

# COVID-19 FINANCIAL RESPONSE STRATEGY

Presented by: Peter R. Epp, Joanne McNamara

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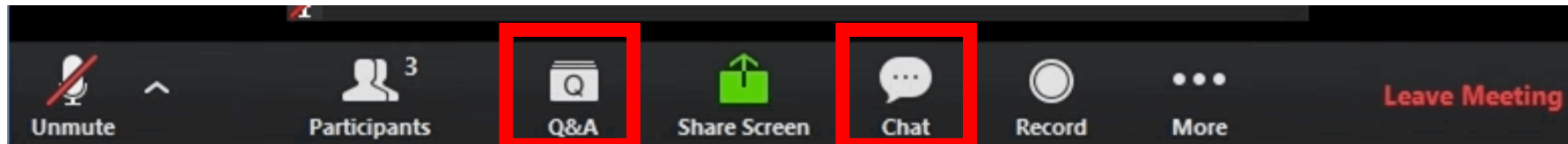
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# TODAY'S SPEAKERS



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# GOALS FOR THIS ECHO SERIES

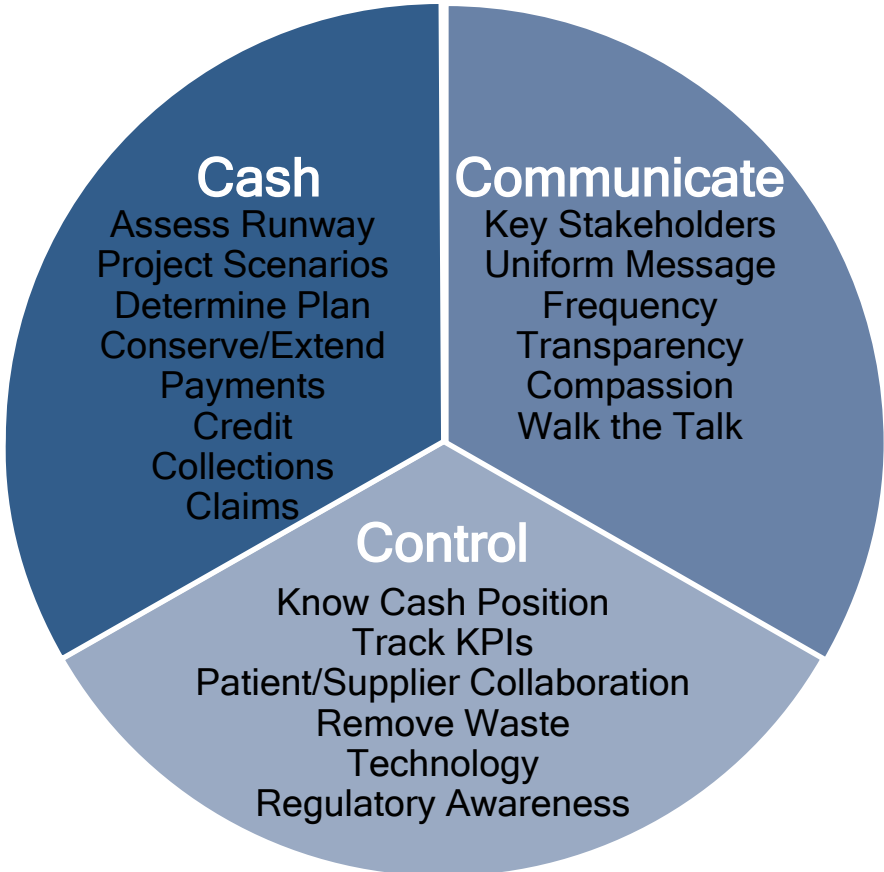
- 2-page COVID-19 Financial Response Primer Document - “Rapid Response” to the financial impact of the COVID-19 outbreak - NOW, NEXT, NEW
  - Provide a framework for evaluating/responding to the business impact caused by COVID-19
- ECHO Session #1 - Extending the Runway: Weekly Cash Flow Projections
  - Offer a framework for “weekly” cash flow projections and begin to discuss actions to mitigate the financial stressors for your business
- ECHO Session #2 - Extending the Runway: Leveraging Government Stimulus/Relief Efforts
  - Review new levers created by recent Government developments/relief efforts relevant to the Behavioral Health industry
- ECHO Session #3 - Sustaining the “New” Normal
  - How to pull the levers to “Extend the Runway” and common concerns/obstacles





# ACT "NOW" TO MANAGE UNCERTAINTY

## Triage Tools Require Focus







# “NOW” - WEEKLY CASH PROJECTIONS

- Response to the COVID-19 pandemic requires clinics to review their cash position for the next 6-12 months
- Projections start with reviewing prior historical weekly visit volume and projecting future reductions in visit volume
  - By service/site
  - Shifts in payer mix
- Evaluate how to adjust the workforce to respond to the reduction in visit volume
- What other measures can be taken to “Extend the Runway”
- Other governmental relief/stimuli applicable to the Behavioral Health sector and the broader healthcare/business communities
- Monitor and course-correct on a daily/weekly basis





# “NOW” – VISIT & REVENUE PROJECTIONS

- Patient revenue/visit projections should be based on financial and operational management reports by service type. Future decisions will be based at the service and by workforce type.
- These service level reports/projections should identify billable visits by provider type.
  - Evaluate the mix of individual, collateral and group visits
  - Determine how many are face-to-face visits versus telehealth
  - Given the flexibility and relaxed rules for telehealth services, volume may shift from face-to-face to telehealth/telephonic encounters
- Financial reports should indicate net revenue received by service and provider type to incorporate into the patient revenue projections.
  - Evaluate reimbursement rates - face-to-face visits versus telehealth
  - Payer mix may play into future decisions as you analyze shifts in patient populations by insurance coverage during the public health crisis
  - Make sure to include **capitation/care management** payments paid on a PMPM basis!

