

**TRI-CITY HEALTHCARE DISTRICT
AGENDA FOR A REGULAR MEETING
OF THE FINANCE, OPERATION AND PLANNING COMMITTEE
July 19, 2016
12:30-3:30
Assembly Room 2
Tri-City Medical Center
4002 Vista Way, Oceanside, CA 92056**

The Committee may make recommendations on any of the items listed below, unless the item is specifically labeled "Informational Only"

	AGENDA ITEM	TIME ALLOTTED	PERSON RESPONSIBLE
1.	Call to Order	1 min.	Chair
2.	Approval of Agenda	2 min.	Chair
3.	Public Comments-Announcement Comments may be made at this time by members of the public on any item on the Agenda before the Committee's consideration of the item or on any matter within the jurisdiction of the Committee. NOTE: During the Committee's consideration of any Agenda item, members of the public also have the right to address the Committee at that time regarding that item.	2 min.	Chair
4.	Ratification of minutes – June 21, 2016	2 min.	Standard
5.	Old Business-(All items for Discussion or possible Action)		
	a) NICU Coverage and Medical Director – Physician Agreement • Hamid Movahhedian, M.D.	5 min.	Mary Diamond
6.	New Business-(All Items for Discussion or possible Action)		
	a) Professional Behavior Committee Chair Proposal • Dr. Marcus Contardo	10 min.	Sherry Miller
	b) Clinical Coverage & Medical Director Agreement Extension with North County Oncology Medical Clinic, Inc.	10 min.	Wayne Knight
	c) Antibiotic Stewardship Proposal • Dr. Richard Smith	10 min.	Tori Hong
	d) G.E. Healthcare Service Contract Proposal	10 min.	Steve Young
	e) Proposal for Agreement with Bank of the West	10 min.	Charlene Carty
	f) American Heart Association Sponsorship Proposal	10 min.	David Bennett
	g) Third Lease Amendment Proposal • Oscar Matthews, MD	10 min.	Wayne Knight
	h) Financials	10 min.	Ray Rivas
	i) Work Plan – Informational Only • Finance, Operations & Planning Charter - for review, discussion /	30 min.	Chairman

NOTE: This meeting is also called and noticed as a meeting of the Board, but shall be conducted as an Administrative and Finance Committee meeting. Members of the Board who are not members of the Committee may attend the entire meeting, but shall not otherwise directly participate or vote on any item. The Committee shall take no final actions, but may make recommendations to be considered at a future meeting of the Board as to any item on the agenda, including information items. All public documents provided to the committee or Board for this meeting including materials related to an item on this agenda and submitted to the Board of Directors within 72 hours prior to this meeting may be reviewed at the District Offices located at 4002 Vista Way, Oceanside, CA 92056 in the Clerk's Office during normal business hours.

Note: If you have a disability, please notify us at 760-940-7323 at least 48 hours prior to the meeting so that we may provide reasonable accommodations.

	AGENDA ITEM	TIME ALLOTTED	PERSON RESPONSIBLE
	feedback (<i>deferred from April</i>) <ul style="list-style-type: none"> • Wellness Center (quarterly) • Construction Report (quarterly) • Aionex Bed Board / Throughput (bi-monthly) • Neuroscience Institute, NSI Medical Directorships (semi-annual) • Medical Director, Surgery (quarterly) • IT Physician Liaison (semi-annual) 		David Bennett Chris Miechowski Kathy Topp Wayne Knight Mary Diamond Kapua Conley
7.	Comments by committee members	2 min.	Chair
8.	Date of next meeting: August 16, 2016	2 min.	Chair
9.	Community Member Openings: (none)	2 min.	Chair
10.	Adjournment		
	Total Budget Time for Meeting	2 hr. 8 min.	

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Tri-City Medical Center
Finance, Operations and Planning Committee Minutes
June 21, 2016

Members Present	Director James Dagostino, Director Cyril Kellett, Director Julie Nygaard, Dr. John Kroener, Dr. Marcus Contardo, Kathleen Mendez, Carlo Marcuzzi, Wayne Lingenfelter, Tim Keane
Non-Voting Members Present:	Steve Dietlin, CEO, Ray Rivas, Acting CFO, Kapua Conley, COO, Cheryle Bernard-Shaw, CCO, Wayne Knight, Chief Strategy Officer
Others Present	Director Laura Mitchell, David Bennett, Tom Moore, Tim Mooney, (BB&T), Sharon Schultz, Colleen Thompson, Jane Dunmeyer, Charlene Carty, Mary Diamond, Tori Hong, Jeremy Raimo, Dan Martinez, Chris Miechowski, Glen Newhart, Lisa Mattia, Sherry Miller, Jody Root (Procopio), Barbara Hainsworth
Members Absent:	Dr. Frank Corona, Steve Harrington

Topic	Discussions, Conclusions Recommendations	Action Recommendations/ Conclusions	Person(s) Responsible
1. Call to order	Director Dagostino called the meeting to order at 12:34 pm.		
2. Approval of Agenda		<u>MOTION</u> It was moved by Director Kellett, Dr. Contardo seconded, and it was unanimously approved to accept the agenda of June 21, 2016.	
3. Comments by members of the public on any item of interest to the public before committee's consideration of the item.	Director Dagostino read the paragraph regarding comments from members of the public.		Director Dagostino
4. Ratification of minutes of May 17, 2016	Minutes were ratified.	Minutes were ratified. <u>MOTION</u> It was moved by Director Kellett, Mr. Keane seconded, that the minutes of May 17, 2016, are to be approved without any requested modifications.	

Topic	Discussions, Conclusions Recommendations	Action Recommendations/ Conclusions	Person(s) Responsible
5. Old Business a. Physician Agreement for NICU Medical Director <ul style="list-style-type: none"> • Hamid Movahhedian, M.D. 	Mary Diamond conveyed that this agreement for a 3-year contract renewal for Dr. Movahhedian's medical directorship of the NICU was previously submitted in May 2016. It was being resubmitted for committee approval to modify the reimbursement amounts based on an amendment to the original agreement. His duties to include attendance at meetings, collaboration and leadership with NICU nursing staff, as well as oversight of the Newborn Nursery and the High Risk Infant Follow-Up Clinic.	MOTION It was moved by Mr. Lingenfelter, Ms. Mendez seconded, and it was unanimously approved that the Finance, Operations and Planning Committee recommend that the TCHD Board of Directors authorize Dr. Movahhedian as the NICU Medical Director, as well as provide oversight for the Newborn Nursery and High Risk Infant Follow up Clinic for a term of 36 months, beginning July 1, 2016 and ending June 30, 2019, at an annual cost not to exceed \$83,760, and a total cost for the term not to exceed \$251,280.	
b. NICU & Unassigned Delivery Coverage Physician Agreement <ul style="list-style-type: none"> • Hamid Movahhedian, M.D. & North County Neonatology Specialists 	Mary Diamond conveyed that this agreement for a 3-year contract renewal for Dr. Movahhedian and North County Neonatology Specialists to provide NICU and unassigned delivery coverage, was previously submitted in May 2016. It was being resubmitted for committee approval to modify the reimbursement amounts based on an amendment to the original agreement. Physicians to provide 24/7 coverage for the Neonatal ICU, as well as coverage for unassigned delivery infant care.	MOTION It was moved by Mr. Lingenfelter, Ms. Mendez seconded, and it was unanimously approved that the Finance, Operations and Planning Committee recommend that the TCHD Board of Directors authorize North County Neonatology Specialists to provide NICU coverage for a term of 36 months, beginning July 1, 2016 and ending June 30, 2019, at an annual cost not to exceed \$237,250, and a total cost for the term not to exceed \$711,750.	
6. New Business a. Proposal for Commercial Insurance <ul style="list-style-type: none"> • BB&T 	Ray Rivas introduced Tim Mooney from BB&T Insurance Services, who gave an extensive overview of the policy coverage for TCHD's	MOTION It was moved by Dr. Contardo, Director Kellett seconded, and it was unanimously approved that the	Ray Rivas

