

**WESTCHESTER COUNTY HEALTH CARE CORPORATION**

**FINANCE COMMITTEE MEETING**

**NOVEMBER 4, 2020**

**5:00 P.M.**

**BOARD ANNEX ROOM**

**EXECUTIVE OFFICES**

**COMMITTEE MEMBERS PRESENT:** Mr. Tulis  
Mr. Hochberg  
Mr. Shroff  
Mr. Wishnie  
Mr. Quintero  
Mr. McCoy  
Dr. Frishman  
Mr. Rosenblut  
Mr. Israel  
Mr. Geist – via Webex  
Mr. Heimerdinger – via Webex

**COMMITTEE MEMBERS EXCUSED:** Mr. Flannery  
Ms. Mitchell

**BOARD MEMBERS PRESENT:** Dr. Adamson  
Ms. Gevertz – via Webex  
Mr. Rogowsky – via Webex

**STAFF PRESENT:** Ms. Switzer  
Mr. Brudnicki  
Mr. Fersko – via Webex  
Mr. Costello  
Ms. Ariel  
Mr. Ingber  
Mr. Palovick  
Mr. Ratner  
Dr. Doyle  
Mr. Morgan  
Dr. Leahy  
Ms. Fernandez

The November 4, 2020 meeting of the Westchester County Health Care Corporation Finance Committee was called to order at 5:00 p.m. by Mr. Tulis, Chair. A quorum was present.

**Minutes of October 7, 2020 Finance Committee Meeting**

MR. TULIS ASKED FOR A MOTION TO APPROVE THE OCTOBER 7, 2020 WESTCHESTER COUNTY HEALTH CARE CORPORATION FINANCE COMMITTEE MEETING MINUTES. MR. WISHNIE MOTIONED, SECONDED BY MR. ROSENBLUT. THE MOTION CARRIED UNANIMOUSLY.

**September 30, 2020 Financial Statements**

Mr. Ingber reviewed for the Committee the Financial Statements for the period ended September 30, 2020. He stated that total cash, cash equivalents, and investments at September 30, 2020 increased from December 31, 2019. Mr. Ingber advised that the increase was due to Disproportionate Share payments received, government stimulus grants, Medicare Advances, the draw down on lines of credit, and proceeds from the bond refinancing transaction, partially offset by a decline cash receipts associated with the volume decline due to COVID-19, WMC's annual New York State ("NYS") pension payment and other changes. He pointed out new lines on the balance sheet related to the adoption of GASB 87, effective January 1, 2020, which changed the accounting for operating leases, resulting in most operating leases converting to a right to use asset.

Mr. Ingber advised the Committee that current portion of other liabilities and long term liabilities increased as a result of the Medicare Advances, government stimulus grants, deferring employer social security payments and increases in the pension liability.

Mr. Ingber informed the Committee that the Net Patient Service Revenue decreased for the year to date period September 2020 from the same period last year due to the volume decline associated to COVID-19. On the expense side, he stated that salaries increased due to the hiring of new physicians, contractual rate increases, and increases in health benefits costs. Supplies and Other Expenses decreased due to lower patient volumes, partially offset by increased expenses due to COVID-19. Mr. Ingber informed the Committee of an additional NYS non-cash pension adjustment of (\$32.5 million) due to the market decline of investments held by the NYS Pension Plan at March 31, 2020, the Pension Plan's year end. He stated that the bottom line loss for the period ended September 30, 2020 was \$53.1 million, compared to a \$2.2 million loss for the same period in 2019.

Mr. Ingber reviewed the discharges for the Valhalla campus and noted the decline in volume due to COVID-19. He stated that the decline in volume for the MHRH campus was partially offset by increases in Pediatric services, Behavioral Health, and Rehabilitation Medicine.

**Resolution**

Mr. Ratner presented and discussed a Resolution to close the North Road LHCSA, Inc., a certified licensed home care services agency (the "LHCSA"). He stated that the Corporation has determined that, as a result of the LHCSA's persistent operating losses, it needs to close the LHCSA in order to stem those operating losses. Mr. Ratner advised that the Corporation will seek formal approval to submit a closure plan to the New York State Department of Health ("DOH") and return the LHCSA's operating license to DOH. He informed the Committee that in

conjunction with the closure of the LHCSA, the Corporation intends to sell the LHCSA's assets to Premier Home Health Care Services, Inc., ("Premier"), a New York home care organization that specializes in providing licensed home care services to the community for one hundred thousand dollars \$100,000.

A discussion ensued.

MR. TULIS ASKED FOR A MOTION TO RECOMMEND APPROVAL OF THE RESOLUTION TO THE BOARD AUTHORIZING MANAGEMENT TO CLOSE THE LHCSA, SURRENDER ITS OPERATING LICENSE TO DOH, AND ENTER INTO AN ASSET PURCHASE AGREEMENT WITH PREMIER. MR. HOCHBERG MOTIONED, SECONDED BY MR. SHROFF. THE MOTION CARRIED UNANIMOUSLY.

**Executive Session**

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

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

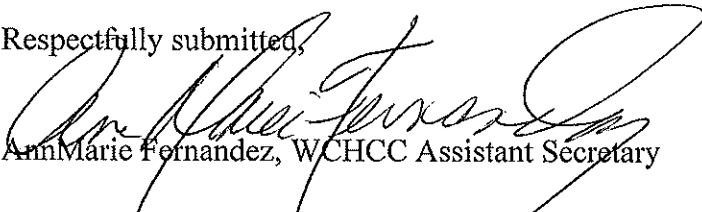
**2021 Strategic Operating Plan**

MR. TULIS ASKED FOR A MOTION TO RECOMMEND APPROVAL OF THE 2021 STRATEGIC OPERATING PLAN TO THE BOARD. MR. SHROFF MOTIONED, SECONDED BY MR. HOCHBERG. THE MOTION CARRIED UNANIMOUSLY.

**Adjournment**

THE MEETING OF THE WESTCHESTER COUNTY HEALTH CARE CORPORATION FINANCE COMMITTEE ADJOURNED AT 6:05 P.M.

Respectfully submitted,



AnnMarie Fernandez, WCHCC Assistant Secretary