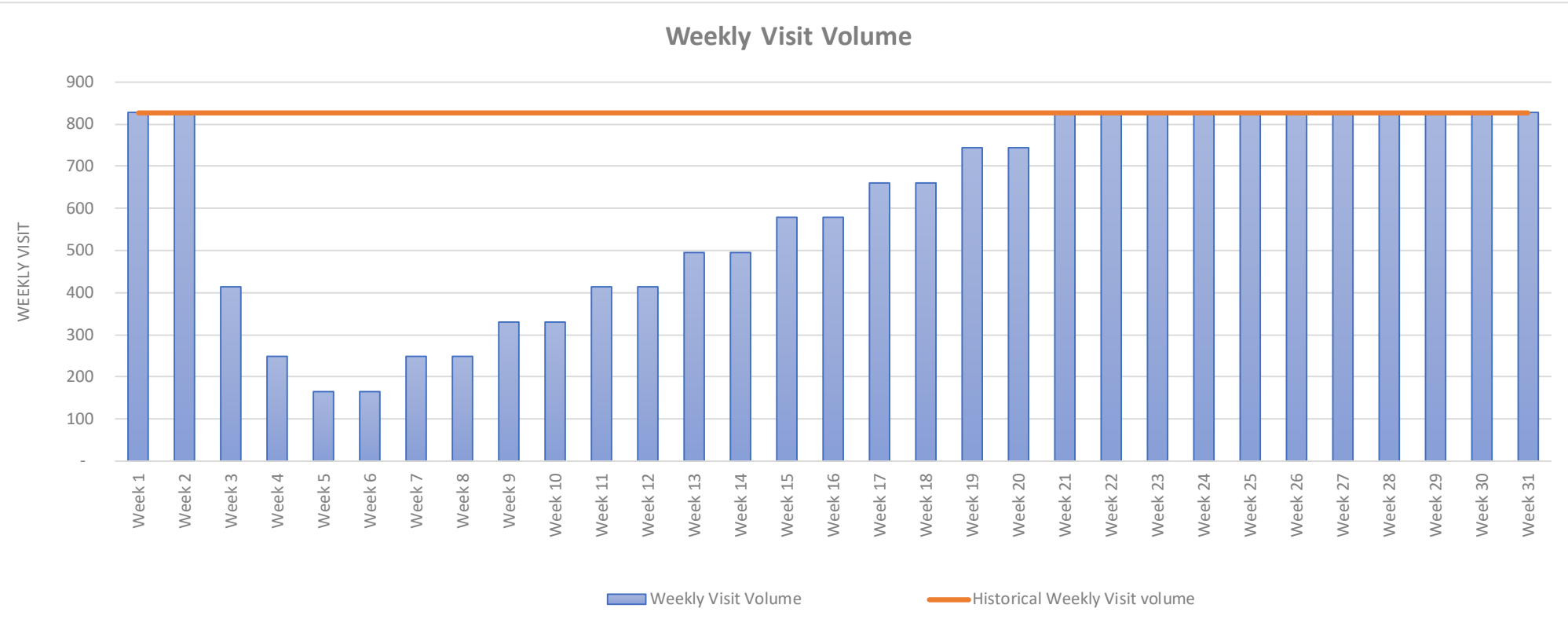




# "NOW" – WEEKLY VISIT PROJECTIONS

Week Beginning	Week	% Drop in Volume
3/1/2020	Week 1	0%
3/8/2020	Week 2	0%
3/15/2020	Week 3	50%
3/22/2020	Week 4	70%
3/29/2020	Week 5	80%
4/5/2020	Week 6	80%
4/12/2020	Week 7	70%
4/19/2020	Week 8	70%
4/26/2020	Week 9	60%
5/3/2020	Week 10	60%
5/10/2020	Week 11	50%
5/17/2020	Week 12	50%
5/24/2020	Week 13	40%
5/31/2020	Week 14	40%
6/7/2020	Week 15	30%
6/14/2020	Week 16	30%
6/21/2020	Week 17	20%
6/28/2020	Week 18	20%
7/5/2020	Week 19	10%
7/12/2020	Week 20	10%
7/19/2020	Week 21	0%
7/26/2020	Week 22	0%
8/2/2020	Week 23	0%
8/9/2020	Week 24	0%
8/16/2020	Week 25	0%
8/23/2020	Week 26	0%
8/30/2020	Week 27	0%
9/6/2020	Week 28	0%
9/13/2020	Week 29	0%
9/20/2020	Week 30	0%
9/27/2020	Week 31	0%

Weekly Visit Volume





# "NOW" – STAFF PROJECTIONS

- Begin with a baseline understanding of **direct** personnel costs and resource level (FTEs) by **service type**. Project costs at a weekly level (CCBHCs should consider utilizing the cost report personnel categories for ease)
  - These include clinicians and support staff
  - Separately review personnel who provide direct client services versus administrative/overhead staff
  - Consider reviewing staff utilizing volume or provider ratios
  - May need to determine a benchmarking strategy for administrative staff which often includes fiscal, human resources, IT and other - again use staff or volume ratios if applicable!
- Estimating provider resources for the upcoming weeks will be based on volume projection by service and provider type.
  - If psychiatric visit volume decreases by 50%, do you reduce resources by an equal proportion?
- Once staff resources are adjusted, the clinic will be able to identify which type of staff that may need to be furloughed, terminated, receive reduced hours/wages, asked to take paid leave, etc...





# "NOW" – OTHER EXPENSE PROJECTIONS

- Any staffing adjustments will impact fringe benefits and payroll taxes
- Other direct expenses are typically linked to utilization and your operating activities.
  - The ability to manage supply orders, contracts and lease obligations will be critical.
- Utilizing your trial balance or other expenditure reports, create expense categories.
  - Based on the expense category, determine if that is typically a variable expense or fixed
- Calculate unit costs for variable expenses (e.g. supply cost per visit)
  - The expenses will be projected and vary week-to-week based on operating activity.
- For fixed expenses, determine when during the month the expense is typically incurred.
  - Example: Rent is paid at the beginning of the month. Do you allocate cost by week or report costs at the beginning of week 1?
- Communicate with vendors, banks and others to negotiate payment schedule!



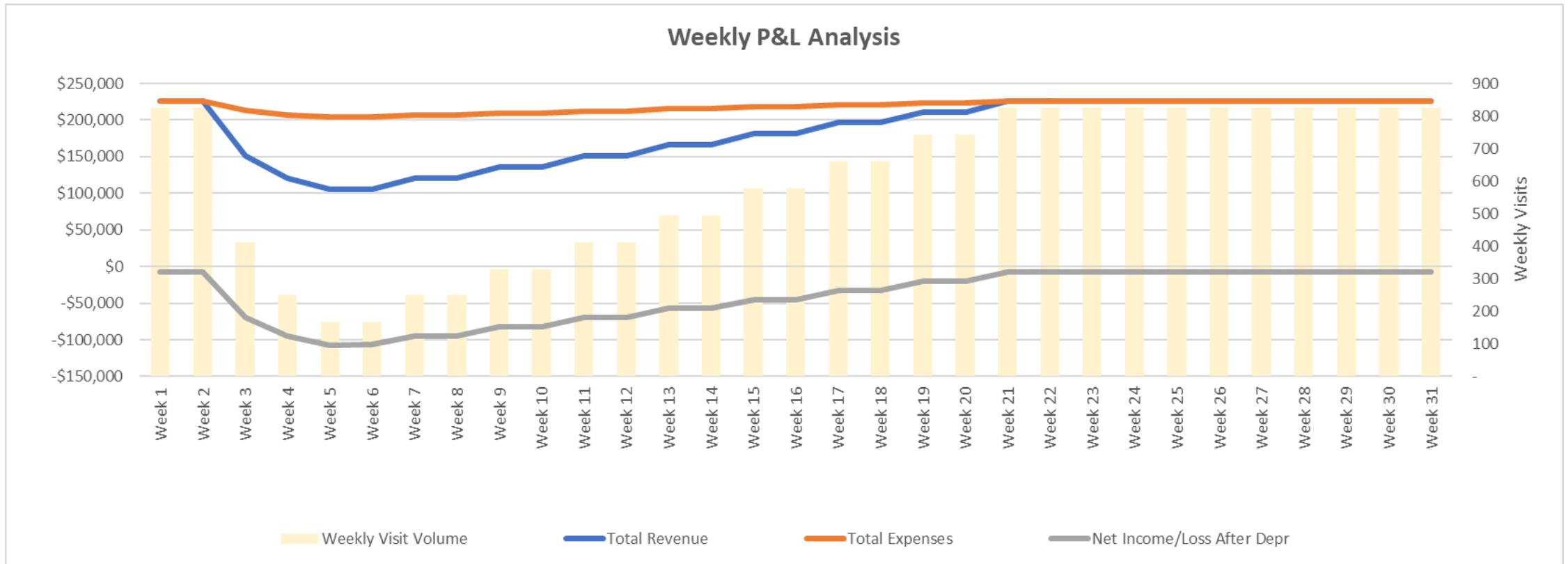
# “NOW” – WEEKLY REVENUE/EXPENSE PROJECTIONS