Topic	Discussions, Conclusions/ Recommendations	Action Recommendations/ Conclusions	Person(s) Responsible
	<p>general and process excess liability program, automobile and property coverage, management liability program and privacy/cyber liability program. Significant discussion ensued.</p> <p>Write-up to be amended to reflect updated spreadsheet from BB&T.</p>	<p>Finance, Operations and Planning Committee recommend that the TCHD Board of Directors authorize the acceptance, placement and financing of the commercial insurance products recommended by BB&T for the policy period commencing July 1, 2016. <i>Barbara Hainsworth to amend this write-up</i></p>	
<p>b. Proposal to Retrofit Existing Plumbing with Water Saving Devices</p> <ul style="list-style-type: none"> • Water Saver Solutions, Inc. 	<p>Chris Miechowski explained that this was the last of 3 total projects needed to reduce water use in the hospital. Implementing the devices will save an estimated 9 million gallons of water annually or 23% of all interior water usage. Water Saver Solutions, Inc. was the more competitive of the two proposals received.</p>	<p>MOTION It was moved by Mr. Keane, Ms. Mendez seconded, and it was unanimously approved that the Finance, Operations and Planning Committee recommend that the TCHD Board of Directors authorize an agreement with Water Saver Solutions, Inc. for Retrofitting of Existing Toilets and Urinals with Water Saving Devices at the Medical Center for a cost not to exceed \$48,285, and a total term cost of \$48,285.</p>	Chris Miechowski
<p>c. Proposal to Rebuild Men's & Women's ADA Shower Stalls to Code – Wellness Center</p> <ul style="list-style-type: none"> • McCoy Design & Construction, Inc. 	<p>Chris Miechowski conveyed that this proposal would make the shower stalls at the Wellness Center ADA compliant, and that the plans for these modifications have been approved by the City of Carlsbad. This vendor was the lowest responsive bidder.</p>	<p>MOTION It was moved by Director Kellett, Dr. Contardo seconded, and it was unanimously approved that the Finance, Operations and Planning Committee recommend that the TCHD Board of Directors authorize a Total Project Budget and an Agreement with McCoy Design & Construction, Inc. for Rebuild of Men's & Women's ADA Shower Stalls to Code at the Wellness Center, for a project budget of \$59,944.98, a general contractor agreement total of \$52,495.44, for a total project cost of \$112,440.42.</p>	Chris Miechowski

Topic	Discussions, Conclusions Recommendations	Action Recommendations/ Conclusions	Person(s) Responsible
<p>d. Proposal for VigiLanz</p>	<p>Tori Hong and Lisa Mattia conveyed that this software would assist in improving pharmacy surveillance, and monitoring antimicrobial stewardship, infection prevention and quality care management, with the added advantage of observing through real-time.</p>	<p><u>MOTION</u> It was moved by Dr. Contardo, Director Nygaard seconded, and it was unanimously approved that the Finance, Operations and Planning Committee recommend that the TCHD Board of Directors authorize the agreement with VigiLanz for a term of 36 months, beginning November 1, 2016 and ending October 31, 2019 for an annual cost of \$118,138, and a total cost for the term of \$354,414.</p>	<p>Tori Hong</p>
<p>e. Physician Agreement for Inpatient BHU Medical Director</p> <ul style="list-style-type: none"> • Manish Sheth, M.D. 	<p>Sharon Schulz explained that this was a renewal agreement with new rates and reduced hours for Dr. Sheth, who will provide professional guidance and oversight for the Inpatient Behavioral Health Services Department, including medical floor and Emergency Department psychiatric consultation services, as well as the customary medical director duties as outlined in the agreement.</p>	<p><u>MOTION</u> It was moved by Director Kellett, Ms. Mendez seconded, and it was unanimously approved that the Finance, Operations and Planning Committee recommend that the TCHD Board of Directors authorize Dr. Manish Sheth as the BHU Medical Director for a term of 12 months beginning, July 1, 2016 and ending, June 30, 2017. Not to exceed an average of 42 hours per month or 504 hours annually, at an hourly rate of \$150 for an annual cost of \$75,600 and a total cost for the term of \$75,600.</p>	<p>Sharon Schultz</p>
<p>f. Physician Agreement for Crisis Stabilization Unit (CSU) Medical Director</p> <ul style="list-style-type: none"> • Manish Sheth, M.D. 	<p>Sharon Schulz conveyed that this was a new agreement for Dr. Sheth, who will provide professional guidance and oversight for the Crisis Stabilization Unit (CSU), including psychiatric consultation services, as well as the customary medical director duties as outlined in the agreement.</p>	<p><u>MOTION</u> It was moved by Director Kellett, Ms. Mendez seconded, and it was unanimously approved that the Finance, Operations and Planning Committee recommend that the TCHD Board of Directors authorize Dr. Manish Sheth as the Medical Director for the Crisis Stabilization Unit (CSU), for a term of 12 months, beginning</p>	<p>Sharon Schultz</p>

Topic	Discussions, Conclusions/ Recommendations	Action Recommendations/ Conclusions	Person(s) Responsible
9. Medical Director Agreement – ICU <ul style="list-style-type: none"> • Mark Yamanaka, M.D. 	Sharon Schultz stated that this was a renewal agreement at the same rates. She mentioned that this agreement was previously for co-directors, and would now be for a single medical director.	July 1, 2016 and ending, June 30, 2017. Not to exceed an average of 25 hours per month or 300 hours annually, at an hourly rate of \$150 for an annual cost of \$45,000 and a total cost for the term of \$45,000. <u>MOTION</u> It was moved by, Dr. Contardo Director Nygaard seconded, and it was unanimously approved that the Finance, Operations and Planning Committee recommend that the TCHD Board of Directors authorize Dr. Yamanaka as the Medical Director for the ICU for a term of 12 months beginning July 1, 2016 and ending June 30, 2017. Not to exceed an average of 20 hours per month or 240 hours annually, at an hourly rate of \$175 for an annual cost of \$42,000, and a total cost for the term of \$42,000.	Mary Diamond
h. Physician Agreement for ED On-Call Coverage <ul style="list-style-type: none"> • Orthopedic Surgery 	Sherry Miller conveyed that this agreement was a renewal at new rates. It was identified that the annual cost in the schedule did not match this amount reflected in the motion. The write-up to be modified for continuity.	<u>MOTION</u> It was moved by Dr. Contardo, Dr. Kroener seconded, and it was unanimously approved that the Finance, Operations and Planning Committee recommend that the TCHD Board of Directors authorize orthopedic physicians David Amory, MD, Christian Bentley, MD, David Daugherty, MD, Andrew Hartman, MD, Harish Hosalkar, MD, and Serge Kaska, MD and Andrew Hartman, M.D. as the Orthopedic Surgery ED-Call Coverage Physicians for a term of 24 months, beginning July 1, 2016 and	Sherry Miller

Topic	Discussions, Conclusions/Recommendations	Action Recommendations/Conclusions	Person(s) Responsible
<ul style="list-style-type: none"> • Spine – Orthopedic 	<p>Sherry Miller conveyed that this agreement was a renewal at the same rates.</p>	<p>ending June 30, 2018 at a daily rate of \$1,500 Monday-Friday and \$1,650 Saturday-Sunday and holidays that are not on the weekend, for an annual cost of \$563,100, and a total cost for the term of \$1,128,600. <i>Barbara Hainsworth to amend this write-up</i></p> <p>MOTION It was moved by Dr. Kroener, Dr. Contardo seconded, and it was unanimously approved that the Finance, Operations and Planning Committee recommend that the TCHD Board of Directors authorize the Spine physicians Neville Alleyne, MD, David Amory, MD, Payam Moazzaz, MD as the Spine ED-Call Coverage Physicians for a term of 12 months, beginning July 1, 2016 and ending June 30, 2017 at a daily rate of \$400 for an annual cost and total term cost of \$146,000.</p>	
<ul style="list-style-type: none"> • Psychiatry 	<p>Sherry Miller conveyed that this agreement was a renewal at the same rates.</p>	<p>MOTION It was moved by Mr. Lingenfelter, Dr. Kroener seconded, and it was unanimously approved that the Finance, Operations and Planning Committee recommend that the TCHD Board of Directors authorize Drs. Venugopal Depala, Mark Melden, and Manish Sheth, as ED-Call Coverage Physicians for Psychiatry for a term of 12-months, beginning July 1, 2016 and ending June 30, 2017 at daily rate of \$1,000, for an annual cost of \$365,000</p>	

