ariel
Mr. Ingber
Mr. Palovick
Mr. Ratner
Mr. Ross
Dr. Chasin
Mr. Morgan
Dr. Leahy
Ms. Fernandez

The November 6, 2019 meeting of the Westchester County Health Care Corporation Finance Committee was called to order at 5:15 p.m. by Mr. Shroff, Chair. A quorum was present.

Minutes of October 2, 2019 Finance Committee Meeting

MR. SHROFF ASKED FOR A MOTION TO APPROVE THE OCTOBER 2, 2019 WESTCHESTER COUNTY HEALTH CARE CORPORATION FINANCE COMMITTEE MEETING MINUTES. MR. TULIS MOTIONED, SECONDED BY MR. HEIMERDINGER. THE MOTION CARRIED UNANIMOUSLY.

September 30, 2019 Financial Statements

Mr. Ingber reviewed for the Committee the Financial Statements for the period ended September 30, 2019. He stated that total cash, cash equivalents, and investments at September 30, 2019 were down slightly from December 31, 2018. He stated that other current assets decreased at the end of September 2019, compared to December 2018, due to Disproportionate Share payments received. Mr. Ingber advised that capital assets increased from December 2018 due to capital spending associated with the Ambulatory Care Pavilion (“ACP”), the Cerner project and routine capital spending. He advised that under liabilities, the current portion of other long term liabilities increased due an increase in activities with the Philips, the Cerner EMR project and deferred revenue associated with the DSRIP program. He stated that New York State pays the DSRIP program in advance of the DSRIP program making payments to its DSRIP partners, including WMC.

Mr. Ingber advised that WMC’s net loss for the period ended September 30, 2019 was essentially the same when compared to the same period in 2018. He stated that patient service revenue increased primarily due to volume, rates and changes in payor mix. Mr. Ingber advised that salaries, benefits and labor costs reflect new physicians hired in 2019, as well the impact of new physicians hired in the second half of 2018. He stated that supplies and other expenses increased due to several hemophiliac patients requiring a costly blood product, and other patient care related costs such as pharmaceuticals. Mr. Ingber advised the Committee that expenses increased at a rate greater than revenue; however, that was mitigated by the investment income and gains.

A discussion ensued.

Mr. Ingber advised the Committee that the Valhalla census and discharges were slightly ahead of 2018. He stated that the patient census at MHRH was slightly down compared to the same period in 2018.

Mr. Morgan advised the Committee that WMC currently has a \$35.0 million Line of Credit (“LOC”) with TD Bank, which has a one-year term and renews annually. He stated that TD Bank has offered and approved an increase in the LOC to \$70.0 million, with an annual fee of 10 basis points. Mr. Morgan advised that WMC believes the increased LOC is prudent, given the uncertainty of cash sources such as Medicaid DSH. He presented a resolution to the Committee increasing the current TD Bank LOC from \$35.0 million to \$70.0 million.

A discussion ensued.

MR. SHROFF ASKED FOR A MOTION TO RECOMMEND APPROVAL OF THE TD BANK RESOLUTION TO THE BOARD AUTHORIZING THE CORPORATION TO INCREASE THE LINE OF CREDIT BY \$35.0 MILLION TO \$70.0 MILLION. MR. TULIS MOTIONED, SECONDED BY MR. HOCHBERG. THE MOTION CARRIED UNANIMOUSLY.

Executive Session

MR. SHROFF ASKED FOR A MOTION TO MOVE INTO EXECUTIVE SESSION FOR THE PURPOSE OF DISCUSSING FINANCIAL STRATEGIC PLANNING. MR. WISHNIE MOTIONED, SECONDED BY MR. HEIMERDINGER. THE MOTION CARRIED UNANIMOUSLY.

A MOTION WAS MADE BY MR. HEIMERDINGER, SECONDED BY MR. TULIS, TO MOVE OUT OF EXECUTIVE SESSION. THE MOTION CARRIED UNANIMOUSLY.

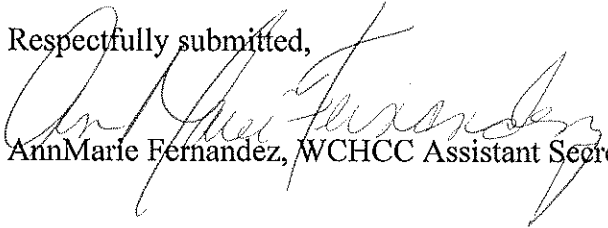
2020 Budget

MR. SHROFF ASKED FOR A MOTION TO RECOMMEND APPROVAL OF THE 2020 STRATEGIC OPERATING PLAN TO THE BOARD. MR. TULIS MOTIONED, SECONDED BY MR. HOCHBERG. THE MOTION CARRIED UNANIMOUSLY.

Adjournment

THE MEETING OF THE WESTCHESTER COUNTY HEALTH CARE CORPORATION FINANCE COMMITTEE ADJOURNED AT 6:30 P.M.

Respectfully submitted,


AnnMarie Fernandez, WCHCC Assistant Secretary