



# 2019-20 FINANCIAL FORECAST AND ORGANIZATIONAL PERFORMANCE IMPROVEMENT PLAN

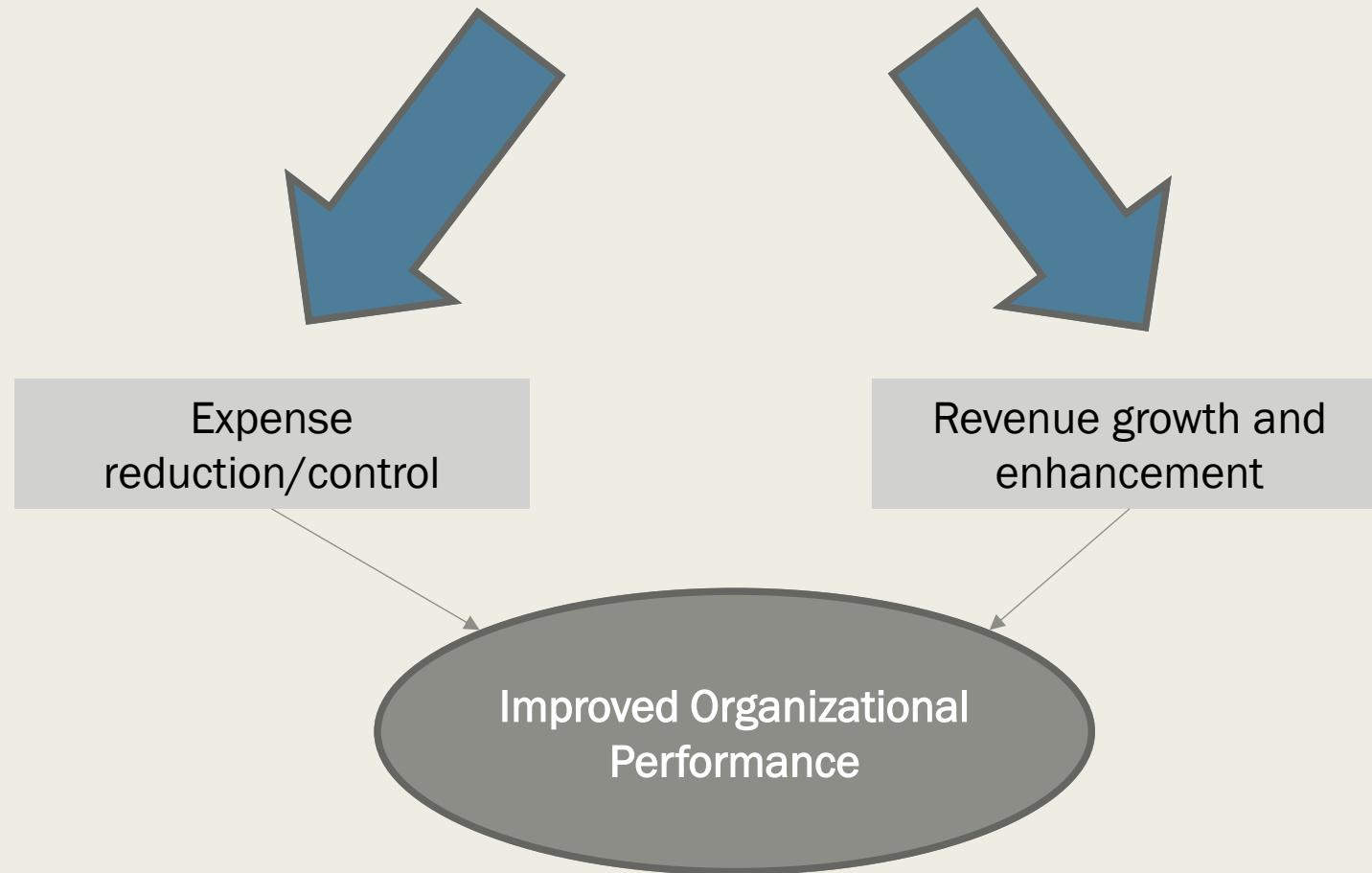
March Update

Reported to the Board of Directors

Monday, March 25, 2019

# Organizational Performance Improvement Plan (PIP)

\* By necessity must address both sides of the equation



## Expense Reduction/Control

Goal: to reduce expenses while making every effort to maintain optimal access for our patients and minimize negative consequences on our workforce.

### LC4 – Change in Scope and reduction of hours

- Approved and implemented
- Potential savings = \$420,000

### Migrant Clinic – Eliminate week day clinics/retain Saturday clinics

- Approved and implemented
- Potential annual savings of \$118,000 not sufficient to bring in line with grant funding
- Update: reduce Saturday clinics to 2 per month/4 months of the year

### Reduce marketing budget

- Target = \$100,000

### Reduce lobbying/governmental relations expense

- Contract fee reduced by 50% for annual savings of \$19,200
- Contract amended to limit pre-approved meetings and reduce travel expense by 50% for projected annual savings of \$6,000

## Expense Reduction/Control

Goal: to reduce expenses while making every effort to maintain optimal access for our patients and minimize negative consequences on our workforce.

### Employee Benefits: Convert short-term disability to employee funded option

- Recommendation to be effective June 1, 2019 - Requesting Board approval
- Employee cost =
- Potential annual savings = \$65,000

### Employee Benefits: Temporarily reduce employer match to 403B retirement plan

- Recommendation to be effective June 1, 2019 – Requesting Board approval
- Potential annual savings of = \$105,000

## Revenue Enhancement

Goal: Maximize existing sources of revenue while identifying and developing new business models and additional revenue streams.

Increase productivity of providers with capacity to see more patients per day

- Target sites for improved productivity – McCormick Family Practice and Lakelands Family Practice
- Meeting ongoing with providers and staff

Increase outreach to Medicare and Medicaid recipients

- QA/population health staff outreach to assigned patients

Uptown Family Practice

- Shift mid-level to physician ratio
- Potential increase in annual revenue = \$155,000

## Revenue Enhancement

Goal: Maximize existing sources of revenue while identifying and developing new business models and additional revenue streams.

Grow services in optimal service lines:

### ■ Pharmacy

- Improve capture rate to our in-house pharmacies (currently 36%) – may be unrealistic due to required changes to RX billing practices
- Expand target population for contract home delivery option – underway
- Implement CVS Contract Pharmacy option
  - Contract executed to “go live” on July 1, 2019
  - Annual revenue potential = \$450,000
- Expand contract pharmacy options
  - Due diligence ongoing

### ■ Pediatrics – no specific progress to report