Topic	Discussions, Conclusions Recommendations	Action Recommendations/ Conclusions	Person(s) Responsible
<ul style="list-style-type: none"> OB-GYN 	<p>Sherry Miller conveyed that this agreement was to add a physician to a currently existing panel.</p> <p>After some discussion it was agreed that this and all future write-ups would be written to reflect a request to add one or more physicians to a currently existing panel. In addition, it was requested that subsequent write-ups for panel additions would no longer reflect the panel fees.</p>	<p>for FY 2017 for a total cost for the term of \$365,000.</p> <p>MOTION It was moved by Director Nygaard, Dr. Kroener seconded, and it was unanimously approved that the Finance, Operations and Planning Committee recommend that the TCHD Board of Directors add Tina J. Dhillon-Ashley, MD to the currently existing ED-Call Coverage panel for OB-GYN for a term of 24 months, beginning July 1, 2016 and ending June 30, 2018. <i>Barbara Hainsworth to amend this write-up</i></p>	
<ul style="list-style-type: none"> Neurosurgery-Spine 	<p>Sherry Miller conveyed that this agreement was to add a physician to a currently existing panel.</p> <p>The write-up to be modified to reflect that a physician is being added to a currently existing panel agreement.</p>	<p>MOTION It was moved by Director Kellett, Director Nygaard seconded, and it was unanimously approved that the Finance, Operations and Planning Committee recommend that the TCHD Board of Directors add Howard Tung, MD to the currently existing ED-Call Coverage Panel for Neurosurgery and Spine for a term of 12 months, beginning, July 1, 2016 and ending, June 30, 2017. <i>Barbara Hainsworth to amend this write-up</i></p>	Sherry Miller
<ul style="list-style-type: none"> i. Physician Agreement for ED On-Call Coverage – Psychiatry <ul style="list-style-type: none"> Kimberly Charlton, M.D. Mohammed Ahmed, M.D. 	<p>Sherry Miller conveyed that this agreement was to add new physicians to a currently established panel.</p> <p>The write-up to be modified to reflect that the physicians are being added to a currently existing panel</p>	<p>MOTION It was moved by Director Kellett, Director Nygaard seconded, and it was unanimously approved that the Finance, Operations and Planning Committee recommend that the TCHD Board of Directors add Drs. Kimberly Charlton and Mohammed Ahmed to</p>	

Topic	Discussions, Conclusions Recommendations	Action Recommendations/ Conclusions	Person(s) Responsible
<p>j. Medical Director Agreement – Pulmonary Rehab</p> <ul style="list-style-type: none"> • Frank Corona, M.D. 	<p>agreement.</p> <p>Sharon Schultz conveyed that this agreement was a renewal at the same rates.</p>	<p>the currently existing ED On-Call Coverage Panel for Psychiatry for a term of 12 months, beginning July 1, 2016 and ending June 30, 2017. <i>Barbara Hainsworth to amend this write-up</i></p> <p>MOTION</p> <p>It was moved by Mr. Keane, Mr. Lingenfelter seconded, and it was unanimously approved that the Finance, Operations and Planning Committee recommend that the TCHD Board of Directors authorize Dr. Frank E. Corona as the Pulmonary Rehab Medical Director for a renewal term of 24 months beginning July 1, 2016 and ending June 30, 2018. Not to exceed an average of 10 hours per month or 120 hours annually, at an hourly rate of \$175 for an annual cost of \$21,000, and a total cost for the term of \$42,000.</p>	<p>Amy Waldrop / Sharon Schultz</p>
<p>k. IT Physician Liaison –</p> <ul style="list-style-type: none"> • Scott Worman, M.D. 	<p>Dan Martinez conveyed that this agreement was a renewal at the same rates.</p>	<p>MOTION</p> <p>It was moved by Dr. Contardo, Mr. Keane seconded, and it was unanimously approved that the Finance, Operations and Planning Committee recommend that the TCHD Board of Directors authorize Dr. Scott Worman as the IT Physician Liaison, for 26 months beginning July 1, 2016, ending on August 31, 2018. Not to exceed an average of 50 hours per month or 600 hours annually, at an hourly rate of \$135 for an annual amount of \$81,000 and a total cost for the term of \$175,500.</p>	<p>Dan Martinez</p>

Topic	Discussions, Conclusions Recommendations	Action Recommendations/ Conclusions	Person(s) Responsible
<p>I. Cerner Millennium 2015 EMR Upgrade Proposal</p>	<p>Dan Martinez explained that this upgrade to the 2015 Cerner Millennium was needed to remain in compliance with the changing Meaningful Use and regulatory requirements. He emphasized that this upgrade will be a 6-month project, and lays the future foundation for Cerner EMR at TCMC.</p>	<p><u>MOTION</u> It was moved by Director Kellett, Mr. Lingenfelter seconded, and it was unanimously approved that the Finance, Operations and Planning Committee recommend that the TCHD Board of Directors authorize the agreement with Cerner Corporation for the Cerner EMR Upgrade project for a term of 24 months, beginning August 1, 2016 and ending July 31, 2018 for an annual cost of \$250,000, and a total cost for the term of \$500,000.</p>	<p>Dan Martinez</p>
<p>m. Vista Community Clinic Service Agreement (PRIME)</p>	<p>PULLED</p>		
<p>n. Cardiovascular Health Institute</p> <ul style="list-style-type: none"> • Co-Management Agreement • Medical Directorship Agreements 	<p>Jeremy Raimo conveyed that this agreement was a renewal at the same rates.</p> <p>Jeremy Raimo conveyed that this agreement was a renewal at the same rates.</p>	<p><u>MOTION</u> It was moved by Dr. Contardo, Director Nygaard seconded, and it was unanimously approved that the Finance, Operations and Planning Committee recommend that the TCHD Board of Directors authorize the agreement for Cardiovascular Institute Co-Management for a term of 36 months, beginning July 1, 2016 and ending June 30, 2019 for an annual cost of NTE \$870,000, and a total cost for the term of NTE \$2,610,000.</p> <p><u>MOTION</u> It was moved by It was moved by Dr. Contardo, Director Nygaard seconded, and it was unanimously approved that the Finance, Operations and Planning Committee recommend that the TCHD Board of Directors find it in the best</p>	<p>Jeremy Raimo</p>

Topic	Discussions, Conclusions Recommendations	Action Recommendations/ Conclusions	Person(s) Responsible
<ul style="list-style-type: none"> • Operations Committee Agreements 	<p>Jeremy Raimo conveyed that this agreement was a renewal at the same rates.</p>	<p>interest of the public health of the communities served by the District to approve an expenditure for the Cardiovascular Institute Medical Directorship Agreements for a 12 month term, beginning July 1, 2016 and ending June 30, 2017, at an annual amount not to exceed \$126,000.</p> <p><u>MOTION</u> It was moved by It was moved by Dr. Contardo, Director Nygaard seconded, and it was unanimously approved that the Finance, Operations and Planning Committee recommend that the TCHD Board of Directors find it in the best interest of the public health of the communities served by the District to approve an expenditure for the Cardiovascular Institute Operations Committee Agreements for a 12 month term, beginning July 1, 2016 and ending June 30, 2017, at an annual amount not to exceed \$15,120.</p>	
<ul style="list-style-type: none"> • Quality Committee Agreements 	<p>Jeremy Raimo conveyed that this agreement was a renewal at the same rates.</p>	<p><u>MOTION</u> It was moved by Dr. Contardo, Director Nygaard seconded, and it was unanimously approved that the Finance, Operations and Planning Committee recommend that the TCHD Board of Directors find it in the best interest of the public health of the communities served by the District to approve an expenditure for the Cardiovascular Institute Quality Committee Agreements for a 12 month</p>	

Topic	Discussions, Conclusions Recommendations	Action Recommendations/ Conclusions	Person(s) Responsible
		<p>term, beginning July 1, 2016 and ending June 30, 2017, for an annual amount not to exceed \$15,120.</p> <p>Dr. Kroener abstained.</p>	
<p>o. Neuroscience Institute</p> <ul style="list-style-type: none"> • Medical Directorship Agreements • Operations Committee Agreements 	<p>Jeremy Raimo conveyed that this agreement was a renewal at the same rates.</p> <p>Jeremy Raimo conveyed that this agreement was a renewal at the same rates.</p>	<p><u>MOTION</u> It was moved by Dr. Contardo, Mr. Keane seconded, and it was unanimously approved that the Finance, Operations and Planning Committee recommend that the TCHD Board of Directors find it in the best interest of the public health of the communities served by the District to approve an expenditure for the Neuroscience Institute Medical Directorship Agreements for a 12 month term, beginning July 1, 2016 and ending June 30, 2017, at an annual amount not to exceed \$57,600.</p> <p><u>MOTION</u> It was moved by Dr. Contardo, Mr. Keane seconded, and it was unanimously approved that the Finance, Operations and Planning Committee recommend that the TCHD Board of Directors find it in the best interest of the public health of the communities served by the District to approve an expenditure for the Neuroscience Institute Operations Committee Agreements for a 12 month term, beginning July 1, 2016 and ending June 30, 2017, at an annual amount not to exceed \$15,120.</p>	Jeremy Raimo

