

Minutes
<p align="center"> <b>Valleywise Community Health Centers Governing Council</b>  <b>Finance Committee</b>  <b>Valleywise Health Medical Center</b>  <b>February 2, 2022</b>  <b>4:30 p.m.</b> </p>

**Voting Members Present:** Nelly Clotter-Woods, Ph.D., Committee Chair – *participated remotely*  
Daniel Messick, Committee Vice Chair – *participated remotely*  
Salina Imam, Member – *participated remotely*  
Ryan Winkle, Member – *participated remotely*

**Non-Voting Members Present:** Barbara Harding, Chief Executive Officer, Federally Qualified Health Center Clinics – *participated remotely*  
Claire Agnew, Chief Financial Officer – *participated remotely*  
Matthew Meier, Vice President, Financial Services – *participated remotely*  
Christie Markos, Director, Financial Planning and Decision Support – *participated remotely*

**Others/Guest Presenters:** Nancy Kaminski, Senior Vice President, Revenue Cycle – *participated remotely*  
Clara Hartneck, Director, Patient Access, Registration – *participated remotely*  
Melanie Talbot, Chief Governance Officer – *participated remotely*

**Recorded by:** Cassandra Santos, Assistant Clerk – *participated remotely*

### **Call to Order**

Chairman Clotter-Woods called the meeting to order at 4:31 p.m.

### **Roll Call**

Ms. Talbot called roll. Following roll call, it was noted that three of the four voting members of the Valleywise Community Health Centers Governing Council's Finance Committee were present, which represented a quorum. Vice Chairman Messick joined the meeting shortly after roll call.

For the benefit of all participants, Ms. Talbot announced the committee members participating remotely.

### **Call to the Public**

Chairman Clotter-Woods called for public comments.

There were no comments.

**NOTE:** Vice Chairman Messick joined the meeting at 4:32 p.m.

**Valleywise Community Health Centers Governing Council – Finance Committee  
Meeting Minutes – General Session – February 2, 2022**

**General Session, Presentation, Discussion and Action:**

1. Approval of Consent Agenda:

a. Minutes:

i. Approve Finance Committee Meeting Minutes Dated January 5, 2022

**MOTION:** Chairman Clotter-Woods moved to approve the consent agenda. Vice Chairman Messick seconded.

**VOTE:** 4 Ayes: Chairman Clotter-Woods, Vice Chairman Messick, Ms. Imam, Mr. Winkle  
0 Nays  
**Motion passed.**

2. Presentation on the patient financial assistance program at Valleywise Health and the eligibility process

Ms. Hartneck highlighted the sliding fee discount schedule (SFDS) screening process which was based on five category levels related to the Federal Poverty Level (FPL). FPL guidelines were updated annually by the United States Department of Health and Human Services (HHS). A patient's FPL was determined by their income and family size.

Ms. Hartneck gave an overview of the financial assistance module within electronic privacy information center (EPIC) software. To determine a patient's FPL, required information was entered into the module and a program tracker accessed the SFDS rate as well as the status of the Arizona Health Care Cost Containment System (AHCCCS) application. A patient was also assessed for available prenatal and maternity packages, if applicable.

There were 21 eligibility team members throughout Valleywise Health with 16 eligibility specialists stationed at various Federally Qualified Health Center (FQHC) clinics. Organizational process changes over time improved staff efficiency, productivity, and patient wait times. Compared to previous years, eligibility screening appointments were scheduled much faster for patients.

Ms. Hartneck compared the number of eligibility appointments scheduled, completed eligibility interviews, and appointment no-shows from 2019 to 2021, noting significant improvement over the years. She mentioned that due to staff vacancies within AHCCCS, the application process time increased therefore creating challenges.

There was a financial assistance module tracking tool for staff to track patients that utilized the self-pay option or were no longer eligible for financial assistance. The financial module automatically referred self-pay individuals to an eligibility specialist to apply for financial assistance.

Ms. Hartneck outlined other tools used by staff to determine a patient's eligibility for specific programs. Propensity to pay (PTP) was a tool used to calculate household income while Connecting Kids to Care (CK2C) assisted families in applying for AHCCCS for children. Within calendar year (CY) 2021, staff assisted 1,085 children and families apply for AHCCCS.

Ms. Kaminski discussed the Title X Family Planning Program, a federal program that supported comprehensive family planning and related preventative services. She briefly highlighted other prenatal and maternity program available to applicable patients. In CY 2021, eligibility specialists qualified over 1,235 women for various healthcare programs based on family planning needs.

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**General Session, Presentation, Discussion and Action, cont.:**

2. Presentation on the patient financial assistance program at Valleywise Health and the eligibility process, cont.

With the recent influx of Afghan refugees resettling in the state, there was a need for healthcare assistance. Ms. Hartneck spoke about financial assistance provided to the refugee population in order to provide individuals and families with access to healthcare.

Ms. Hartneck shared details about a grant award which allowed extended outreach to assist individuals in applying for marketplace insurance, as part of the Affordable Care Act (ACA).

