

OPERATING BUDGET
Fiscal Year Ending January
2023



Trusted care in our community

Income after contractual adjustments and bad debt expenses

<u>Income From Operations</u>	<u>2022 (Budget)</u>	<u>2021 (Annualized)</u>
Medicaid	\$ 3,800,700	\$ 3,587,270
Medicare	\$ 573,100	\$ 540,939
Self Pay Cash Receipts	\$ 449,200	\$ 423,952
Private Insurance	\$ 801,600	\$ 756,596
Total Receipts -Patient Services	\$ 5,624,600	\$ 5,308,757

Includes wrap around payments from the state for about \$1,7m

- Self-Pay: 52.4%
- TennCare: 24.8%
- Private: 14.9%
- Medicare: 7.9%

11 fully staffed sites with the assumption that East Side will start seeing patients by the second half of 2022. We estimate that these 11 sites will generate 87,360 encounters. This is consistent with the last 12 months of activity.



\$9m grant (\$500k Capital) to spend over two years with a carryover option at the end of the grant period.

<u>Federal Grants</u>	<u>2022 (Budget)</u>	<u>2021 (Annualized)</u>
Section 330	\$ 6,948,169	\$ 6,726,975
Section 330 Homeless	\$ 2,695,933	\$ 2,610,109
Section 330 Public Housing	\$ 174,871	\$ 169,304
Quality Incentive	\$ -	\$ 45,006
Integrated Behavioral Health	\$ -	\$ 70,677
Enhancing Behavioral Health Workforce	\$ -	\$ 6,182
Substance Use Disorder	\$ -	\$ 198,024
American Rescue Plan Act (ARP)	\$ 3,989,150	\$ 984,472
Expanding Capacity for Coronavirus Testing	\$ -	\$ 419,989
Total Federal Grants	\$ 13,808,123	\$ 11,230,738

Portions of these grants were rolled into our 330



State and Local Grants/Contracts

	<u>2022</u>	<u>2021</u>
	<u>(Budget)</u>	<u>(Annualized)</u>
PCMH Pilot	\$ 520,400	\$ 520,444
Safety Net	\$ 1,145,000	\$ 1,104,035
State Mental Health Substance Abuse COC	\$ 160,300	\$ 160,324
Ryan White Part B	\$ 476,800	\$ 452,793
Metro Nashville Homeless Services	\$ 355,200	\$ 355,200
Baptist Healing Trust	\$ 63,000	\$ 63,000
DeltaDental	\$ 35,000	\$ 35,000
Community Foundation Grant	\$ 5,000	\$ 5,000
United Way Grants	\$ 33,300	\$ 24,067
March of Dimes	\$ 12,500	\$ -
Risk Assessment bonuses	\$ 16,360	\$ 16,357
Park Center	\$ 19,445	\$ 16,859
TN Cancer Prevention Grants	\$ 10,000	\$ 10,954
Nurse Family Partnership Grant	\$ 681,600	\$ 145,413
340b proceeds	\$ 111,000	\$ 110,924
Ensuring Equity in Covid-19 Vaccinations	\$ 165,000	\$ -
Medical Records/Interests	\$ 20,500	\$ 20,447
Total State Grants	\$ 3,830,405	\$ 3,040,818

Four-year program that awarded us a total of \$3,750,000. We are entering the second year

New multi-year state grant to fund mostly outreach activities



<u>Donations</u>	<u>2022</u> <u>(Budget)</u>	<u>2021</u> <u>(Annualized)</u>
Annual Breakfast	\$ 65,000	\$ -
Rent (In-Kind)	\$ 187,800	\$ 187,806
Drugs (In-Kind)	\$ 781,000	\$ 751,320
Total Donations	\$ 1,033,800	\$ 939,126
Total Net Revenue	\$ 24,296,928	\$ 20,519,440



Expenses

<u>Salaries and benefits</u>	<u>2022</u> <u>(Budget)</u>	<u>2021</u> <u>(Annualized)</u>
Salaries	\$ 14,747,800	\$ 12,067,269
FICA	\$ 1,128,200	\$ 923,146
SUI	\$ 177,000	\$ 144,807
Workers Comp	\$ 31,000	\$ 25,341
Medical, Dental, Life Ins., Assist. Program	\$ 1,626,700	\$ 1,331,020
February 2022 Cost of Living Adjustment (2%)	\$ 321,100	\$ -
Total Salaries and Benefits	\$ 18,031,800	\$ 14,491,583

74% of All Expenses

Total of 256.45 FTE's
including 45.85 Providers
FTE's



It includes legal, and purchased medical services fees including Meharry. This line also includes expenses related to the NFP program as well as recruitment, data processing, software licenses, electronic patient registration, radiology services, data processing, and advertising and outreach expenses.

It includes payroll services, housekeeping, interpretation, and security guards.

We include donated pharmaceuticals in this line (\$781k)

Rent, utilities, waste disposal, security systems.

It includes current dues for NACHC, TPCA, Healthcare for the Homeless Council, Tennessee Department of Mental Health, Relias learning, and I2I. This line also includes expenditures related to the NFP program.

\$7.40/Visit

Other Expenses

2022
(Budget)

2021
(Annualized)

Healthcare Consultants	\$ 99,300	\$ 112,109
Consultants & Contract Serv.	\$ 813,950	\$ 792,678
Professional Fees	\$ 1,241,900	\$ 1,219,909
Medical Supplies	\$ 190,850	\$ 196,068
Other Supplies	\$ 463,400	\$ 454,821
Laboratory	\$ 168,250	\$ 120,867
Pharmaceuticals	\$ 1,277,600	\$ 1,261,588
Occupancy	\$ 746,350	\$ 744,153
Insurance	\$ 90,100	\$ 74,871
Equip Rent & Maint	\$ 233,500	\$ 251,933
Telephone	\$ 365,000	\$ 357,477
Travel	\$ 16,400	\$ 15,638
Dues and Subscriptions	\$ 167,000	\$ 174,358
Printing, Pub, Post, Frt	\$ 94,800	\$ 89,245
CME, Staff Training	\$ 154,700	\$ 157,130
Interests	\$ -	\$ -
Bank Charges, Misc.	\$ 41,600	\$ 264,506

Total Other Expenses

\$ 6,164,700

\$ 6,287,351



	<u>2022</u> <u>(Budget)</u>	<u>2021</u> <u>(Annualized)</u>
Total Expenses	<u>\$ 24,196,500</u>	<u>\$ 20,778,934</u>
Total Surplus (Deficit)	<u>\$ 100,428</u>	<u>\$ (259,495)</u>



Procurement Policy Update (AP process):

The new Accounting system provides with tools that allow for the enhancement of many process including invoice approval and check generation. The system has sufficient controls in place to make the new process secure, and also provides with a number of audit trails to track transactions.

What we propose:

- Checks over \$5,000 will require two signatures from designated members of the executive team (the CEO, CIO, COHR, and/or COO). Checks below \$5,000 will require only one signature from any of the members of the of the designated executive team.
- The CEO will have the option to electronically sign checks.
- Checks can either be mailed or electronically sent to vendors.