Topic	Discussions, Conclusions Recommendations	Action Recommendations/ Conclusions	Person(s) Responsible
<ul style="list-style-type: none"> Quality Committee Agreements 	<p>Jeremy Raimo conveyed that this agreement was a renewal at the same rates.</p>	<p>MOTION It was moved by Dr. Contardo, Mr. Keane seconded, and it was unanimously approved that the Finance, Operations and Planning Committee recommend that the TCHD Board of Directors authorize find it in the best interest of the public health of the communities served by the District to approve an expenditure for the Neuroscience Institute Quality Committee Agreements for a 12 month term, beginning July 1, 2016 and ending June 30, 2017, at an annual amount not to exceed \$15,120.</p>	
<p>p. Orthopedic Institutes</p> <ul style="list-style-type: none"> Medical Directorship Agreements Operations Committee Agreements 	<p>Jeremy Raimo conveyed that this agreement was a renewal at the same rates.</p> <p>Jeremy Raimo conveyed that this agreement was a renewal at the same rates.</p>	<p>MOTION It was moved by Director Nygaard, Director Kellett seconded, and it was unanimously approved that the Finance, Operations and Planning Committee recommend that the TCHD Board of Directors authorize find it in the best interest of the public health of the communities served by the District to approve an expenditure for the Orthopedic Institute Medical Directorship Agreements for a 12 month term, beginning July 1, 2016 and ending June 30, 2017, at an annual amount not to exceed \$124,080.</p> <p>MOTION It was moved by Director Nygaard, Director Kellett seconded, and it was unanimously approved that the Finance, Operations and Planning Committee recommend that the TCHD</p>	

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<ul style="list-style-type: none"> Quality Committee Agreements 	<p>Jeremy Raimo conveyed that this agreement was a renewal at the same rates.</p>	<p>Board of Directors authorize find it in the best interest of the public health of the communities served by the District to approve an expenditure for the Orthopedic Institute Operations Committee Agreements for a 12 month term, beginning July 1, 2016 and ending June 30, 2017, at an annual amount not to exceed \$16,920.</p> <p>MOTION It was moved by Director Nygaard, Director Kellett seconded, and it was unanimously approved that the Finance, Operations and Planning Committee recommend that the TCHD Board of Directors authorize find it in the best interest of the public health of the communities served by the District to approve an expenditure for the Orthopedic Institute Quality Committee Agreements for a 12 month term, beginning July 1, 2016 and ending June 30, 2017, at an annual amount not to exceed \$11,280.</p>																			
q. Financials	<p>Ray Rivas presented the financials ending May 31, 2016 (dollars in thousands)</p> <table border="1"> <thead> <tr> <th colspan="2">Fiscal Year to Date</th> </tr> </thead> <tbody> <tr> <td>Operating Revenue</td> <td>\$ 307,593</td> </tr> <tr> <td>Operating Expense</td> <td>\$ 310,598</td> </tr> <tr> <td>EBITDA</td> <td>\$ 13,379</td> </tr> <tr> <td>EBITDA Excl. Settlement</td> <td>\$ 15,458</td> </tr> <tr> <td>EROE</td> <td>\$ 149</td> </tr> <tr> <td>EROE Excl. Settlement</td> <td>\$ 2,228</td> </tr> <tr> <td>TCMC – Key Indicators – FYTD</td> <td></td> </tr> <tr> <td>Avg. Daily Census</td> <td>192</td> </tr> </tbody> </table>	Fiscal Year to Date		Operating Revenue	\$ 307,593	Operating Expense	\$ 310,598	EBITDA	\$ 13,379	EBITDA Excl. Settlement	\$ 15,458	EROE	\$ 149	EROE Excl. Settlement	\$ 2,228	TCMC – Key Indicators – FYTD		Avg. Daily Census	192		Ray Rivas
Fiscal Year to Date																					
Operating Revenue	\$ 307,593																				
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Avg. Daily Census	192																				

Topic	Discussions, Conclusions Recommendations	Action Recommendations/ Conclusions	Person(s) Responsible
	<p>Adjusted Patient Days 104,298 Surgery Cases 5,906 Deliveries 2,365 ED Visits 60,484</p> <p><u>TCHD – Financial Summary – Current Month</u></p> <p>Operating Revenue \$ 28,783 Operating Expense \$ 29,030 EBITDA \$ 1,598 EROE \$ 315</p> <p><u>TCMC – Key Indicators – Current Month</u></p> <p>Avg. Daily Census 184 Adjusted Patient Days 9,467 Surgery Cases 543 Deliveries 208 ED Visits 5,475</p> <p><u>Net Patient A/R & Days in Net A/R By Fiscal Year</u></p> <p>FY Avg. Net Patient A/R (in millions) \$ 41.9 FY Avg. Days in Net A/R 48.0</p> <p>Graphs:</p> <ul style="list-style-type: none"> • TCMC-Net Days in Patient Accounts Receivable • TCMC-Average Daily Census, (Total Hospital Excluding Newborns) • TCMC-Adjusted Patient Days • TCMC-Acute Average Length of Stay • TCHD-EBITDA and EROE, Quarterly 		
r. Work Plan – Information Only	Director Dagostino reported that these agenda items were for		Chairman

Topic	Discussions, Conclusions Recommendations	Action Recommendations/ Conclusions	Person(s) Responsible
<ul style="list-style-type: none"> • Physician Recruitment Tracking (annual) • Dashboard 	<p>review only, but Committee members were welcome to ask questions.</p> <p>After some discussion, the Committee decided that the IT Physician Liaison should be an item added to the Work Plan, for semi-annual updates on projects.</p>	<p><i>Barbara Hainsworth to add item to Work Plan</i></p>	Jeremy Raimo
7. Comments by Committee Members	No discussion	None	Ray Rivas
8. Date of next meeting	July 19, 2016		Chair
9. Community Openings (none)			Chair
10. Adjournment	Meeting adjourned 2:27 pm		

FINANCE, OPERATIONS & PLANNING COMMITTEE
DATE OF MEETING: July 19, 2016
NICU COVERAGE & MEDICAL DIRECTOR - PHYSICIAN AGREEMENT

Type of Agreement	X	Medical Directors		Panel		Other:
Status of Agreement		New Agreement		Renewal – New Rates	X	Renewal – Same Rates

Physician's Name: Hamid Movahhedian, M.D.

Area of Service: NICU

Term of Agreement: 36 months, Beginning, July 1, 2016 – Ending, June 30, 2019

Maximum Totals: Within Hourly and/or Annualized Fair Market Value: YES

Responsibilities:	Rate / Hour	Hours per Month Not to Exceed	Hours per Year	Monthly Cost	Annual Cost Not to Exceed	36 month (Term) Cost Not to Exceed
Medical Director	\$200	40	480	\$8,000	\$96,000	\$288,000

Position Responsibilities:

- Medical Director duties, meetings, collaboration with NICU nursing staff and leadership
- Oversight of Newborn Nursery and High Risk Infant Follow up Clinic

Board Approved Physician Contract Template:	X	Yes		No
Approved by Chief Compliance Officer:	X	Yes		No
Is Agreement a Regulatory Requirement:	X	Yes		No

Person responsible for oversight of agreement: Mary Diamond, Sr. Director, Nursing - Surgical Services / Sharon Schultz, Chief Nurse Executive

Motion:

I move that Finance Operations and Planning Committee recommend that TCHD Board of Directors authorize Dr. Movahhedian as the NICU Medical Director, as well as provide oversight for the Newborn Nursery and High Risk Infant Follow up Clinic for a term of 36 months, beginning July 1, 2016 and ending June 30, 2019, at an annual cost not to exceed \$96,000, and a total cost for the term not to exceed \$288,000.