Ms. Imam asked if patient financial assistance programs were available for dental services for the refugee population.

Ms. Hartneck said yes, factoring in eligibility.

In closing, Ms. Agnew assured the committee that only fictitious patient information was used during the presentation, and not actual patient health information (PHI).

3. Update on Kronos Private Cloud System Outage

Ms. Agnew provided an update related to the Kronos private cloud system outage.

She explained the outage impacted multiple operational activities, including salaries, timekeeping, and payroll operations at Valleywise Health, however, the system returned to functionality in mid-January.

Staff was able to process and distribute the W-2 forms by the required deadline and would proceed with the reconciliation process to ensure employees were appropriately compensated during the outage.

4. Discuss, Review, and Make Recommendations to the Valleywise Community Health Centers Governing Council to Approve the revised Finance Committee Charter

Ms. Talbot highlighted minor changes made to the committee charter which included a deletion of the annual profitability and cost accounting report, as previously discussed by the committee.

She noted that a HRSA grant funding awards and uses report was added.

**MOTION:** Mr. Winkle moved to make recommendations to the Valleywise Community Health Centers Governing Council to approve the revised Finance Committee Charter. Vice Chairman Messick seconded.

**VOTE:** 4 Ayes: Chairman Clotter-Woods, Vice Chairman Messick, Ms. Imam, Mr. Winkle  
0 Nays  
**Motion passed.**

5. Discuss and Review the following Finance Committee Reports
  - a. Monthly Federally Qualified Health Center Clinics' Financials and Payer Mix
  - b. Quarterly Federally Qualified Health Center Clinics' Referral Report

Mr. Meier gave an overview of the Federally Qualified Health Center (FQHC) clinic financial statistics for December 2021.

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**General Session, Presentation, Discussion and Action, cont.:**

5. Discuss and Review the following Finance Committee Reports, cont.

Mr. Meier stated that visits at Valleywise Community Health Centers had a positive six percent variance and total operating revenues had a positive eight percent variance. Total operating expenses had a negative 10% variance and the margin before overhead allocation had a negative variance of \$56,905. He said that due to the Kronos outage, expenses throughout the report were estimates. Staff would reconcile salary and wages data and present actual amounts when adjustments became available.

Outpatient behavioral health visits missed budget by four percent with operating revenues favorable by six percent. Total operating expenses had a negative 11% variance, with the margin before overhead allocation of negative \$540.

Mr. Meier outlined visits at the FQHC clinics located within Valleywise Comprehensive Health Center-Phoenix, which were unfavorable by three percent. Total operating revenues had a negative variance of seven percent, while total operating expenses were negative by one percent. The margin before overhead allocation was negative by \$80,402.

Visits at Valleywise Comprehensive Health Center-Peoria were positive by one percent, with total operating revenues experiencing a negative two percent variance. Operating expenses were six percent better than budget and the margin before overhead allocation was positive by \$15,790.

Mr. Meier stated that dental clinic visits had a negative 16% variance and total operating revenues were negative by 33 percent. Operating expenses had a negative variance of three percent with a margin before overhead allocation of negative \$126,664.

Referring to the American Rescue Plan Act (ARPA) award financial section, Mr. Meier reminded the committee that financial data would populate into the report as it became available.

Mr. Meier said all clinics combined showed visits had a positive one percent variance and total operating revenues were positive by three percent. Total operating expenses had a negative eight percent variance and the margin before overhead allocation was negative \$257,349. Overall year-to-date (YTD), there was a positive seven percent variance for visits compared to budget, with total operating revenues favorable by eight percent. Total operating expenses had a negative eight percent variance, with the margin before overhead allocation variance positive by \$25,515.

In reference to a six-month payer mix trending sequence, Mr. Meier pointed out an increase in Medicaid and a decrease self-pay visits by payor from November to December 2021. However, a four-year trend indicated an overall decline in Medicaid and increase in self-pay visits by payor.

Mr. Meier gave a brief overview of the FQHC clinics referral report for the second quarter of FY 2022. He said that the number of internal referrals reported increased compared to the prior quarter.

6. Chair and Committee Member Closing Comments/Announcements

Vice Chairman Messick thanked staff for the robust and informative meeting agenda topics.

7. Review Staff Assignments

There were no staff assignments stemming from the meeting.

Ms. Talbot recapped old business from December 2021 and January 2022, noting items related to the financial assistance program and eligibility process and Kronos system outage were considered satisfied.

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**Adjourn**

**MOTION:** Chairman Clotter-Woods moved to adjourn the February 2, 2022 Valleywise Community Health Centers Governing Council's Finance Committee meeting. Vice Chairman Messick seconded.

**VOTE:** 4 Ayes: Chairman Clotter-Woods, Vice Chairman Messick, Ms. Imam, Mr. Winkle  
0 Nays  
**Motion passed.**

Meeting adjourned at 5:10 p.m.

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Cassandra Santos,  
Assistant Clerk