- Create a “weekly” profit and loss revenue/expense projection template
  - The template will identify weekly changes in visits, revenue and expenditures at the consolidated organizational level
  - Include other revenue and determine whether to allocate by week or by other payment periods (end of the month, quarterly, etc...)
    - Government Grants and Contracts
  - Evaluate Key Performance Indicators (KPIs)
    - Cost per visit
    - Average revenue per visit
    - Operating margins





# "NOW" – WEEKLY REVENUE/EXPENSE PROJECTIONS





# “NOW” – WEEKLY CASH FLOW PROJECTIONS

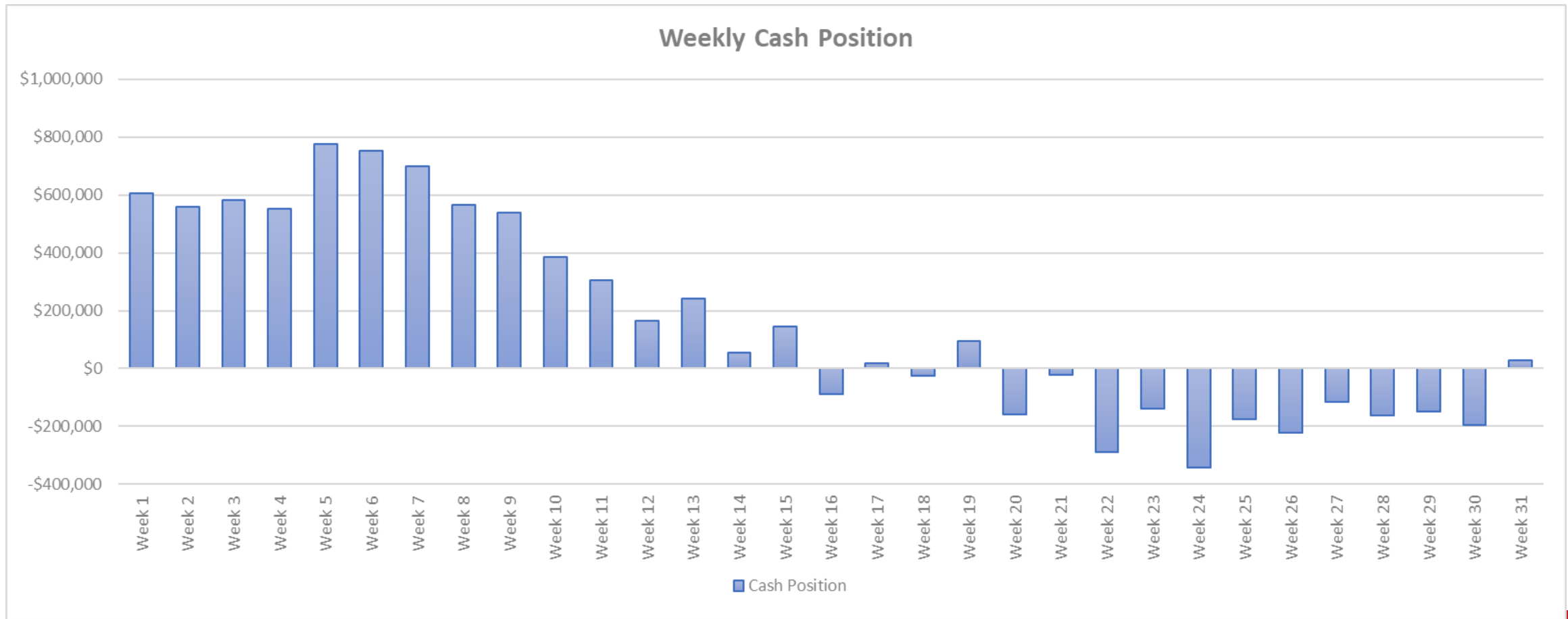
- Convert the weekly revenue and expense projections to cash utilizing various cash flow metrics
- Revenue cash flow metrics - considerations:
  - Patient revenue billing and payer payment lags (e.g. 4 weeks from dates of service)
  - Federal grant drawdown flexibility (align with payrolls?)
  - Grants/contracts - voucher preparation and government payment lags
- Expense cash flow metrics - considerations:
  - Salary and certain payroll taxes - align with pay periods
  - Expenses that are paid at the beginning of the month (e.g. rent)
  - Expenses paid after the month has completed (e.g. telephone, utilities)
- Non-operating activities
  - Loan proceeds and principle payments
  - Asset purchases
- Run various scenarios (pulling levers) and evaluate cash position versus available loan programs







# "NOW" – WEEKLY CASH FLOW PROJECTIONS





# “NOW” – WEEKLY CASH FLOW PROJECTIONS

- The Apex of the weekly cash flow deficit is 4-8 weeks after the Apex of the net operating losses due to the lag in payment of patient revenue!
- Weekly cash flow projections - a 2-phase framework
  - Phase 1 - immediate, short-term timeframe = “Stop the Bleeding”
  - Phase 2 - longer-term = “Repay the Debt; Replenish Reserves” (from future operating surplus)
- Cumulative losses must be absorbed through
  - Additional operating revenue and expense reduction
  - Drain reserves versus increase debt





# "NOW" - CASH FLOW LEVERS

- Run various scenarios of pulling levers and projecting their impact on cash flow
- Consider the shift from face-to-face visits to telehealth/telephonic visits
  - Types of visits
  - Technology
  - Reimbursement rates
  - Impact on staffing
- New grant opportunities - *Be Conservative!*
- Request accelerated/advance payments
  - Federal grant drawdowns
  - Medicare/Medicaid
  - Government/Private grants/contracts





