



## **MINUTES**

### **Harmonia Collaborative Care Board of Directors**

#### **Finance and Investments Committee**

**Location:** Zoom Video Platform

**Date:** May 17, 2024

**Members (Board):** Raj Patel, Chair; Christine Kluckhohn, Howard Martin

**Members (other):** Michelle Chiappetta, Dir of Finance, Valerie Nowak, CEO, Greg Hiczewski- Magellan Grp Consultant

#### **Agenda items:**

**Approval of April 2024 minutes** -Howard and 2<sup>nd</sup> by Raj

#### **Bonus Structure**

- Review of 2022 Process
  - % across the board and Val determined Management Bonuses
  - paid out in November to staff/ Val received late December or January
  
- Review of 2023 Process
  - % across the board to staff and Val: extra for management based on financials after audit
  - waiting on final numbers still
  
- 2024 Plan: Financial piece considered.
  - Ranges were developed; it was determined these can be used as "part of" decision making.
  - Bonuses will be accrued at 1/12<sup>th</sup> of the previous total year's bonus.
  - Raj suggested accruing for bonuses monthly-management would need to be part of this accrual-Val and Raj to meet to further discuss
  - Val's Bonus is to be determined by Howard based on evaluation – taken to Executive Committee for approval.
  - Bonus process to be on agenda each quarter to discuss
  - Formal Bonus Accounting Policy – may not need. Tabled at this time.

#### **Line of Credit**

- Waiting on date for closing

**Revenue Cycle Manger** – Kathy Hoyson started on April 8<sup>th</sup>; out sick with covid 2<sup>nd</sup> week

### **Financial Review**

- Review 1<sup>st</sup> quarter summary report and 13 month summary
- Days in A/R= 102 : Discussed 25% error rate when charges being created; complete chart adjustment done in Feb-this has created some issues with notes; Notes not being done timely by therapists

**Goal:** A Conservative Financial Statement

- Changes with April reports: 1/12 of bonus accrued monthly ; Accrue payroll every month
- Bad debt should be booked as a percent of the allowance monthly/ or a percent of revenue-more discussion to be had on this
- Examination of what contributed to net revenue to include notation regarding one time revenue/expense items-this is usually on the monthly summary report in notes section : Will add to 13 month summary- Line for Upper edge Grants -award month and cash received date
- If an adjustment to allowance is made within the year, the adjustment will need to be reflected on the 13 month summary (go back and correct previous months) \*A/R on current 13 month summary does not reflect the allowance

*Respectfully submitted by Michelle Chiappetta, Director of Finance*

*Michelle Chiappetta*

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