FINANCE, OPERATIONS & PLANNING COMMITTEE
DATE OF MEETING: July 19, 2016
Professional Behavior Committee Chair Proposal

Type of Agreement		Medical Directors		Panel		Other:
Status of Agreement		New Agreement		Renewal – New Rates	X	Renewal – Same Rates

Physician's Name: Marcus Contardo, M.D.

Area of Service: Medical Staff-Professional Behavior Committee Chair

Term of Agreement: 12 months, Beginning, July 1, 2016 – Ending, June 30, 2017

Maximum Totals: Within Hourly and/or Annualized Fair Market Value: **YES**

Rate/Hour	Minimum Hours per Month	Hours per Year	Monthly Cost	Annual Cost	12 month (Term) Cost
\$166.66	30	360	\$5,000	\$60,000	\$60,000

Description of Services/Supplies:

- Perform the duties of Chair of the Professional Behavior Committee, as set forth in the Tri-City Healthcare District Medical Staff Bylaws
- Implement the Medical Staff Professional Behavior Policy #8710-57 (previously numbered 8710-511.1)

Board Approved Physician Contract Template:	X	Yes		No
Approved by Chief Compliance Officer:	X	Yes		No
Is Agreement a Regulatory Requirement:		Yes	X	No

Person responsible for oversight of agreement: Sherry Miller, Manager, Medical Staff Services / Kapua Conley, Chief Operating Officer

Motion:

I move that Finance Operations and Planning Committee recommend that TCHD Board of Directors authorize the amendment of the agreement with Marcus Contardo, M.D. for Chair of the Medical Staff Professional Behavior Committee for a term of 12 months beginning July 1, 2016 and ending June 30, 2017. Minimum of 30 hours per month or 360 hours annually, at a maximum hourly rate of \$166.66 for an annual cost of \$60,000, and a total cost for the term of \$60,000.

FINANCE, OPERATIONS & PLANNING COMMITTEE
DATE OF MEETING: July 19, 2016
CLINICAL COVERAGE & MEDICAL DIRECTOR AGREEMENT EXTENSION
with NORTH COUNTY ONCOLOGY MEDICAL CLINIC, INC.

Type of Agreement		Medical Directors		Panel		Other:
Status of Agreement		New Agreement		Renewal – New Rates	X	Renewal – Same Rates

Practice Name: North County Oncology Medical Clinic, Inc.
Area of Service: Oncology
Term of Agreement: 180 Day Extension of Current Agreement
 Beginning April 12, 2016 – Ending, October 11, 2016
Maximum Totals: Within Hourly and/or Annualized Fair Market Value: YES

Services	Monthly Cost	6 month (Term) Cost
Coverage	\$43,333.33	\$259,999.98
Medical Director	\$6,666.67	\$40,000.02
TOTAL	\$50,000.00	\$300,000.00

Description of Services/Supplies:

- Clinical coverage and medical director services

Board Approved Physician Contract Template:	X	Yes		No
Approved by Chief Compliance Officer:	X	Yes		No
Is Agreement a Regulatory Requirement:		Yes	X	No

Person responsible for oversight of agreement: Wayne Knight, Chief Strategy Officer

Motion:

I move that Finance Operations and Planning Committee recommend that TCHD Board of Directors extend the Clinical Coverage and Medical Director Agreement between TCHD and North County Oncology Medical Clinic, Inc. for a term of 180 days, beginning April 12, 2016 and ending October 11, 2016 as follows: Coverage Agreement, full time at \$43,333.33 per month; Medical Director Agreement at \$196.08 per hour, not to exceed 34 hours a month, for a total not to exceed \$300,000.

FINANCE, OPERATIONS & PLANNING COMMITTEE
DATE OF MEETING: July 19, 2016
PHYSICIAN AGREEMENT for Antibiotic Stewardship

Type of Agreement		Medical Directors		Panel		Other:
Status of Agreement		New Agreement		Renewal – New Rates	X	Renewal – Same Rates

Physician's Name: Dr. Richard Smith

Area of Service: Hospital Oversight of Antibiotic Stewardship Program

Term of Agreement: 24 months, Beginning, July, 01, 2016 – Ending, June, 30, 2018

Maximum Totals: Within Hourly and/or Annualized Fair Market Value: YES

Rate/Hour	Hours per Month	Hours per Year	Monthly Cost	Annual Cost	24 month (Term) Cost
\$175/hr.	30	300	\$5,250	\$52,500	\$105,000

Position Responsibilities:

- Chair of Antibiotic Stewardship Program
- Supervise and provide direction on program activities
- Review antibiotic orders for appropriateness

Board Approved Physician Contract Template:	X	Yes		No
Approved by Chief Compliance Officer:	X	Yes		No
Is Agreement a Regulatory Requirement:	X	Yes		No

Person responsible for oversight of agreement: Tori Hong, Director, Pharmacy / Sharon Schultz, Chief Nursing Officer

Motion:

I move that Finance Operations and Planning Committee recommend that TCHD Board of Directors authorize Dr. Richard Smith as the Chair of the Antibiotic Stewardship Program for a term of 24 months beginning July 1, 2016 and ending July 1, 2018. Not to exceed an average of 30 hours per month or 300 hours annually, at an hourly rate of \$175 for an annual cost of \$52,500, and a total cost for the term of \$105,000.

FINANCE, OPERATIONS & PLANNING COMMITTEE
DATE OF MEETING: July 19, 2017
G.E. Healthcare Service Contract Proposal

Type of Agreement		Medical Directors		Panel		Other:
Status of Agreement		New Agreement	X	Renewal – New Rates (adding equipment)		Renewal – Same Rates

Vendor's Name: G.E. Healthcare
Area of Service: Laboratory
Term of Agreement: 5 years, Beginning, July 1, 2016 – Ending, June 30, 2021

Maximum Totals:

Proration by Month:	Monthly Cost:
1-5	\$33,552
6-6	\$33,599
7-9	\$33,718
10-10	\$47,373
11-60	\$48,348
Total Term Expense:	\$2,767,286

Description of Services/Supplies:

- Service contract on three CT Scanners, AW Server, UPS, two Cath Labs, and two Ultrasound Units
- Monthly expense prorated to account for varying existing contract expiration dates

Document Submitted to Legal:	X	Yes		No
Approved by Chief Compliance Officer:	X	Yes		No
Is Agreement a Regulatory Requirement:		Yes	X	No

Person responsible for oversight of agreement: Steve Young, Sr. Director Ancillary Services / Kapua Conley, Chief Operating Officer

Motion:

I move that Finance Operations and Planning Committee recommend that TCHD Board of Directors authorize the agreement with GE Healthcare for Services on three CT Scanners, AW Server, UPS, two Cath Labs, and two Ultrasound Units for a term of 5 years, beginning July 1, 2016 and ending June 30, 2021 pro-rated cost of month 1-5, \$33,552, month 6-6, \$33,599, month 7-9, \$33,718, month 10-10, \$47,373 and month 11-60, \$48,348 for the 5 year total term expense of \$2,767,286.

FINANCE, OPERATIONS & PLANNING COMMITTEE
DATE OF MEETING: July 19, 2016
PROPOSAL for: Agreement with Bank of the West

Type of Agreement		Medical Directors		Panel		Other:
Status of Agreement	X	New Agreement		Renewal – New Rates		Renewal – Same Rates

Vendor's Name: Bank of the West
Area of Service: Finance
Term of Agreement: 3 year financing term

Maximum Totals:

Current Interest Rate Range *	36 Month (Term) Interest Cost if Fully Drawn
3.02% - 4.50%	\$189,000 - \$284,000

Description of Services/Supplies:

- Request to enter into a \$4,000,000 Capital Equipment Financing agreement with Bank of the West to fund capital equipment purchases for Tri-City Medical Center.
- Acquisition of capital equipment is subject to authorization in accordance with TCHD policies and procedures.
- The FY 2017 Budget includes \$13.8 million of capital purchases, of which \$5.0 million was budgeted to be purchased through financing agreements.

*Interest rate is subject to a one-time adjustment for each schedule of equipment, as the funding for each schedule is completed. The current quoted rate is 3.02%.