# “NOW” - CASH FLOW LEVERS

- Evaluate staffing patterns as compared to projected volume
  - Continue to work/pay
  - Furlough without pay
  - Paid leave of absence
  - Receive reduced hours/pay
  - Reduction in force/layoffs
- Communicate with vendors
  - Deferred payment terms
  - Payment plans
- Pay with credit cards; speak to credit card companies to extend repayment periods and interest free periods
- Line of credit - increase line; extend repayment
- Available loan programs





# “NOW” – CASH FLOW LEVERS

- Accelerate Medicaid payments - request exemption from payment lags
- Advance Medicare payments - follow CMS guidance
- Accelerate government contract payments/advances
- Accelerate Federal grant drawdowns
- Have MCOs pay at levels comparable with prior years (Fee-for-service payments)
- Government Stimuli/Relief Efforts



# CASE STUDY





# CASE STUDY

This case study walks through developing a weekly P&L and cash flow projection for a behavioral health provider. Characteristics of this provider include:

- Provider offers outpatient behavioral health services and is certified as a CCBHC
- Provider typically has approximately \$9M annually in personnel costs, provides approximately 36,000 daily visits annually
- Provider has been significantly impacted by COVID-19 emergency (over 50% drop in visits beginning the third week of March)
- Provider had not yet made any changes to staffing decisions (e.g. layoffs, furloughs, reduced hours, etc.)





# CASE STUDY - STAFFING

## Establishing Staffing Profile

- Understanding staffing capacity by provider type so as volume changes, this can inform decisions about the types of staffing categories that may need to be right-sized
- Depending on your organization type, may want to differentiate staff by service line, target population, etc.

	Personnel	Total FTE in 2019
1	Psychiatrists	4.00
2	Psychiatric Nurse Practitioners	4.50
3	Child Psychiatrist	0.80
4	Adolescent Psychiatrist	-
5	Substance Abuse Specialist	-
6	Case Manager	5.00
7	Recovery Coach	
8	Peer Specialist	2.50
9	Family Support Specialist	
10	Licensed Clinical Social Worker	23.50
11	Licensed Mental Health Counselor	4.00
12	Mental Health Professional (trained and credentialed for psychological testing)	
13	Licensed Marriage and Family Therapist	5.00
14	Occupational Therapist	0.70
15	Interpreter or Linguistic Counselor	1.00
	<b>Total Mental Health</b>	<b>51.00</b>







# CASE STUDY - STAFFING

## Establishing Staffing Profile

- In addition to right-sizing provider staff, consider administrative and patient support staff needs that may vary based on visit volume as these may need adjustments as well

### Fiscal and Billing Staff:

Accountants	3.00
Bookkeepers	
Billing Managers	2.00
Billing Clerks	
Coders	2.00
Cashiers	
Purchasing Staff	1.00
Data Entry Clerks	1.00
Other	
<b>Total Fiscal and Billing Staff:</b>	<b>9.00</b>

### Patient Support Staff:

Manager, Patient Services	1.00
Patient Services Rep	2.00
Patient Records Clerks	1.00
Call Center Staff	2.00
Clinical Team Clerks/Secretaries	
Registration Clerks	
Other	
<b>Total Patient Support Staff:</b>	<b>6.00</b>



# CASE STUDY - STAFFING

## Establishing Staffing Profile

- Separating staffing by types or departments allows for better understanding of weekly salary costs, so as any staffing decisions are implemented you can monitor the impact to cash flow on a weekly basis

1	Psychiatrists	\$ 23,077
2	Psychiatric Nurse Practitioners	\$ 17,308
3	Child Pshychiatrist	\$ 3,077
4	Adolescent Psychiatrist	\$ -
5	Substance Abuse Specialist	\$ -
6	Case Manager	\$ 4,904
7	Recovery Coach	\$ -
8	Peer Specialist	\$ 1,635
9	Family Support Specialist	\$ -
10	Licensed Clinical Social Worker	\$ 32,087
11	Licensed Mental Health Counselor	\$ 5,462
12	Mental Health Professional (trained and credentialed for psychological testing)	\$ -
13	Licensed Marriage and Family Therapist	\$ 7,115
14	Occupational Therapist	\$ 1,683
15	Interpreter or Linguistic Counselor	\$ 1,250
	<b>Total Mental Health</b>	<b>\$ 97,596</b>

### Fiscal and Billing Staff:

Accountants  
Bookkeepers  
Billing Managers  
Billing Clerks  
Coders  
Cashiers  
Purchasing Staff  
Data Entry Clerks  
Other

### Total Fiscal and Billing Staff:

\$ 3,462
\$ -
\$ 1,923
\$ -
\$ 2,115
\$ -
\$ 962
\$ 731
\$ -
<b>\$ 9,192</b>





# CASE STUDY – VISIT VOLUME

## Monitoring Visits by Week

- Incorporate into the template the ability to monitor visits by week so that you can track how COVID-19 may be driving drops by department or staffing type, and to help inform any staffing decisions you may need to make

Clinical Department	Actuals							
	March							
	March 1-7		March 8-14		March 15-21		March 22-28	
	Visits		Visits		Visits		Visits	
	Face to Face	Telehealth	Face to Face	Telehealth	Face to Face	Telehealth	Face to Face	Telehealth
<b>Behavioral Health</b>								
<i>Behavioral Health</i>								
Psychiatrists	126		126		63		38	
Psychiatric Nurse Practitioners	102		102		51		30	
Child Psychiatrist	18		18		9		6	
Adolescent Psychiatrist	-		-		-		-	
Substance Abuse Specialist	-		-		-		-	
Case Manager	54		54		27		16	
Recovery Coach	-		-		-		-	
Peer Specialist	15		15		7		4	
Family Support Specialist	-		-		-		-	
Licensed Clinical Social Worker	173		173		87		52	
Licensed Mental Health Counselor	7		7		3		2	
Mental Health Professional (trained and credentialed for psychological testing)	-		-		-		-	
Licensed Marriage and Family Therapist	85		85		43		26	
Occupational Therapist	6		6		3		2	
Interpreter or Linguistic Counselor	10		10		5		3	
<b>Total Behavioral Health Visits</b>	<b>596</b>	<b>-</b>	<b>596</b>	<b>-</b>	<b>298</b>	<b>-</b>	<b>179</b>	<b>-</b>





# CASE STUDY – VISIT VOLUME

- Tip: build in opportunity to monitor increase in telehealth as you pull this “lever” to increase these visit types and monitor how this impacts revenue
- Tip: be mindful of changes in payer mix, as COVID-19 may cause your payer population to shift

