

# **OCA BOD Minutes**

## **March 21 2024**

Attendees: Michael Arnot; Michael Lell; Todd Turnbull; Dan Beebe; Vern Saboe; Mark Gabriel; John Helton; Amanda Tipton-Stiller

Housekeeping:

1. Open at 7:16
2. Close 8:25
3. Next - 4/18 at 7:15

### ***Reports & Contributions***

#### **1. Manager's Report:**

- See attached.
- Highlights of Attached:
  - \$38,429.37 checking
  - \$65,355.16 savings - - just for convention

#### **2. Legislative Report:**

- See Attached
- Highlights of Attached:
  - Our WC bill is top of mind. Vern has been emailing legislatures. They have a blackout period for 60 days coming up

#### **3. Treasurer's Report**

- See Attached
- Highlights of Attached:
  - 57.9% Profit in Jan
  - 53% in Feb
  - Above the thresholds he'd like to see

#### **4. OBCE**

The CA license was deep in the agenda and they had a lot of other work. They pushed it off to next month. Social media committee will back off and president Arnot will work behind the scenes

#### **5. BYLAWS**

Committee hasn't made much progress here; they're unclear on scope & goals.

#### **6. INSURANCE RELATIONS**

- Committee chair hasn't heard back from SECURE CARE so the state of negotiations with RBCBS is unknown.
- Dr. Arnot is feeling out a potential deal with his insurance broker on a group association plan for the OCA. It will be based on a minimum number of members.

#### **7. CE / CONVENTION**

- 120 registrants; 27 of which are CAs. Of the rest, 72 are member DCs.
- \$10K in food and speaker sponsorships and all the booths are sold
- We're about six weeks out to meet our goal of 200. Historically; most of the registrants come within the last two weeks.
- Mark Gabriel suggested a texting app
- Alumnus Reception for UWS is being pushed to 2025. The 50 year celebration is taking a lot of bandwidth and time / space.
- At the check-in booth; we'll scope out the non-member registrants

#### **8. SOCIAL MEDIA & MEMBERSHIP**

- Convention posts going out every Friday at 10; these are handwritten
- Automated posts from F4CP still going out
- No movement on Constant Contact project
- No word back yet from META on cloned IG account
- The link to convention registration, seen only on social media, has 84 clicks so far.
- 2 new members

## **9. OBCE**

- The committee has made the strategic choice to back off of the OBCE on their Covid era measures lately to focus on diplomacy over the CA manual.
- Social media committee will stop fanning the flames

## **10. UWS**

- Mark is scoping out a cross promotion arrangement.
- 9/27 and 28th marks their 120 year anniversary event; sponsorships start at 50k
- Mark and Amanda will go to their career fair

### ***New Business***

1. CCA Membership - Jan is requesting we table this for now
2. Dr. Brett is volunteering his lakefront property for a dinner. Rather than auctioning this off, we'll include it within a pac fundraiser perhaps

# ANALYSIS OF OCA PROFIT & LOSS STATEMENT (JANUARY – FEBRUARY 2024)

There are three critical figures to understand in evaluating the performance and profitability of an organization.

**A) Gross Profit Margin**

**B) Overhead Percentage**

**C) Net Profit Margin**

Ideally, cost of goods sold (COGS) should not exceed **40%**, which will leave a gross profit margin of **60%**. Of that 60%, overhead should not exceed **35%**. This then leaves a genuine net profit margin of **25%**; which is considered ideal.

**OCA GROSS PROFIT:** Total Income – Cost of Goods Sold (COGS) = Gross Profit

*\*For this computation COGS = Program (Convention) costs + Merch Fees + Marketing & Promotion*

$$\text{COGS} = \$6,412.24 + \$3,282.88 + \$1,009.00 = \mathbf{\$10,704.12}$$

$$\$10,704.12 \div \$113,084.078 = \mathbf{9.5\%}$$

**OCA COGS is 9.5% of total income, which is well below the 40% considered ideal**

$$\$113,084.07 - \$10,704.12 = \mathbf{\$102,379.95 \text{ GROSS PROFIT}}$$

**A) OCA GROSS PROFIT MARGIN:** Gross Profit ÷ Total Income = Gross Profit Margin

$$\$102,379.95 \div \$113,084.07 = \mathbf{90\%} \text{ (An ideal Gross Profit Margin} = \mathbf{60\%})$$