Document Submitted to Legal:	X	Yes		No
Approved by Chief Compliance Officer:	X	Yes		No
Is Agreement a Regulatory Requirement:		Yes	X	No

Person responsible for oversight of agreement: Charlene Carty, Director of Finance / Ray Rivas, Acting Chief Financial Officer

Motion:

I move that Finance Operations and Planning Committee recommend that TCHD Board of Directors authorize entering into a lease facility with Bank of the West for a principal amount not to exceed \$4,000,000 with a capital lease term of 36 months, at a maximum interest cost of less than \$284,000 over the term of the lease.

FINANCE, OPERATIONS & PLANNING COMMITTEE
DATE OF MEETING: July 19, 2016
AHA – American Heart Association Sponsorship Proposal

Type of Agreement		Medical Directors		Panel		Other:
Status of Agreement	X	New Agreement		Renewal – New Rates		Renewal – Same Rates

Vendor’s Name: American Heart Association (AHA)

Area of Service: Marketing and Public Affairs

Term of Agreement: 36 months, Beginning, July 1, 2016 - Ending June 30, 2019

Maximum Totals:

	Annual Cost:
Year 1	\$120,000
Year 2	\$250,000
Year 3	\$250,000
Total Term Cost:	\$620,000

Description of Services/Supplies:

- Agreement with the AHA over a three year period to sponsor various North San Diego County benefitted events throughout the agreement period, such as National Walking Day, Go Red for Women, and mission-focused outreach for stroke, heart health, and education.

Document Submitted to Legal:	X	Yes		No
Approved by Chief Compliance Officer:	X	Yes		No
Is Agreement a Regulatory Requirement:		Yes	X	No

Person responsible for oversight of agreement: David Bennett, Chief Marketing Officer

Motion:

I move that Finance Operations and Planning Committee recommend that the TCHD Board of Directors authorize the agreement with the American Heart Association for a term of three years, beginning June 30, 2016 and ending June 30, 2019 for the annual costs for Year 1-\$120,000, for Year 2-\$250,000 and for Year 3-\$250,000, for a total cost for the Term of \$620,000.

FINANCE, OPERATIONS & PLANNING COMMITTEE
DATE OF MEETING: July 19, 2016
Third Lease Amendment Proposal – Oscar Matthews, MD

Type of Agreement		Medical Directors		Panel		Other:
Status of Agreement		New Agreement	X	Renewal – New Rates		Renewal – Same Rates

Physician Name: Oscar Matthews, M.D. (Cardiologist)
Premises: 2095 Vista Way, Suite 107, Vista, CA 92083 (1,450 sq. ft.)
Term of Agreement: 24 months, Beginning, August 1, 2016 – Ending, July 31, 2018
 Extends the existing lease agreement for 24 months,
 increasing lease payments 3% each year.
Rental Rate: Year 1 - August 1, 2016 – July 31, 2017 (\$2,935.62 - \$2.02 SF)
 Year 2 - August 1, 2017 – July 31, 2018 (\$3,023.69 - \$2.08 SF)

Within Fair Market Value: YES (FMV was determined by Lease comparables)

Document Submitted to Legal:	X	Yes		No
Approved by Chief Compliance Officer:	X	Yes		No
Is Agreement a Regulatory Requirement:		Yes	X	No

Person responsible for oversight of agreement: Wayne Knight, Chief Strategy Officer

Motion:

I move that Finance Operations and Planning Committee recommend that TCHD Board of Directors authorize the Third Amendment Lease Renewal with Dr. Oscar Matthews for an additional 24 month term, beginning August 1, 2016, ending July 31, 2018, with a 3% increase in lease payment each year, which remains within the current fair market value rental rates.

**Finance, Operations and Planning Work Plan
Program Tracking Schedule**

FY 2017

July 19, 2016

	July 2016	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	Responsible Party
Wellness Center (Quarterly), since 2009 (changed from semi-annual to quarterly, April 2016)	•			•			•			•			David Bennett
Physician Recruitment Tracking (Annual), since 2009												•	Jeremy Raimo
Tri-City Real Estate Holding and Management LLC (Annual), since 2011								•					Steve Dietlin
Finance, Operations and Planning Charter, (Annual)										•			Chair
Construction Report, (Quarterly)	•			•			•			•			Kapua Conley
Accountable Care Organization (ACO) (Annual), since 2013								•					Wayne Knight
Infusion Center, (Quarterly) report quarterly until Oct. 2015 then annual for 1 year				•									Sharon Schultz
Aionex Bed Board / Throughput, (Bi-Monthly) (changed from monthly, to bi-monthly August 2015	•		•		•		•		•				Kathy Topp

	July 2016	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June	Responsible Party
Dashboard	•	•	•	•	•	•	•	•	•	•	•	•	Ray Rivas
Meaningful Use, (Semi-Annual) Start reporting September 2015 for one year then semi-annual)			•						•				(Kapua Conley)
Blue Belt Robotic Knee System, (not yet established will be quarterly for a year and then move to annual once it is established)													Jeremy Raimo
ICD-10 - Update		•											Colleen Thompson
Neuroscience Institute – NSI Medical Directorships, (Semi-Annual) Start reporting June 2015 for first year then semi-annually)	•						•						Wayne Knight
Medical Director – Surgery (Quarterly) Began reporting in July 2015	•			•			•			•			Mary Diamond
IT Physician Liaison (Semi-Annual) Began reporting in July 2016	•						•						(Kapua Conley)

TRI-CITY HEALTHCARE DISTRICT

FINANCE, OPERATIONS AND PLANNING

COMMITTEE CHARTER

The Finance, Operations and Planning Committee (the “Committee”) of the Tri-City Healthcare District (“District”) has multiple purposes and is delegated certain key responsibilities as enumerated herein.

I. Purpose

The Committee is to provide governance oversight and to make recommendations to the District’s Board of Directors (the “Board”) by overseeing the functions of the District directly related to Finance, Operations, and Planning. The Committee focuses on matters that are material to the District’s operations. “Material” generally means financial impacts exceeding the Chief Executive Officer’s approval limit as well as matters that, due to their nature, could expose the District to significant risks.

1. **Finance Oversight:** The Committee will oversee the Finance function of the District, including the following:
 - a. Review monthly financial statements prepared by the Finance Department and presented by the Chief Financial Officer;
 - b. Monitor the monthly financial statements for unusual trends and have the Chief Financial Officer provide a detailed explanation of the variances;
 - c. Report to the Board regarding any issue involving the integrity or trustworthiness of the District’s financial statements;
 - d. Review any proposed changes to Finance-related policies and procedures, including Board Policy No. 10-017 (investments) and 10-013 (procurement).
2. **Operations Oversight:** The Committee shall:
 - a. Review monthly report of operations metrics for departments noted on the Committee Work Plan;
 - b. Review significant new services to be provided by the District and add to Committee Work Plan;
 - c. Review significant changes to existing services currently provided by the District;
 - d. Review termination of services currently provided by the District;

e. Financial cCommitments New contracts (not within the scope of another Board committee) as well as amendments and renewals of existing contracts that exceed the approval authority of the Chief Executive Officer as outlined in Administrative Policy and Procedure #232, Board Policy No. 10-013 and state law.

e.f. Utilize the services of appropriate professional Consultants as needed to inform the deliberations and decisions of the Committee.

3. **Planning Oversight:** The Committee shall perform initial screening and analysis for potential recommendation for advancement to the Board for consideration of the following:

- a. Proposed real estate transactions;
- b. Proposed mergers, acquisitions, and joint ventures;
- c. Complex strategic project transactions;
- d. Physician recruitments and other contracts with physicians;
- e. Procurements requiring approval by the Board under Administrative Policy and Procedure #232, Board Policy No. 10-013, or state law;
- f. Material matters related to the integration between the District and independent physicians and physician groups.

II. Membership

The Committee shall consist of three Directors, five community members, and three physicians.

Each committee member shall have a basic understanding of finance and accounting, and should have experience and familiarity with the specialized issues relating to healthcare finance. At least one member of the Committee shall have accounting or related financial management expertise, as evidenced by the certified public accountant designation or other education and/or work-related credentials.

Term of Membership of Committee Members: (Barbara what is the term of the committee members? This should be added here).

Committee members shall serve a term of two years, with an option to renew the appointment for one additional two-year term and shall continue to serve until a successor is appointed.” “After the end of his/her term, the community member shall not be eligible to serve on the same Board Committee for at least two years

III. Meetings

The Committee may establish its own meeting schedule annually.