Clinical Department	Actuals							
	March							
	March 1-7		March 8-14		March 15-21		March 22-28	
	Visits		Visits		Visits		Visits	
	Face to Face	Telehealth	Face to Face	Telehealth	Face to Face	Telehealth	Face to Face	Telehealth
<b>Behavioral Health</b>								
<b>Behavioral Health</b>								
Psychiatrists	126		126		63		38	
Psychiatric Nurse Practitioners	102		102		51		30	
Child Psychiatrist	18		18		9		6	
Adolescent Psychiatrist	-		-		-		-	
Substance Abuse Specialist	-		-		-		-	
Case Manager	54		54		27		16	
Recovery Coach	-		-		-		-	
Peer Specialist	15		15		7		4	
Family Support Specialist	-		-		-		-	
Licensed Clinical Social Worker	173		173		87		52	
Licensed Mental Health Counselor	7		7		3		2	
Mental Health Professional (trained and credentialed for psychological testing)	-		-		-		-	
Licensed Marriage and Family Therapist	85		85		43		26	
Occupational Therapist	6		6		3		2	
Interpreter or Linguistic Counselor	10		10		5		3	
<b>Total Behavioral Health Visits</b>	<b>596</b>	<b>-</b>	<b>596</b>	<b>-</b>	<b>298</b>	<b>-</b>	<b>179</b>	<b>-</b>





# CASE STUDY – TYING VISITS TO STAFFING

Analyzing how volume impacts staffing needs

- As your clinic experiences a drop in volume, build in dashboard ability to make informed decisions about how to utilize staff
- This should include opportunities to make adjustments and fine tune on a weekly basis

Clinical Department	March					
	March 15-21		March 22-28		March 29-Apr 4	
	Personnel		Personnel		Personnel	
	FTE	Costs	FTE	Costs	FTE	Costs
<b>Behavioral Health</b>						
<b>Psychiatrists</b>						
<i>Provider Staff Resources at Full Capacity</i>	4.0	\$ 23,077	4.0	\$ 23,077	4.0	\$ 23,077
Weekly Visits	63		38		25	
<b>Estimated Provider Resources Needed per Volume</b>	<b>2.0</b>	<b>\$ 11,538</b>	<b>1.2</b>	<b>\$ 6,923</b>	<b>0.8</b>	<b>\$ 4,615</b>
<i>Adjusted Provider Resources</i>						
Working Staff	4.00	\$ 23,077	4.00	\$ 23,077	4.00	\$ 23,077
Staff Furloughed Without Pay		\$ -	-	\$ -	-	\$ -
Working Staff on Wage Reduction		\$ -		\$ -		\$ -
Staff on Paid Leave		\$ -		\$ -		\$ -
<b>Total Weekly Personnel Salary</b>	<b>4.00</b>	<b>\$ 23,077</b>	<b>4.00</b>	<b>\$ 23,077</b>	<b>4.00</b>	<b>\$ 23,077</b>
Fringe - Taxes		\$ 2,739		\$ 2,739		\$ 2,739
Fringe - Employee Benefits		\$ 1,535		\$ 1,535		\$ 1,535
Fringe - Pension		\$ 432		\$ 432		\$ 432
<b>Total Weekly Personnel Costs</b>		<b>\$ 27,782</b>		<b>\$ 27,782</b>		<b>\$ 27,782</b>
<i>Total Cost Change from Prior Period</i>				<b>0.0%</b>		<b>0.0%</b>



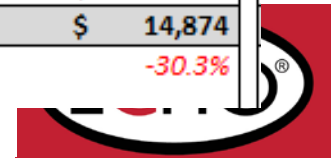


# CASE STUDY – TYING VISITS TO STAFFING

Analyzing how volume impacts staffing needs

- Example - incorporating staffing adjustments

Clinical Department	March							
	March 15-21		March 22-28		March 29-Apr 4		April 5-11	
	Personnel		Personnel		Personnel		Personnel	
	FTE	Costs	FTE	Costs	FTE	Costs	FTE	Costs
<b>Behavioral Health</b>								
<b>Psychiatrists</b>								
<i>Provider Staff Resources at Full Capacity</i>	4.0	\$ 23,077	4.0	\$ 23,077	4.0	\$ 23,077	4.0	\$ 23,077
Weekly Visits	63		38		25		25	
<b>Estimated Provider Resources Needed per Volume</b>	<b>2.0</b>	<b>\$ 11,538</b>	<b>1.2</b>	<b>\$ 6,923</b>	<b>0.8</b>	<b>\$ 4,615</b>	<b>0.8</b>	<b>\$ 4,615</b>
<i>Adjusted Provider Resources</i>								
Working Staff	4.00	\$ 23,077	3.00	\$ 17,308	2.00	\$ 11,538	1.00	\$ 5,769
Staff Furloughed Without Pay		\$ -	1.00	\$ -	1.00	\$ -	2.00	\$ -
Working Staff on Wage Reduction		\$ -		\$ -		\$ -		\$ -
Staff on Paid Leave		\$ -		\$ -	1.00	\$ 5,769	1.00	\$ 5,769
<b>Total Weekly Personnel Salary</b>	<b>4.00</b>	<b>\$ 23,077</b>	<b>4.00</b>	<b>\$ 17,308</b>	<b>4.00</b>	<b>\$ 17,308</b>	<b>4.00</b>	<b>\$ 11,538</b>
Fringe - Taxes		\$ 2,739		\$ 2,054		\$ 2,054		\$ 1,370
Fringe - Employee Benefits		\$ 1,535		\$ 1,535		\$ 1,535		\$ 1,535
Fringe - Pension		\$ 432		\$ 432		\$ 432		\$ 432
<b>Total Weekly Personnel Costs</b>		<b>\$ 27,782</b>		<b>\$ 21,328</b>		<b>\$ 21,328</b>		<b>\$ 14,874</b>
<b>Total Cost Change from Prior Period</b>				<b>-23.2%</b>		<b>0.0%</b>		<b>-30.3%</b>





# CASE STUDY – OTPS EXPENSES

- Review the basis for OTPS expenses to create assumptions for unit costs
- This will aid you in determining how expenses might fluctuate due to COVID-19 impact

Non-Personnel Expense Category	Fixed v Variable	Basis of Unit Cost
<b>Consultants and Contractual Services</b>		
Clinical Consultants - Behavioral Health	Variable	Total Visits
Clinical Consultants - Medical	Fixed	Fixed
Other Contractual Services	Fixed	Fixed
Professional Fees	Fixed	Fixed
Laboratory Outside Services	Variable	Total Visits
Pharmaceuticals	Variable	Total Visits
Radiology	Variable	Total Visits
Travel, Conferences and Meetings	Variable	Total FTE
Occupancy	Fixed	Fixed
Medical Supplies	Variable	Total Visits
Office Supplies	Variable	Total Visits
Repairs and Maintenance	Fixed	Fixed
Dues & Subscriptions	Variable	Provider FTE
Insurance	Fixed	Fixed
Telephone	Variable	Total FTE
Printing, Publications and Postage	Fixed	Fixed
Personnel Recruitment	Variable	Total FTE
Interest	Fixed	Fixed
Other	Fixed	Fixed
Depreciation	Fixed	Fixed





