

# Center for Hospice Care

choices to make the most of life

**Finance Committee**  
**February 12, 2021**  
**7:30 AM**

## **FINANCE COMMITTEE MEETING**

~~Mishawaka Campus~~  
~~501 Comfort Place Mishawaka, IN 46545~~  
February 12, 2021 7:30 AM

**NOTE: This meeting will not be held in person; it will be held via Zoom**

### ***AGENDA***

Welcome

Review and approval of 11/13/20 Finance Committee meeting minutes (action)

Review and approval of 12/31/20 financial statements (action)

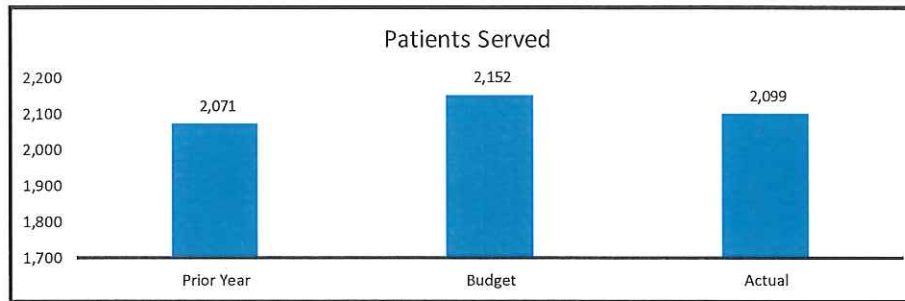
HHS Stimulus Funds Update (information)

CMS Audit Update (information)

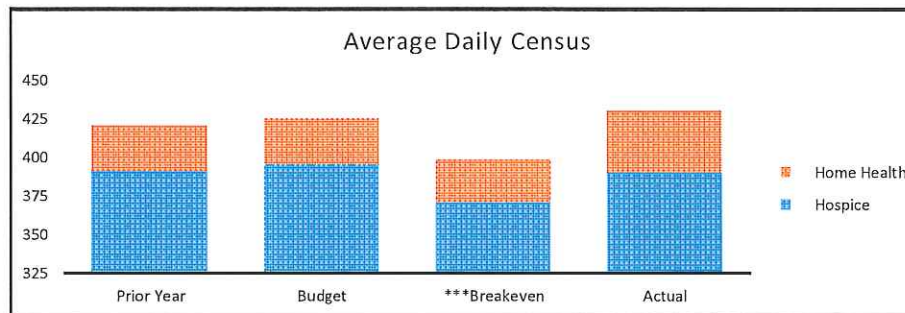
Center for Hospice Care  
December 31, 2020

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	Prior Year	Budget	Actual
Patients Served	2,071	2,152	2,099



Average Daily Census	Prior Year	Budget	***Breakeven	Actual
Hospice	390.71	395.50	370.80	389.66
Home Health	29.72	29.50	27.66	40.84
Total Average Daily Census	420.43	425.00	398.46	430.50



**Center for Hospice Care**  
**Patients Served As Of December 31, 2020**

	HMB	MHB	PHB	SHB	Total Hospice	HHM	MCD	PVT	SHH	Total Home Health	Agency Grand Total
Prior Year Carryover	345	9	27	10	391	24	1	5	2	32	423
Original Admissions	<u>1,287</u>	<u>21</u>	<u>158</u>	<u>34</u>	<u>1,500</u>	<u>132</u>	<u>0</u>	<u>31</u>	<u>13</u>	<u>176</u>	<u>1,676</u>
Unduplicated Census	<u>1,632</u>	<u>30</u>	<u>185</u>	<u>44</u>	<u>1,891</u>	<u>156</u>	<u>1</u>	<u>36</u>	<u>15</u>	<u>208</u>	<u>2,099</u>
Changes in F/C (Duplicated)	<u>154</u>	<u>12</u>	<u>35</u>	<u>9</u>	<u>210</u>	<u>23</u>	<u>0</u>	<u>7</u>	<u>4</u>	<u>34</u>	<u>244</u>
Duplicated Census	1,786	42	220	53	2,101	179	1	43	19	242	2,343
Percentage of Patients Served	77.75%	1.43%	8.81%	2.10%	90.09%	7.43%	0.05%	1.72%	0.71%	9.91%	100.00%