IV. Minutes

The Committee will maintain written minutes of its meetings. Draft minutes will be presented to the Board for consideration at its meetings. The Senior Executive Assistant or designee will provide assistance to the Committee in scheduling meetings, preparing agendas and keeping minutes.

V. Reports

The Committee will report regularly to the Board regarding (i) all recommendations made or actions taken pursuant to its duties and responsibilities, as set forth above, and (ii) any recommendations of the Committee submitted to the full Board for action.

VI. Conduct

Each Committee member is expected to read the District's Code of Conduct which can be found at <http://www.tricitymed.org/about-us/code-of-conduct/> and shall comply with all provisions thereof while a member of this Committee.

Approved: 9/20/2011 by Board of Directors

Approved: 3/28/2013 by Board of Directors

Approved: 5/29/2014 by Board of Directors

Wellness Center Update July 19, 2016

1. Number of current members Jan 1, 2016: **3,738**

Members:	January – June:	853
Cancellations:	January – June:	<u>810</u>
Ending membership:	April 30, 2016:	3781

2. Continuing focus is on developing a more emphasis on control of cancellations. Most cancellations have to do with:

- Job loss
- Moving / relocation
- Financial reasons
- Lack of use, due to time constraints
- Our goal is to have a cancellation process that is as simple and non-intrusive as possible for the cancelling member, while attempting to save them and still get some details to help us deliver a better service. Typically, a member who is cancelling has made up their minds already and the last thing they want is someone hounding them about reasons or begging them to stay (this is what you could experience at a lot of other gyms).

We do reach out to our cancelling members to see if there is anything we can do for them. We approach this outreach as a "is there something we can do to help" as opposed to "we want you to stay". The "reason for cancel" dictates our approach to the outreach. For example, if they list "financial reasons" then we are prepared to offer them a discounted rate of up to 50% off for up to 3 months, or we may ask them if they want to place their membership on hold (with no hold fees) for a month or two. The conversation between the rep and the cancelling member dictates what may be offered and what may not be offered. If someone feels comfortable enough to tell us they just lost their job and they expect to be working again in a couple of months, then the reduced rate or hold might work for them and keep them on board with us.

We approach "medical reasons" differently. We try to find out if remaining a member at the Center will actually benefit their medical needs. Many people think that if they have an injury or some other condition then they just shouldn't work out. Some people are about to have a procedure done, which may take them out of the Center for a couple of months. We encourage them to hold their membership at no cost, so they can get back into their workout routine when they are ready.

All of this depends on what the cancelling member is willing to share with us and how open they are to options we may present to them. Most of the time, when someone is ready to cancel there isn't much you can do about it.

We are always looking for the "touch point" where we have an opportunity to show the member we care about them. The challenge is making sure you approach cancellations the correct way, so the experience is a positive one and maybe they will come back to us in the future.

Wellness Center Update July 19, 2016

3. Growth initiatives include:

- Continue corporate program presentations to local companies within a 10 square mile radius.
- We continue to visit a minimum of 6 corporations for membership per month, using demographic information for companies in the District that includes the type of business, number of employees, sales levels and who the key contacts would be and develop a weekly outreach plan of action.
- ViaSat recently reached out to us to discuss our relationship account with them. We are working to set up a meeting with the contact. We have been proactively connecting with their HR contacts about membership and we currently have 37-38 ViaSat members. We were contacted by a new HR person, so we are hopeful the upcoming meeting will open the door for more opportunities.
- Gilliad Sciences - Jeremy has been working on this account for a while and they finally got back to him. They asked us to participate in a Health Fair in Oct. Although it's a few months from now, we're excited they have let us in the door.
- In June we started to target our Alumni members a bit more as part of our initiative to deal with a competitor, Equinox, opening. We sent an email "rejoin" promotion specifically to Alumni, and we sent our Alumni the current member newsletter to show them all the amazing program and events going on in the Center with the goal of encouraging them to come back.
- As always, our services and programs, our professional team, our focus on cleanliness and safety, creating an exceptional experience, etc. are the cornerstone to addressing cancellations.
- We now have 68 corporate accounts compared to 15 total accounts for 2015.
- Plan includes reduced pricing programs and incentives to join.
- We continually attend Health Expos
- The Lucky 13 team and alumni have gone to 9 running events this year and we are increasing the visibility of the program with the WC through other events they attend.

4. An overall marketing plan continues to focus on:

- Incentives for current members to bring new members in.
- Re- developing a plan to retain members and to decrease potential cancellations
- Developing a more centered focus on senior citizens work- out and exercise
- Pricing and incentives continue to be offered to Tri City Medical Center employees. Having the Wellness Center membership team doing outreach in the cafeteria, leadership meetings and employee forums, new hire orientations.
- Pricing and incentives for physicians
- Our promotions this past quarter were:
 - June Add-On Promo: One month free dues for current member, add-on received reduced dues for 6 months and \$0 enrollment fee. (\$20 off add-on dues rate for 6 months)
 - June Alumni Promo: Rejoin and enjoy July, Aug, Sept. for only \$99 total, We also sent our member newsletter to Alumni with the goal of showing them all the great services and events happening during the month to encourage them to come back.
 - June Prospect Promo AND Closeout Offer: Join in June and Enjoy, 50% off first 3 months of dues, \$0 enrollment fee, plus 13th month free

Wellness Center Update July 19, 2016

- June Open House: Free Workouts and Access to the Center for all non-members, June 6 – June 20, (eligible for June prospect offer if they join)
- May Prospect Promo AND Closeout Offer: Join in June and Enjoy, 50% off first 3 months of dues, \$0 enrollment fee
- May Teacher Promo: “Our Gift to You: Free Workouts & Access to Tri-City Wellness Center, May 1-7 (eligible for corp. discount and prospect offer if they join)
- April Prospect Promo AND Closeout Offer: Join in June and Enjoy, 50% off first 3 months of dues, \$0 enrollment fee, plus 13th month free

5. We continue our continue marketing/ advertising in North County:

- Seaside Courier
- Coast News both editions
- Specific placements in the UT
- Chamber of Commerce periodicals to the community
- Media such as KUSI and CH 6
- Meeting with Active Sports each month for joint marketing programs.
- The TCMC/ UCSD monument sign for the Cardio Rehab program is up and we are seeing an increase in people coming to the WC that have been specifically referred by a UCSD physician.

6. Continuous social media updates.

7. Our Cancer Fitness program to grow. To date we have put over 120 people through the program.

**Construction Report
As of June 2016**

Project		FOP/Board Approval Date	% of Design Complete	Construction Start or Estimated Construction Start Date	Estimated Construction Completion Date**	% of Construction Complete	Total Budget	Actual Expenditures *	Remaining Budget	Status / Comments
Urology Equipment Replacement in OR#11	1250 63	March-16	100%	May-16	August-16	75%	\$ 217,708.00	\$ 95,565.49	\$ 122,142.51	Construction in progress.
Campus MOB Improvements	1250 69	February-16	100%	February-16	September-16	40%	\$ 969,723.00	\$ 79,100.08	\$ 890,622.92	Construction in progress. Retaining wall at bank building is 100% complete. ADA Ramp is 100% complete. Traffic work on College and Vista Way is complete.
Ice Chiller Compressor Replacement	1250 71	May-16	N/A	June-16	June-16	100%	\$ 55,753.00	\$ -	\$ 55,753.00	25% complete. Project completed, not invoiced as of 6/30/16
Retrofitting of Existing Toilets and Urinals with Water Saving Devices	1250 73	June-16	N/A	August-16	September-16	0%	\$ 48,284.76	\$ -	\$ 48,284.76	Contract review in progress.
Rebuild of Men's & Women's ADA Shower Stalls to Code at the Wellness Center	1250 72	June-16	100%	August-16	October-16	0%	\$ 59,944.98	\$ -	\$ 59,944.98	Contract review in progress.
Total Construction Projects							\$ 1,351,413.74	\$ 174,665.57	\$ 1,176,748.17	

* Actual Expenditures* excludes capitalized interest.