# CASE STUDY – OTPS EXPENSES

- Consider how these expenses will factor into your cash flow analysis
- This will help you to understand when expenses will hit your account and what is the time frame on gaps in revenue that need to be filled

Non-Personnel Expense Category	Frequency Paid
Consultants and Contractual Services	
Clinical Consultants - Behavioral Health	Bi-Weekly
Clinical Consultants - Medical	Bi-Weekly
Other Contractual Services	Monthly
Professional Fees	Monthly
Laboratory Outside Services	Monthly
Pharmaceuticals	Monthly
Radiology	Monthly
Travel, Conferences and Meetings	Monthly
Occupancy	Monthly
Medical Supplies	Monthly
Office Supplies	Monthly
Repairs and Maintenance	Monthly
Dues & Subscriptions	Monthly
Insurance	Monthly
Telephone	Monthly
Printing, Publications and Postage	Monthly
Personnel Recruitment	Monthly
Interest	Monthly
Other	Monthly
Depreciation	Monthly







# CASE STUDY – CASH FLOW: REVENUE

- Within eight weeks after volume drops, negative impact appears in cash flow

	April				May				June	
	Week 1	Week 2	Week 3	Week 4	Week 1	Week 2	Week 3	Week 4	Week 1	Week 2
	April 5-11	April 12-18	April 19-25	April 26-May 2	May 3-9	May 10-16	May 17-23	May 24-30	May 31-June 6	June 7-13
<b>VISITS</b>										
Face to Face Visits	138	208	208	277	277	346	346	415	415	485
Telehealth Visits	-	-	-	-	-	-	-	-	-	-
<b>Total Visits</b>	<b>138</b>	<b>208</b>	<b>208</b>	<b>277</b>	<b>277</b>	<b>346</b>	<b>346</b>	<b>415</b>	<b>415</b>	<b>485</b>
<b>COLLECTIONS FROM PATIENT REVENUE</b>										
Face to Face Visits	\$ 128,077	\$ 64,038	\$ 38,423	\$ 25,615	\$ 25,615	\$ 38,423	\$ 38,423	\$ 51,231	\$ 51,231	\$ 64,038
Telehealth Visits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Collections from Patient Revenue</b>	<b>\$ 128,077</b>	<b>\$ 64,038</b>	<b>\$ 38,423</b>	<b>\$ 25,615</b>	<b>\$ 25,615</b>	<b>\$ 38,423</b>	<b>\$ 38,423</b>	<b>\$ 51,231</b>	<b>\$ 51,231</b>	<b>\$ 64,038</b>
<b>OTHER COLLECTIONS</b>										
SAMHSA Grant	\$ 46,154		\$ 46,154		\$ 46,154		\$ 46,154		\$ 46,154	
State Grants/Contracts		\$ 126,154				\$ 126,154				
Local Grants/Contracts		\$ 30,769				\$ 30,769				
Safety Net Funding										
Other Collections	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500
<b>Total Other Collections</b>	<b>\$ 48,654</b>	<b>\$ 159,423</b>	<b>\$ 48,654</b>	<b>\$ 2,500</b>	<b>\$ 48,654</b>	<b>\$ 159,423</b>	<b>\$ 48,654</b>	<b>\$ 2,500</b>	<b>\$ 48,654</b>	<b>\$ 2,500</b>
<b>TOTAL CASH COLLECTIONS</b>	<b>\$ 176,731</b>	<b>\$ 223,462</b>	<b>\$ 87,077</b>	<b>\$ 28,115</b>	<b>\$ 74,269</b>	<b>\$ 197,846</b>	<b>\$ 87,077</b>	<b>\$ 53,731</b>	<b>\$ 99,885</b>	<b>\$ 66,538</b>





# CASE STUDY – CASH FLOW: EXPENDITURES

- Personnel expenses continue to remain flat until levers are adjusted
- Taxes are paid bi-weekly with payroll
- Employee benefits are paid monthly
- Pension is paid annually

EXPENDITURES	April				May				June	
	Week 1	Week 2	Week 3	Week 4	Week 1	Week 2	Week 3	Week 4	Week 1	Week 2
	April 5-11	April 12-18	April 19-25	April 26-May 2	May 3-9	May 10-16	May 17-23	May 24-30	May 31-June 6	June 7-13
<b>Personnel</b>										
Salaries & Wages	\$ 296,687	\$ -	\$ 296,687	\$ -	\$ 296,687	\$ -	\$ 296,687	\$ -	\$ 296,687	\$ -
Fringe - Taxes	\$ 35,217	\$ -	\$ 35,217	\$ -	\$ 35,217	\$ -	\$ 35,217	\$ -	\$ 35,217	\$ -
Fringe - Employee Benefits				\$ 49,324					\$ 39,459	
Fringe - Pension										
<b>Total Personnel</b>	<b>\$ 331,903</b>	<b>\$ -</b>	<b>\$ 331,903</b>	<b>\$ 49,324</b>	<b>\$ 331,903</b>	<b>\$ -</b>	<b>\$ 331,903</b>	<b>\$ -</b>	<b>\$ 371,362</b>	<b>\$ -</b>





# CASE STUDY – CASH FLOW: EXPENDITURES

April				May				June	
Week 1	Week 2	Week 3	Week 4	Week 1	Week 2	Week 3	Week 4	Week 1	Week 2
April 5-11	April 12-18	April 19-25	April 26-May 2	May 3-9	May 10-16	May 17-23	May 24-30	May 31-June 6	June 7-13