	12/31/19		12/31/20	
Hospice	1,916	92.52%	1,882	89.66%
Home Health	91	4.39%	116	5.53%
Both	64	3.09%	101	4.81%
Total Patients Served	2,071	100.00%	2,099	100.00%

**Increase in Patients Served** 28 1.35%

**Center for Hospice Care**  
**Patients Served As Of December 31, 2019**

	HMB	MHB	PHB	SHB	Total Hospice	HHM	MCD	PVT	SC	Total Home Health	Agency Grand Total
Prior Year Carryover	315	1	20	8	344	19	0	3	4	26	370
Original Admissions	<u>1,319</u>	<u>26</u>	<u>192</u>	<u>38</u>	<u>1,575</u>	<u>80</u>	<u>4</u>	<u>40</u>	<u>2</u>	<u>126</u>	<u>1,701</u>
Unduplicated Census	<u>1,634</u>	<u>27</u>	<u>212</u>	<u>46</u>	<u>1,919</u>	<u>99</u>	<u>4</u>	<u>43</u>	<u>6</u>	<u>152</u>	<u>2,071</u>
Changes in F/C (Duplicated)	<u>116</u>	<u>12</u>	<u>37</u>	<u>9</u>	<u>174</u>	<u>7</u>	<u>0</u>	<u>2</u>	<u>2</u>	<u>11</u>	<u>185</u>
Duplicated Census	1,750	39	249	55	2,093	106	4	45	8	163	2,256
Percentage of Patients Served	78.90%	1.30%	10.24%	2.22%	92.66%	4.78%	0.19%	2.08%	0.29%	7.34%	100.00%

	12/31/18		12/31/19	
Hospice	1,930	94.38%	1,916	92.52%
Home Health	59	2.89%	91	4.39%
Both	56	2.74%	64	3.09%
Total Patients Served	2,045	100.00%	2,071	100.00%

**Increase in Patients Served** 26 1.27%

**Patient Referrals**  
**Year to Date December 2020**

Referral Summary								
	Percentage	Facility	Fam/Self	Hsptl	MHO	Phy	Other	Total
Admitted	75.12%	129	466	737	15	329	51	1,727
Pending	1.13%	1	11	9	0	5	0	26
Not Admitted	23.75%	32	149	282	7	65	11	546
Totals	100.00%	162	626	1,028	22	399	62	2,299
Admission Percentage		79.63%	74.44%	71.69%	68.18%	82.46%	82.26%	75.12%
Percentage of Referrals		7.05%	27.23%	44.72%	0.96%	17.36%	2.70%	100.00%

**Patient Referrals**  
**Year to Date December 2019**

Referral Summary								
	Percentage	Facility	Fam/Self	Hsptl	MHO	Phy	Other	Total
Admitted	71.86%	135	430	758	26	293	59	1,701
Pending	0.97%	2	11	5	1	2	2	23
Not Admitted	27.17%	39	184	325	5	72	18	643
Totals	100.00%	176	625	1,088	32	367	79	2,367
Admission Percentage		76.70%	68.80%	69.67%	81.25%	79.84%	74.68%	71.86%
Percentage of Referrals		7.44%	26.40%	45.97%	1.35%	15.50%	3.34%	100.00%

**Center for Hospice Care**  
**IPU Census Summary**  
**December 31, 2020**

	Year to Date	Prior Year to Date	YTD Change	Pct Change
SB IPU Pts Served	332	361	(29)	-8.03%
SB IPU ALOS	4.62	5.19	(0.57)	-10.98%
SB IPU Occupancy***	49.53%	73.31%	-23.78%	-32.44%
Elk IPU Pts Served	249	276	(27)	-9.78%
Elk IPU ALOS	6.20	5.39	0.81	15.03%
Elk IPU Occupancy	60.39%	58.24%	2.15%	3.69%

\*\*\*01/01 to 09/30 = 7 Beds; 10/01 - 12/31 = 12 Beds

Through December 31		2020 Rate	2020 Days	2019 Days	Difference	Difference
SBN IPU Routine 60	\$	194.80	22	57	(35)	\$ (6,818.00)
SBN IPU Routine 61+	\$	153.97	15	7	8	\$ 1,231.76
SBN IPU Respite	\$	452.98	223	210	13	\$ 5,888.74
SBN IPU Inpatient	\$	1,023.91	1273	1599	(326)	\$ (333,794.66)
ELK IPU Routine 60	\$	195.95	89	47	42	\$ 8,229.90
ELK IPU Routine 61+	\$	154.88	243	23	220	\$ 34,073.60
ELK IPU Respite	\$	455.07	223	196	27	\$ 12,286.89
ELK IPU Inpatient	\$	1,029.53	988	1241	(253)	\$ (260,471.09)
					(304)	\$ (539,372.86)