**The OCA continues to enjoy a well above average Gross Profit Margin**

*\*This is based on the unusually low COGS for our industry as compared to industry standards.*

**B) OCA OVERHEAD PERCENTAGE:** Total Expenses ÷ Total Income = Overhead Percentage

$$\$41,821.37 \div \$113,084.07 = \mathbf{36.9\%} \text{ (Ideal is 35\%)}$$

For the first two months of 2024, the OCA's current overhead is 36.9% of its total income. **Ideally, nonprofit overhead should not exceed 35%**. An overhead percentage higher than 35% might indicate spending that's disproportionate to the amount of money a group can raise, and result in low operating profit, low Net Profit, and organizational unsustainability.

Overhead for January 2024 was only: **33.5%**

Overhead from January – December 2023 was: **68.5%**

Overhead from January – November 2023 was: **67%**

Overhead from January – October 2023 was: **65.5%**

Overhead from January – September 2023 was: **67.7%**

Overhead from January – August 2023 was: **66%**

## ANALYSIS OF OCA PROFIT & LOSS STATEMENT (JANUARY – FEBRUARY 2024)

Overhead from January – July 2023 was: **65%**

**DESPITE REDUCTIONS ALREADY IMPLEMENTED, OCA OVERHEAD  
REMAINS SLIGHTLY ABOVE IDEAL AT 36.9%.**

**OCA NET OPERATING INCOME:** Gross Profit – Total Expenses = Net Operating Income

Current Net Operating Income \$102,379.95 - \$41,821.37 = **\$60,558.58**

Net Operating Income January 2024: **\$34,214.05**

Net Operating Income January – December 2023: **\$39,378.85**

Net Operating Income January -November 2023: **\$33,908.77**

Net Operating Income January – October 2023: **\$36,021.29**

Net Operating Income January – September 2023: **\$12,793.13**

**OCA NET PROFIT:** Net Operating Income (+ other income) – Other Expenses = Net Profit

\$60,558.58 (+\$1.27) = \$60,559.85 - **\$0.00** = **\$60,559.85 Net Profit/Income**

Net Profit January 2024: **\$34,214.49**

Net Profit January – December 2023: \$23,390.69

Net Profit January – November 2023: \$19,767.84

Net Profit January – October 2023: \$24,810.18

Net Profit January – September 2023: \$1,240.91

Net Profit January – August 2023: \$4,881.29

Net Profit January – July 2023: \$2,687.65

Net Profit January – May 2023: **-\$12,369.27**

Net Profit for 2022 = **-\$31,008.77**

**C) NET PROFIT/INCOME MARGIN:** Net Income ÷ Total Income = Net Profit Margin

Net Profit is the amount of income/money remaining after all spending. A Net Profit Margin of **25%** is generally considered desirable. In June of 2023, the OCA BOD voted to adopt a much lower and easily attainable **Net Profit Margin of only 7%-10%**.

**\$60,559.85 ÷ \$113,084.07 = 53.5% Net Profit Margin for 2024**

Profit Margin January 2024 = **57.9%**

Profit Margin January – December 2023 = 5.9%

Profit Margin January – November 2023 = 5.3%

Profit Margin January – October 2023 = 6.9%

## ANALYSIS OF OCA PROFIT & LOSS STATEMENT (JANUARY – FEBRUARY 2024)

Profit Margin January – September 2023 = .39%  
 Profit Margin January – August 2023 = 1.65%  
 Profit Margin January – July = 0.96%  
 Profit Margin for 2022 = **-8.0%**

**THE OCA ADOPTED A VERY CONSERVATIVE GOAL OF RETAINING ONLY 7% - 10% OF ITS MONIES EACH YEAR (i.e., profit margin). THE OCA IS CURRENTLY RETAINING AN OUTSTANDING 53.5% OF ITS MONIES.**

### SUMMARY:

The three critical figures in evaluating performance and profitability are:

- A) **Gross Profit Margin (Ideal) = 60%** (where COGS is 40%)
- B) **Overhead Percentage (Ideal) = 35%**
- C) **Net Profit Margin (Ideal) = 25%**

- A) *OCA Desired/Goal* **Gross Profit Margin = 74%** (with COGS of 26%)
- B) *OCA Desired/Goal* **Overhead Percent = 64% - 67%**
- C) *OCA Desired/Goal* **Net Profit Margin = 7% - 10%**

- A) *Current* **OCA Gross Profit Margin = 90%** (COGS only 9.5%)
- B) *Current* **OCA Overhead Percentage = 36.9%** (can be as high as 64%-67%)
- C) *Current* **OCA Net Profit Margin = 53.5%** (target is only 7-10%)

**OCA financials for first two months of 2024 appear excellent. This is the result of:**

- 1. Reductions in Overhead already implemented.**
- 2. Receipt of 1<sup>st</sup> quarter membership dues.**
- 3. Debit of only two months of 1<sup>st</sup> quarter expenses.**

**Net profit for January was 57.9%. Net profit for January/February dropped to 53.5%.**

**Currently, no further reductions in overhead are recommended pending analysis of 1<sup>st</sup> and 2<sup>nd</sup> quarter Profit & Loss, and analysis of Convention 2024 Profit & Loss.**

# OCA Legislative Report for March 21, 2024

By Vern Saboe, DC., DACAN, FICC., DABFP, DIANM

**2024 Short Session Bills introduced, Senate Bills = 98, House Bills = 168.**

**House Bill 4028**, Calls for the Oregon Health Authority (OHA) to study access to healthcare in this state. July of this year the number of Oregonians that can qualify for the Oregon Health Plan will total 2 million. I testified in front of the Rules Committee hearing this bill asking the OHA to study the feasibility of removing restrictions to access by some CCOs for Oregon Health Plan patients. The restrictions requiring pre-authorization to treat and/or a PCP referral. Also asking the OHA to look at the feasibility of increasing reimbursement levels for providers as the low reimbursement levels are a deterrent to provider participation.

**Following up with Governor Kotek healthcare policy advisors hoping the Governor will help via Admin Rule or a bill in 2025.**

**“Opioid Settlement Prevention, Treatment and Recovery Board,”** (Working with Tony Rosner, PhD UWS, and Michelle Meier, DC., MPH., PhD, NWHS who provided grant language).

## **CE program would have as some of its goals to**

- Increase awareness of chiropractic non-pharmacological interventions, e.g., chiropractic lay public awareness program a DC’s training, treatment interventions and networking with medical providers.
- Develop CEs for prescribing medical professionals and educational series on chiropractic physicians training, treatment interventions, and most appropriate cases to refer.
- Study why many non-prescribers such as doctors of chiropractic refuse to see Oregon Health Plan patients? Likely, low reimbursement, pre-authorization, mandatory referrals as barriers.
- Study State of Oregon evidence-based, “Coverage Guidance” and “Guidelines” and subsequent disordinate care, care that is not following these management recommendations, prevalence, direct, indirect costs, and recommendations to address these issues.

## **2025 Long Session**

### **Workers Compensation HB-3150 Return of Full Attending Physician Status to Oregon’s Chiropractic Physicians.**

- Will reintroduce during the 2025 long session.
- Gathering commitments to co-sponsor, 2005 HB-2588 had 43 co-sponsors during the interim.

- Direct it to the Health Committee
- Cost and Efficacy Studies, Dr. Rosner document. New 2024 study Cost spine-related musculoskeletal pain chiropractic vs. medical. Chiropractic wins again.
- Current steering of injured workers to Occ Med Clinics, poor care, and outcomes
- **Rep. Cyrus Javadi** (Republican, wishes to be Co-Sponsor) Democrat?

### **Health Insurance SB-1046 Governor Kotek's Network Adequacy Applied to Large Employer Group Plans**

- Would apply the Federal & Oregon State provider Non-Discrimination Provisions Section 2706a.
- It was this provider non-discrimination language Governor Kotek battled for during the 2012 legislative session applied to CCOs and Oregon Health Plan patients.
- The Governor is very supportive and is a chiropractic and acupuncture patient herself.
- I am working with DCBS, Jesse Obrien and his staff in hopes of addressing the reimbursement piece.