## EXPENDITURES

### OTPS

#### Consultants and Contractual Services

Clinical Consultants - Medical	\$ 241	\$ -	\$ 362	\$ -	\$ 483	\$ -	\$ 603	\$ -	\$ 724	\$ -
Clinical Consultants - Behavioral Health	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Contractual Services		\$ 18,129				\$ 18,129				
Professional Fees		\$ 6,578				\$ 6,578				
Laboratory Outside Services		\$ 1,053				\$ 1,053				
Pharmaceuticals		\$ -				\$ -				
Radiology		\$ -				\$ -				
Travel, Conferences and Meetings		\$ 1,991				\$ 1,991				
Occupancy				\$ 7,642					\$ 6,114	
Medical Supplies		\$ 1,404				\$ 1,404				
Office Supplies		\$ 1,594				\$ 1,594				
Repairs and Maintenance		\$ 5,480				\$ 5,480				
Dues & Subscriptions		\$ 166				\$ 166				
Insurance		\$ 5,127				\$ 5,127				
Telephone		\$ 331				\$ 331				
Printing, Publications and Postage		\$ 11,104				\$ 11,104				
Personnel Recruitment		\$ 2,488				\$ 2,488				
Interest				\$ 8,646					\$ 6,916	
Other		\$ 6,764				\$ 6,764				
<b>Total OTPS</b>	<b>\$ 241</b>	<b>\$ 62,211</b>	<b>\$ 362</b>	<b>\$ 16,288</b>	<b>\$ 483</b>	<b>\$ 62,211</b>	<b>\$ 603</b>	<b>\$ -</b>	<b>\$ 13,754</b>	<b>\$ -</b>
<b>TOTAL OPERATING EXPENDITURES</b>	<b>\$ 332,145</b>	<b>\$ 62,211</b>	<b>\$ 332,265</b>	<b>\$ 65,612</b>	<b>\$ 332,386</b>	<b>\$ 62,211</b>	<b>\$ 332,507</b>	<b>\$ -</b>	<b>\$ 385,117</b>	<b>\$ -</b>



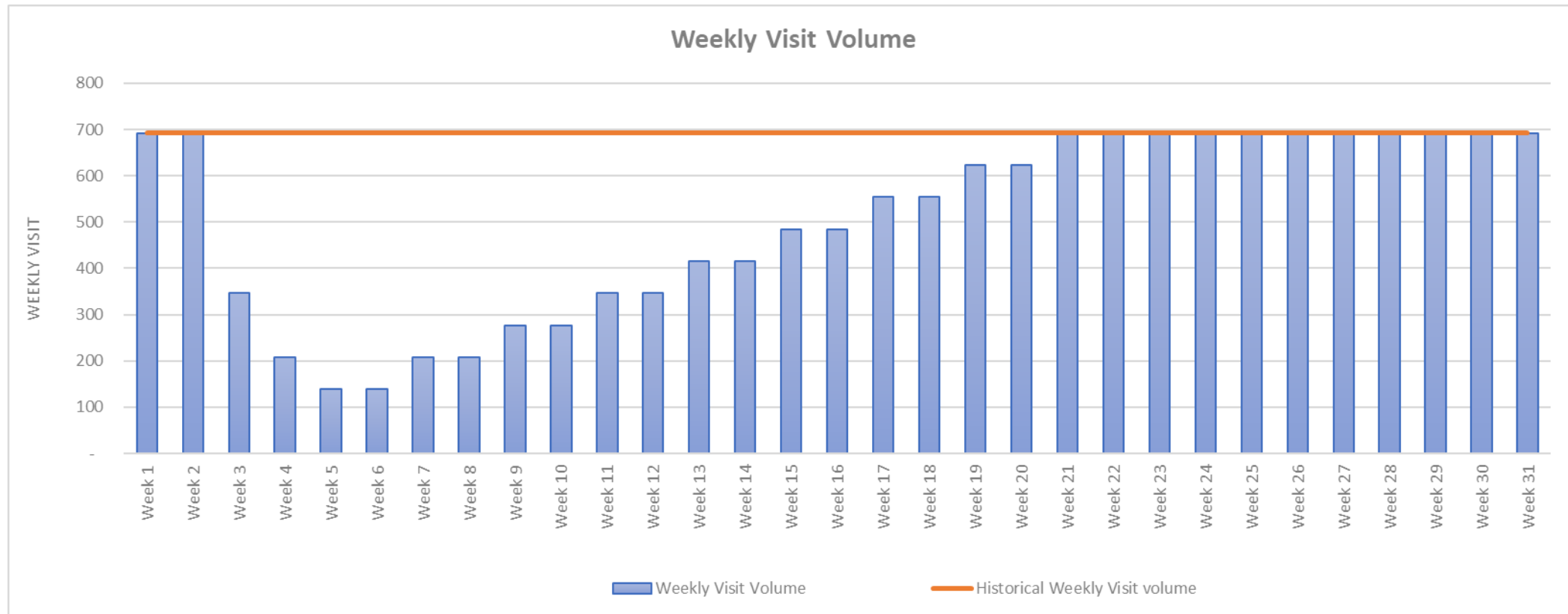
# CASE STUDY – NET CASH FLOW

	April				May				June	
	Week 1	Week 2	Week 3	Week 4	Week 1	Week 2	Week 3	Week 4	Week 1	Week 2
	April 5-11	April 12-18	April 19-25	April 26-May 2	May 3-9	May 10-16	May 17-23	May 24-30	May 31-June 6	June 7-13
<b>TOTAL CASH COLLECTIONS</b>	\$ 176,731	\$ 223,462	\$ 87,077	\$ 28,115	\$ 74,269	\$ 197,846	\$ 87,077	\$ 53,731	\$ 99,885	\$ 66,538
<b>TOTAL OPERATING EXPENDITURES</b>	\$ 332,145	\$ 62,211	\$ 332,265	\$ 65,612	\$ 332,386	\$ 62,211	\$ 332,507	\$ -	\$ 385,117	\$ -
<b>CASH FLOW - OPERATING ACTIVITIES</b>	\$ (155,414)	\$ 161,251	\$ (245,188)	\$ (37,496)	\$ (258,117)	\$ 135,636	\$ (245,430)	\$ 53,731	\$ (285,232)	\$ 66,538
<b>NON-OPERATING ACTIVITIES:</b>										
Proceeds from Debt										
Principal Payments on Debt	\$ 54,037				\$ 54,037				\$ 54,037	
Fixed Asset Purchases										
Other										
Other										
<b>CASH-FLOW - NON-OPERATING ACTIVITIES</b>	\$ 54,037	\$ -	\$ -	\$ -	\$ 54,037	\$ -	\$ -	\$ -	\$ 54,037	\$ -
<b>NET CASH FLOW</b>	\$ (101,377)	\$ 161,251	\$ (245,188)	\$ (37,496)	\$ (204,080)	\$ 135,636	\$ (245,430)	\$ 53,731	\$ (231,195)	\$ 66,538
<b>CASH - BEGINNING</b>	\$ 500,210	\$ 398,833	\$ 560,084	\$ 314,896	\$ 277,400	\$ 73,320	\$ 208,956	\$ (36,474)	\$ 17,257	\$ (213,939)
<b>CASH - ENDING</b>	\$ 398,833	\$ 560,084	\$ 314,896	\$ 277,400	\$ 73,320	\$ 208,956	\$ (36,474)	\$ 17,257	\$ (213,939)	\$ (147,400)



