

Finance Committee
Thursday
March 26, 2026
5:30 pm State Farm

Present: Ron Peters Kenny Walters CMH Staff Tammy Gadberry Bridget Hamm
 Debbie Worthington Chris Trone Present: Jason Field Lori Orr
 Emily Sullivan Dave Hester
 Jack Canter Chad Esther
 Rick Boyd

I. Call to Order:

The meeting was called to order at 5:30 p.m.

II. Approval of Minutes:

February minutes were presented and approved.

III. Monthly Financial Report:

February financials were reviewed.

February gross revenue was \$5,084,651.13, which is 7.49% under budget. The hospital district had an operational gain of \$904,385.58, and an overall net gain of \$1,061,813.25 for the month of February. Gross accounts receivable was \$13,219,721, an increase of \$1,265,737 over previous month. Cash was approximately \$29.9 million at the end of the month of February.

Annual fiscal year-end entries were discussed.

- Reserves for Uncollectable Accounts were reduced \$500,000 based on actual A/R.
- Inventory was adjusted \$16,888.94 to balance with annual inventory count which increased Service & Supplies.
- Pharmacy Inventory was adjusted \$154,435.31 to balance with annual inventory count which increased Service & Supplies.
- Reclassified \$75,000 credit from expired pharmacy inventory out of misc. income and to drug inventory which decreased Other Operating Revenue and increased Service & Supplies.
- Unpaid PTO Liability was adjusted \$2,669.86 to balance with year-end reports which increased wages.
- Routine and Ancillary Revenues were adjusted \$35,754.85 to capture charges posted in March for FY 2026 dates of service, which increased Operating Revenue.

Discussion was had on February financials.

- Medicare A/R is higher than usual. Billing for professional fees is delayed by the Medicare reassignment of benefits requirement. Those will be billed to Medicare once the providers are approved. Medicare is accepting the back-billing. Tammy Gadberry estimates we may begin to see a reduction in AR around April when we can bill and collect for those claims.

IV. Other

Jason Field presented a capital budget expenditure update regarding the Electromek servers refresh approved by Board at the January meeting. The original quote of \$67,000 was not honored by the vendor and the price increased to \$92,000. No new motion is needed.

Tammy Gadberry requested feedback on a potential capital budget expenditure request for a Revenue Cycle AI tool from Parathon. The tool would assist with denials management and underpayment by insurers. The agreement would include a 3:1 ROI guarantee. Tammy will present the request for approval at the April board meeting.

V. **Adjournment**

Having no other business to discuss, the committee adjourned at 6:02 p.m.