### **OCA's Proposed bill language:**

*(c) This subsection does not prevent the carrier from establishing varying reimbursement rates based solely on quality for performance measures.*

***(d) A carrier discriminates against a health care provider with respect to reimbursement in a health benefit plan if the carrier:***

***(A) Bases reimbursement for a covered service solely on a licensure or certification of the provider.***

***(B) Offers a health benefit plan in the state that effectively denies reimbursement for a covered service based on a licensure or certification of the provider through the use of exclusion, utilization review or other term or condition."***

### **OBCE 15-Year-Old Consent Bill SB-971**

Allows 15 year old patients to consent to chiropractic examination and treatment. This brings us up to speed with the other professions that already have this. The OCA Board voted to support this bill last session and lobbied for the bill but time ran out. The OBCE has introduced the bill for the 2025 regular long legislative session.

### **ChiroPAC \$4,170.97**

### **Medicare Bill Update**

172 members of Congress are co-sponsoring the ACA's Medicare bill. 172 members of Congress have now signed on as co-sponsors. 27 of the 43 members of the federal Ways and Means Committee. We are defined as "physicians" in the bill and when passed will allow DCs to participate in a number of federal



healthcare related programs we are currently excluded from. Lastly, any covered service that is within our scope to provide and we provide that service Medicare care must reimburse us for that service.

Hey Bob with cc to Michael and Amanda:

I am at the office again today but feeling like hell so I thought I would forward you both the updated bank account info and other office updates in case I am not up to the meeting on Thursday night. I don't want to get around Leanne with this crud so I may or may not be in the office tomorrow and Thursday -- it just depends how I am feeling.

Currently with all income through yesterday from convention transferred into the Savings account and our office bills paid including payroll for this month our balances are as follows:

Checking: \$38, 429.37

Savings: \$65, 355.16

There are some expenses for convention that need to be returned to the checking account that have been paid for this month (the promo/swag items) that currently are at: \$2730.47 which when I make the transfer for additional funds at the end of this month I will deduct those out prior to any other transfers.

Leanne does not work on Monday or Tuesday so I don't have the actual invoices yet -- I believe that the amounts that have cleared the bank are for the OCA tumblers, the padfolios (OCA note pads) and the spine key tags. There will be some other expenses that include the lanyards & plastic name badge holders that will be approximately \$835 but we have to order 500 of those so only about 1/2- of so will be for this year's convention and the remainder will be here for future in person events or convention 2025.

We are still looking for different attendee bags to order -- but have not yet ordered those. We usually stuff about 200 bags for the attendees and we only have 125 bags leftover at this time. I think we will need to use those at our table for the UWS Career Fair on April 18th and order others for the convention.

I have not yet ordered the awards but we have narrowed it down to what we want and I think Amanda and I have agreed on those awards but I am waiting on a sample for the 50th special awards to view in person before actually confirming that order.

Lastly, Dr. Arnot has asked for the budget to be forwarded before this week's meeting. Unless you see anything needing to be changed, what I sent you and him prior is all I have. I don't have any other changes at this time unless you do. I think I have answered your questions about the budget I had forwarded previously.

I still need to know how many board members plan to attend the dinner/reception on Saturday night and what their dinner choice is. If they plan to bring a spouse or significant other the cost is \$75 per person -- unless the Board wants to extend the OCA portion of that budget by another \$750 and allow spouses to come with the board

members. I don't care either way -- but since seating is limited I just need to get a count. The dinner choices are Steak, Chicken, Salmon or Vegetarian. The evening will include beer and wine but not hard liquor (not cocktails), however, those will be available at the bar for cash or card purchases.

Like I stated above -- We have the Career Fair coming up at UWS on April 18th -- which is also the 3rd Thursday and the week before convention, so I need to make sure that our OCA board members are planning to cover that event since Leanne and I will probably not be available to participate that close to convention -- when things are crazy here.

I will update Amanda on the convention registrations etc. before Thursday night's meeting and  
I don't really have anything else to report right now so this is the extent of my office report for March.

All for now.