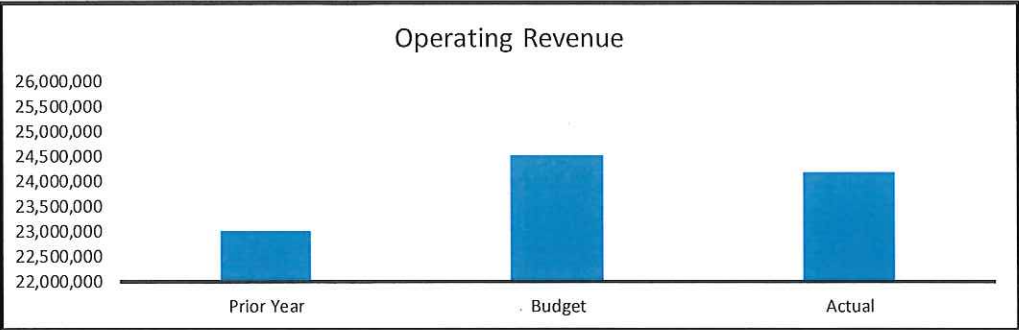
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Center For Hospice Care  
Summary Income Statement

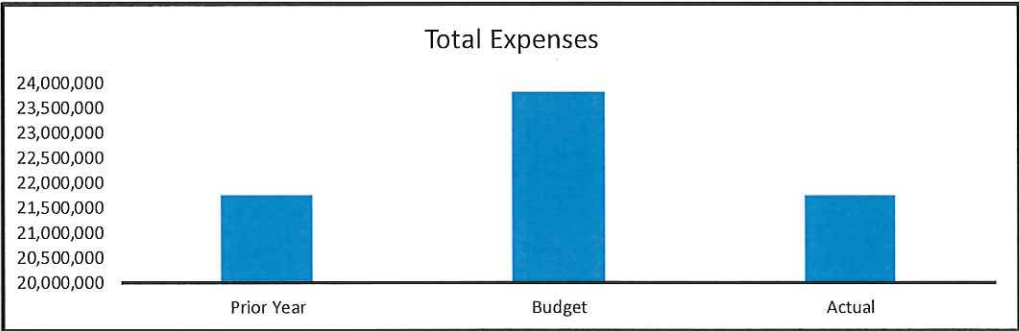
	January	February	March	April	May	June	July	August	September	October	November	December	YTD Actual	YTD Budget	YTD Variance
<b>Operating Revenue</b>															
Hospice Medicare Benefit	2,135,296	1,758,756	1,943,544	1,740,937	1,778,862	1,674,905	1,879,668	1,847,086	2,316,786	1,464,662	1,772,160	2,053,867	22,366,529	22,361,182	5,347
Medicaid Hospice Benefit	12,573	10,580	22,196	3,891	16,807	39,505	33,344	11,672	13,337	16,823	41,952	52,110	274,790	185,716	89,074
Private Ins Hospice Benefit	49,660	102,754	28,231	91,460	71,972	99,403	144,585	138,224	125,386	143,641	162,396	51,357	1,209,068	1,599,302	(390,234)
Self-Pay Hospice Benefit	613	10,310	(4,577)	600	(987)	(5,063)	493	1,560	164		34,888	(38,002)		77,521	(77,521)
Hospice House R&B									33				33	8,983	(8,951)
Medicare Home Health	17,138	9,802	1,924	28,076	26,439	33,911	30,854	28,054	(2,616)	73,242	20,152	61,345	328,320	236,280	92,040
Medicaid Home Health	311	452	128	234	1,017	23	128						2,293	311	1,982
Private Ins Home Health	(4,489)	4,722	4,455	(4,689)	(500)	63,124	(64,406)	2,868	(465,759)	467,756	2,642	235	5,959	39,084	(33,125)
Self-Pay Home Health								1,786	3,561	(5,347)	452		452	6,859	(6,407)
<b>Total Operating Revenue</b>	<b>2,211,102</b>	<b>1,897,376</b>	<b>1,995,901</b>	<b>1,860,509</b>	<b>1,893,610</b>	<b>1,905,808</b>	<b>2,024,666</b>	<b>2,031,250</b>	<b>1,990,892</b>	<b>2,160,777</b>	<b>2,034,642</b>	<b>2,180,912</b>	<b>24,187,444</b>	<b>24,515,238</b>	<b>(327,795)</b>
<b>Other Income</b>															
Donated Services												(56,565)	(56,565)		(56,565)
Interest Income	1,133	1,246	1,196	1,208	1,471	1,374	1,424	1,409	1,401	1,512	1,113	1,134	15,620	8,400	7,220
Change in Ben Int in Foundation	(161,969)	(1,130,300)	(2,662,010)	1,634,335	852,822	376,724	813,332	838,030	(665,918)	(445,616)	2,034,079	1,522,787	3,006,295	687,303	2,318,992