# CASE STUDY – VISIT DASHBOARD

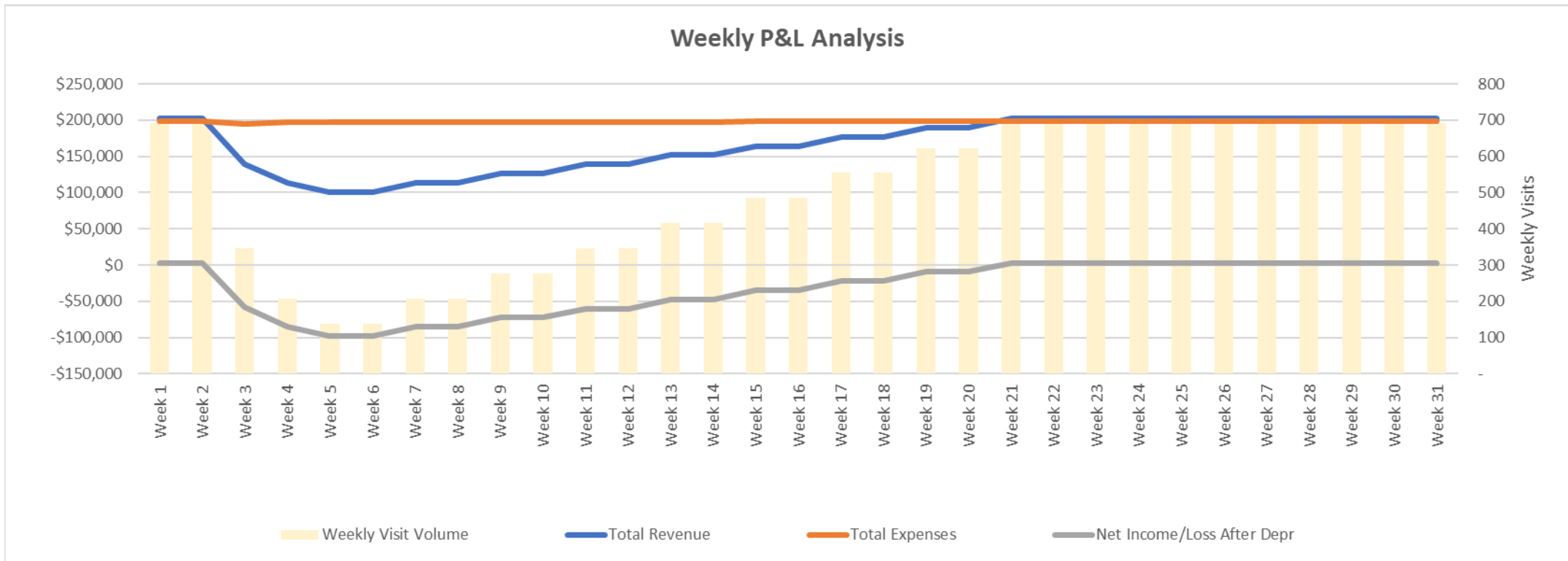
- Analyzing weekly visit volume





# CASE STUDY – PROFIT & LOSS DASHBOARD

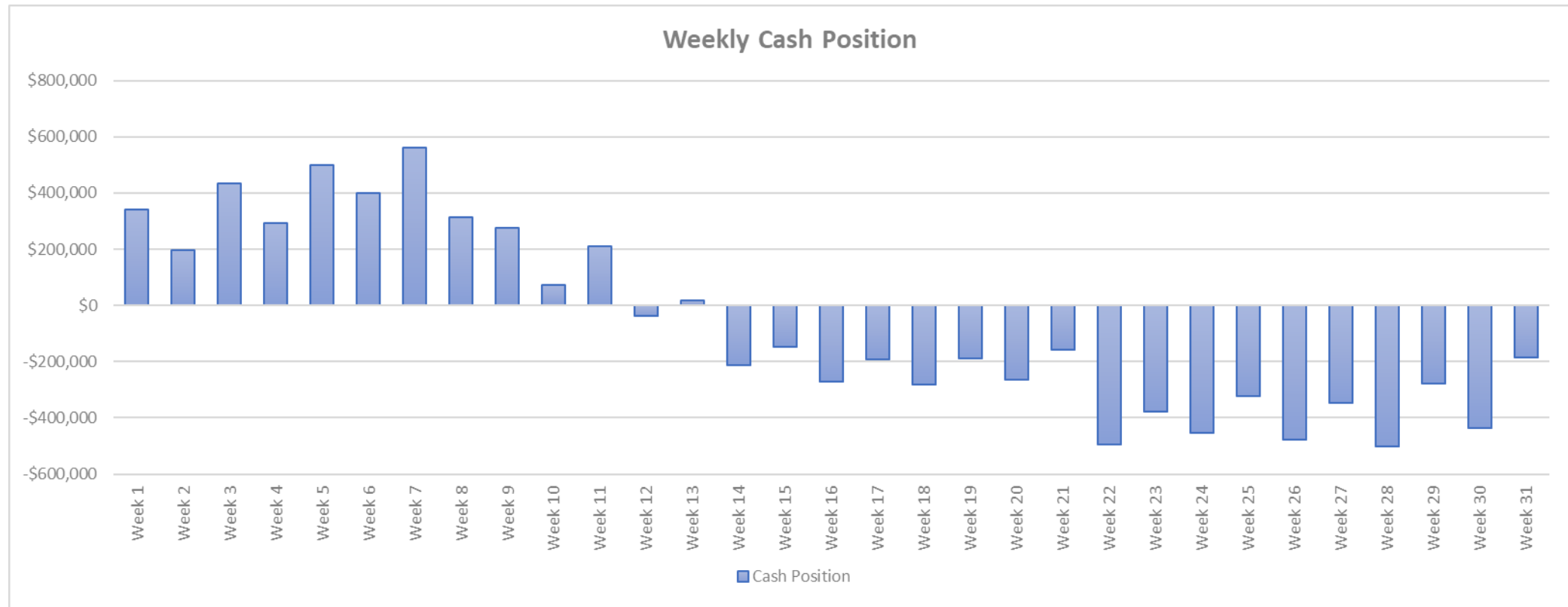
- Analyzing Weekly P&L





# CASE STUDY – CASH POSITION DASHBOARD

- Analyzing Cash Flow - hit to cash is several weeks out from peak impact to visit volume





# DISCUSSION & Q&A





# NEXT STEPS

## Session #2: Extending the Runway - Government Stimuli/Relief

Join us next week on Tuesday, April 28<sup>th</sup> at 1PM EST for the next Financial Response Strategy ECHO session to review the various government stimuli/relief programs available to behavioral health providers and hear voices from the field on experiences accessing these financial relief efforts.

Register for the session at : <https://bit.ly/34Tfw7L>

**Please complete a brief survey immediately following this session!**





# BEFORE WE GO

We care deeply about the Behavioral Health Community and that includes all of you. We wish you, your teams, your families and the patients you serve all the best and are here for you.

**STAY SAFE!**





THANK YOU



*the*  
**DELTA CENTER**  
*for a thriving safety net*

<https://deltacenter.jsi.com/>