CADS Income	25,333	21,986	21,263	393		11,968	18,236	20,026	21,122	21,446	6,885	9,870	178,508	375,000	(196,492)
Gain on Sale of Assets												(10,412)	(10,412)		(10,412)
Miscellaneous Income	2,230	351	2,529	1,148	5,393	(2,770)	94	4,432	21,458	11,365	10,965	1,386,774	1,443,969	25,000	1,418,969
<b>Total Other Income</b>	<b>(133,273)</b>	<b>(1,106,717)</b>	<b>(2,637,022)</b>	<b>1,637,084</b>	<b>859,686</b>	<b>387,296</b>	<b>833,086</b>	<b>863,897</b>	<b>(621,937)</b>	<b>(411,293)</b>	<b>2,053,022</b>	<b>2,853,588</b>	<b>4,577,415</b>	<b>1,095,703</b>	<b>3,481,712</b>
<b>Total Revenue</b>	<b>2,077,829</b>	<b>790,659</b>	<b>(641,121)</b>	<b>3,497,593</b>	<b>2,753,296</b>	<b>2,293,104</b>	<b>2,857,752</b>	<b>2,895,147</b>	<b>1,368,955</b>	<b>1,749,484</b>	<b>4,087,664</b>	<b>5,034,500</b>	<b>28,764,859</b>	<b>25,610,941</b>	<b>3,153,918</b>
<b>Total Expenses</b>	<b>1,869,540</b>	<b>1,794,106</b>	<b>1,976,054</b>	<b>1,815,781</b>	<b>1,804,383</b>	<b>1,885,270</b>	<b>1,806,315</b>	<b>1,976,722</b>	<b>1,820,548</b>	<b>1,558,328</b>	<b>1,500,317</b>	<b>1,931,314</b>	<b>21,738,687</b>	<b>23,826,715</b>	<b>2,088,029</b>
<b>Net Gain</b>	<b>208,289</b>	<b>(1,003,447)</b>	<b>(2,617,175)</b>	<b>1,681,812</b>	<b>948,913</b>	<b>407,834</b>	<b>1,051,437</b>	<b>918,425</b>	<b>(451,593)</b>	<b>191,156</b>	<b>2,587,347</b>	<b>3,103,186</b>	<b>7,026,172</b>	<b>1,784,226</b>	<b>5,241,947</b>
<b>Beneficial Int in Foundation</b>	<b>(161,969)</b>	<b>(1,130,300)</b>	<b>(2,662,010)</b>	<b>1,634,335</b>	<b>852,822</b>	<b>376,724</b>	<b>813,332</b>	<b>838,030</b>	<b>(665,918)</b>	<b>(445,616)</b>	<b>2,034,079</b>	<b>1,522,787</b>	<b>3,006,295</b>	<b>687,303</b>	<b>2,318,992</b>
<b>Net w/o Beneficial Interest</b>	<b>370,258</b>	<b>126,853</b>	<b>44,835</b>	<b>47,477</b>	<b>96,091</b>	<b>31,110</b>	<b>238,105</b>	<b>80,395</b>	<b>214,325</b>	<b>636,772</b>	<b>553,268</b>	<b>1,580,399</b>	<b>4,019,877</b>	<b>1,096,923</b>	<b>2,922,955</b>

Center for Hospice Care  
December 31, 2020

	Prior Year	Budget	Actual
Operating Revenue	23,013,918	24,515,238	24,187,444



	Prior Year	Budget	Actual
Total Expenses	21,733,780	23,826,715	21,738,687





Center for Hospice Care  
Financial Summary  
December 31, 2020

December 2020 Year to Date Summary	Center for Hospice Care	Hospice Foundation	GPIC	Combined
CHC Operating Income	24,187,444			24,187,444
MADS Revenue	178,508			178,508
Development Income		1,456,975		1,456,975
Partnership Grants			388,400	388,400
Investment Income (Net)		4,182,581		4,182,581
Interest & Other	1,392,612	162,790	141,996	1,697,398
Beneficial Interest in Affiliate	3,006,295	56,804		
<b>Total Revenue</b>	<b>28,764,859</b>	<b>5,859,150</b>	<b>530,396</b>	<b>32,091,306</b>
<b>Total Expenses</b>	<b>21,738,687</b>	<b>2,852,855</b>	<b>473,592</b>	<b>25,065,134</b>
<b>Net Gain</b>	<b>7,026,172</b>	<b>3,006,295</b>	<b>56,804</b>	<b>7,026,172</b>
<i>Net w/o Beneficial Interest</i>	<i>4,019,877</i>	<i>2,949,491</i>		
<i>Net w/o Investments</i>				<i>2,843,591</i>

Center for Hospice Care  
Financial Summary  
December 31, 2019

December 2019 Year to Date Summary	Center for Hospice Care	Hospice Foundation	GPIC	Combined
CHC Operating Income	23,013,918			23,013,918
MADS Revenue	356,770			356,770
Development Income		3,178,899		3,178,899
Partnership Grants			510,628	510,628
Investment Income (Net)		4,099,307		4,099,307
Interest & Other	64,885	78,806	93,977	237,668
Beneficial Interest in Affiliate	4,322,606	51,969		
<b>Total Revenue</b>	<b>27,758,179</b>	<b>7,408,981</b>	<b>604,605</b>	<b>31,397,190</b>
<b>Total Expenses</b>	<b>21,733,780</b>	<b>3,086,375</b>	<b>552,636</b>	<b>25,372,791</b>
<b>Net Gain</b>	<b>6,024,399</b>	<b>4,322,606</b>	<b>51,969</b>	<b>6,024,399</b>
<i>Net w/o Beneficial Interest</i>	<i>1,701,793</i>	<i>4,270,637</i>		
<i>Net w/o Investments</i>				<i>1,925,092</i>

Summary Balance Sheet  
Center for Hospice Care  
December 31, 2020  
Pre Audit

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<u>Assets</u>	<u>October 31, 2020</u>	<u>November 30, 2020</u>	<u>December 31, 2020</u>	<u>December 31, 2019</u>	<u>Net Change</u>
Cash and Equivalents	8,341,532.61	8,791,526.42	9,047,964.59	4,736,588.49	4,311,376.10
Intermediate Cash	0.00	0.00	0.00	0.00	0.00
Long Term Cash	0.00	0.00	0.00	0.00	0.00
Other Investments	0.00	0.00	0.00	0.00	0.00
Accounts Receivable	2,177,403.64	2,302,306.74	2,796,883.70	4,193,764.08	(1,396,880.38)
Due from Affiliate	0.00	0.00	0.00	0.00	0.00
Prepaid Assets	372,265.64	339,622.85	1,006,665.78	630,524.52	376,141.26
Plant, Property & Equipment	5,809,874.62	5,965,523.89	5,144,381.61	5,578,595.59	(434,213.98)
Accumulated Depreciation	(4,179,650.29)	(4,211,604.32)	(2,696,655.99)	(3,860,109.99)	1,163,454.00
Other Assets	46,042,065.97	48,191,218.33	48,580,188.75	45,281,812.26	3,298,376.49
<b>Total Assets</b>	<b>58,563,492.19</b>	<b>61,378,593.91</b>	<b>63,879,428.44</b>	<b>56,561,174.95</b>	<b>7,318,253.49</b>
<u>Liabilities</u>					
Accounts Payable	224,774.78	373,113.21	1,087,348.63	865,207.52	222,141.11
Due to Affiliate	0.00	0.00	0.00	0.00	0.00
Accrued Payroll	884,614.35	965,965.62	1,047,932.46	977,993.09	69,939.37
Payroll Taxes	0.00	0.00	0.00	0.00	0.00
Payroll Deductions	5,471.06	3,535.87	0.00	0.00	0.00
Other Liabilities	1,395,015.57	1,395,015.57	0.00	0.00	0.00
Long Term Liabilities	0.00	0.00	0.00	0.00	0.00
<b>Total Liabilities</b>	<b>2,509,875.76</b>	<b>2,737,630.27</b>	<b>2,135,281.09</b>	<b>1,843,200.61</b>	<b>292,080.48</b>
<u>Fund Balance</u>					
Unrestricted Funds	54,708,803.33	54,708,803.33	54,708,803.33	48,684,406.90	6,024,396.43
Temporarily Restricted Funds	9,171.01	9,171.01	9,171.01	9,171.01	0.00
Permanantly Restricted Funds	0.00	0.00	0.00	0.00	0.00
Retained Earnings					0.00
Year to Date Net Income	1,335,642.09	3,922,989.30	7,026,173.01	6,024,396.43	1,001,776.58
<b>Total Fund Balance</b>	<b>56,053,616.43</b>	<b>58,640,963.64</b>	<b>61,744,147.35</b>	<b>54,717,974.34</b>	<b>7,026,173.01</b>
<b>Total Liabilities and Fund Balance</b>	<b>58,563,492.19</b>	<b>61,378,593.91</b>	<b>63,879,428.44</b>	<b>56,561,174.95</b>	<b>7,318,253.49</b>

Center For Hospice Care  
Accounts Receivable Aging As Of  
December 31, 2020

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	Current	31 - 60 Days	61 - 90 Days	91 - 120 Days	120+ Days	Total
HMB \$	2,322,249.00	8,680.12	8,868.94	4,387.84	4,541.81	2,348,727.71
HMB %	98.87%	0.37%	0.38%	0.19%	0.19%	100.00%
MHB \$	35,945.71	12,653.05	4,619.10	153.97	0.00	53,371.83
MHB %	67.35%	23.71%	8.65%	0.29%	0.00%	100.00%
PHB \$	209,209.06	24,932.88	(1,284.63)	7,914.64	22,920.13	263,692.08
PHB %	79.34%	9.46%	-0.49%	3.00%	8.69%	100.00%
SHB \$	(14,800.00)	200.00	200.00	200.00	400.00	(13,800.00)
SHB %	107.25%	-1.45%	-1.45%	-1.45%	-2.90%	100.00%
HHM \$	93,964.53	1,945.81	3,579.16	489.73	11,267.94	111,247.17
HHM %	84.46%	1.75%	3.22%	0.44%	10.13%	100.00%
MCD \$	0.00	0.00	0.00	0.00	0.00	0.00
MCD %						0.00%
PVT \$	18,358.88	452.00	(21.00)	1,002.80	5,955.46	25,748.14
PVT %	71.30%	1.76%	-0.08%	3.89%	23.13%	100.00%
SHH \$	452.00	0.00	0.00	0.00	0.00	452.00
SC%	100.00%	0.00%	0.00%	0.00%	0.00%	100.00%
Total \$	2,665,379.18	48,863.86	15,961.57	14,148.98	45,085.34	2,789,438.93
Total %	95.55%	1.75%	0.57%	0.51%	1.62%	100.00%

Days Receivable = 40.66 Days

Agency Goal = 45 Days

NHERT Average = 55 Days



### HHS Stimulus Update

- Received \$1.4M in April 2020
- Engaged Rybar Group to assist with reporting requirements
- Funds moved from CHC Balance Sheet to Income Statement
- CHC can “document” approximately \$1.7M in COVID related expenses
- Reporting portal now open for registrations only
- Final reporting requirements / instructions TBD

### CMS Long Length of Stay Audit

- Initial notice received January 2020
- Ten patients representing 303 monthly claims from Jan 2017 – Nov 2019; totaling approximately \$1.2M
- Engaged law firm of Husch Blackwell to represent us
- Initial results received January 2021
- CMS asserts an initial error rate of 94% for a potential recoupment of approximately \$1.1M
- Husch Blackwell not surprised by this finding ---
  - Very consistent with what Husch Blackwell has seen with other clients
  - Still in initial stage of what could be a 2 – 3 year process
- Kruggel Lawton to connect with Husch Blackwell to determine accounting treatment