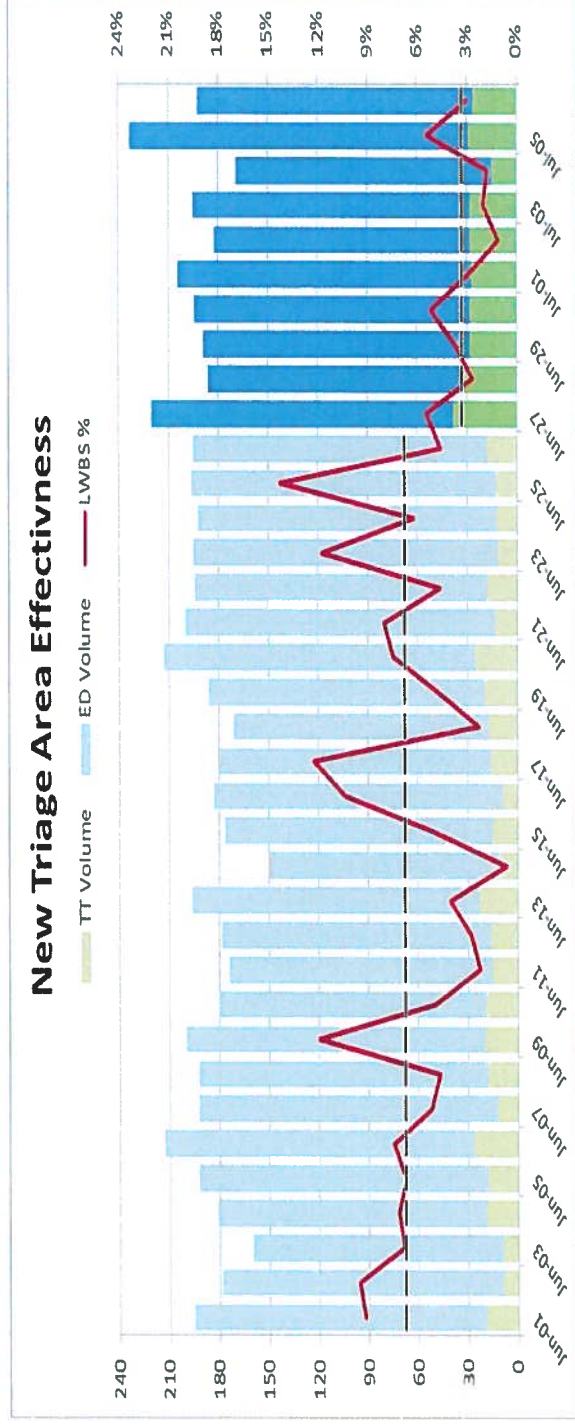
** Estimated completion is based on actual physical project progress and not on amounts invoiced to the District

Hospital Wide Throughput and Aionex Finance and Operations Update

7/19/16

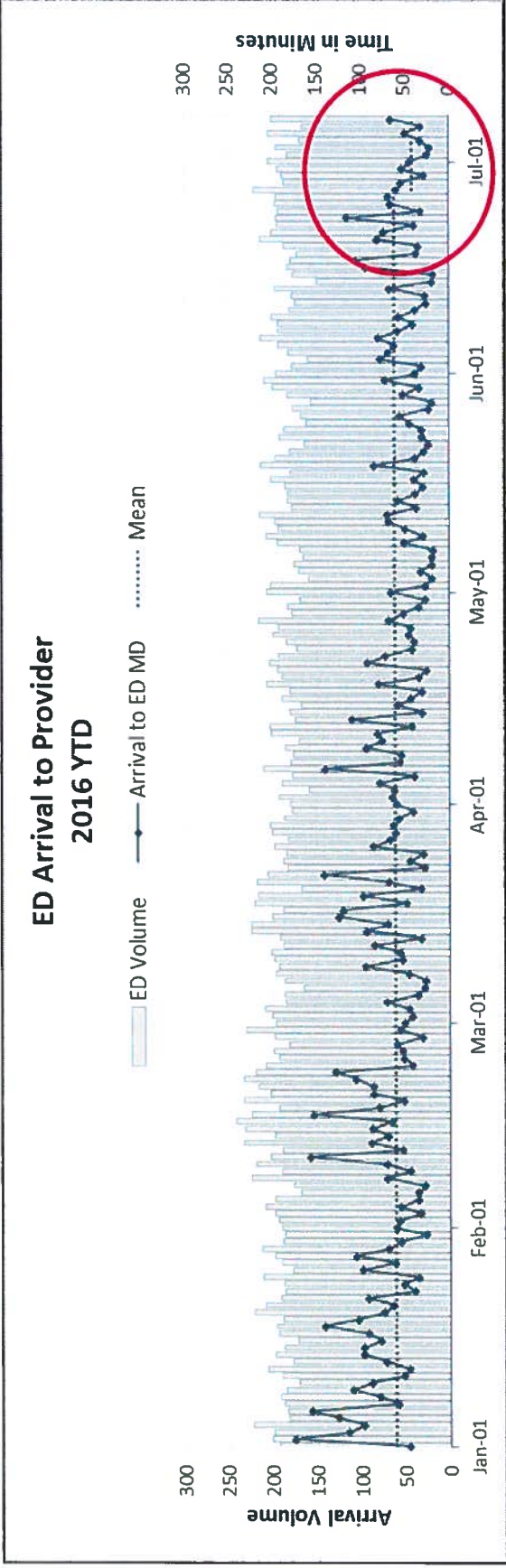
- Aionex tracking metrics being revised during July onsite meeting
- **Key Hospital Wide Throughput Improvements**
 - **Triage move to new location**
 - Pt Arrival to Provider time overall – 20 minute improvement
 - Pt Arrival to Provider time for acuity level 4 & 5 – 24 minute improvement
 - **New CT Scanner throughput improvements**
 - Average time CT time reduction in May and June – 26 minutes

ED Triage Improvement

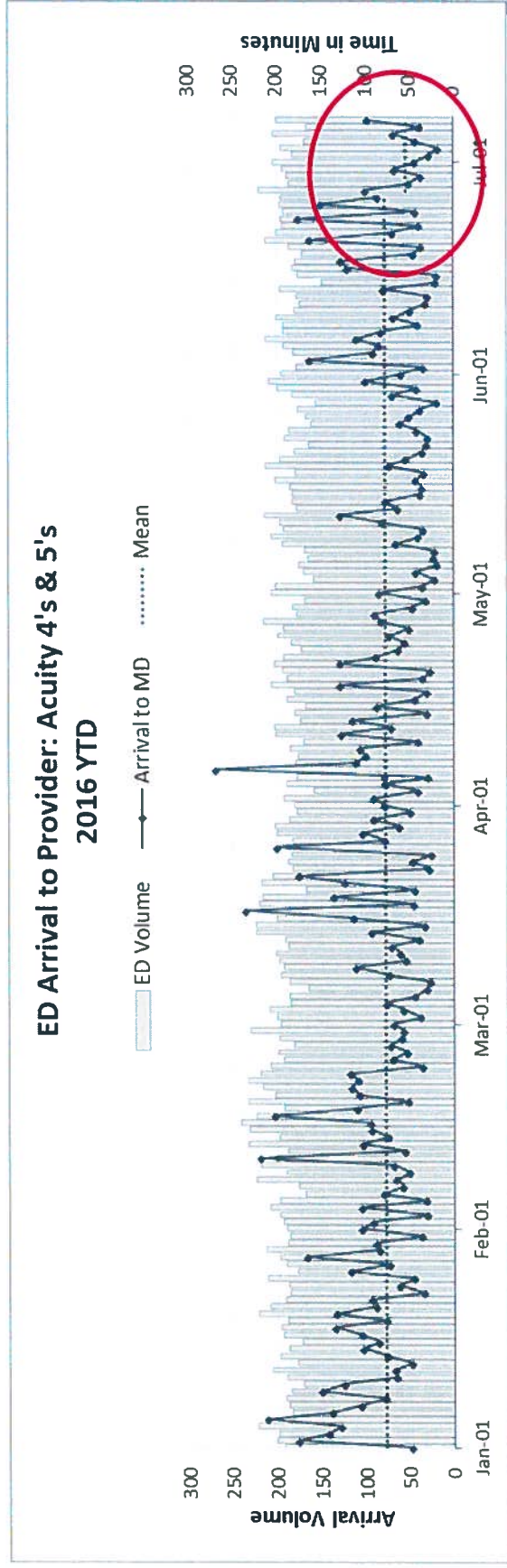


New ED Triage opened 6/27/16 – immediate improved throughput and decreased LWBS

ED Arrival to Provider

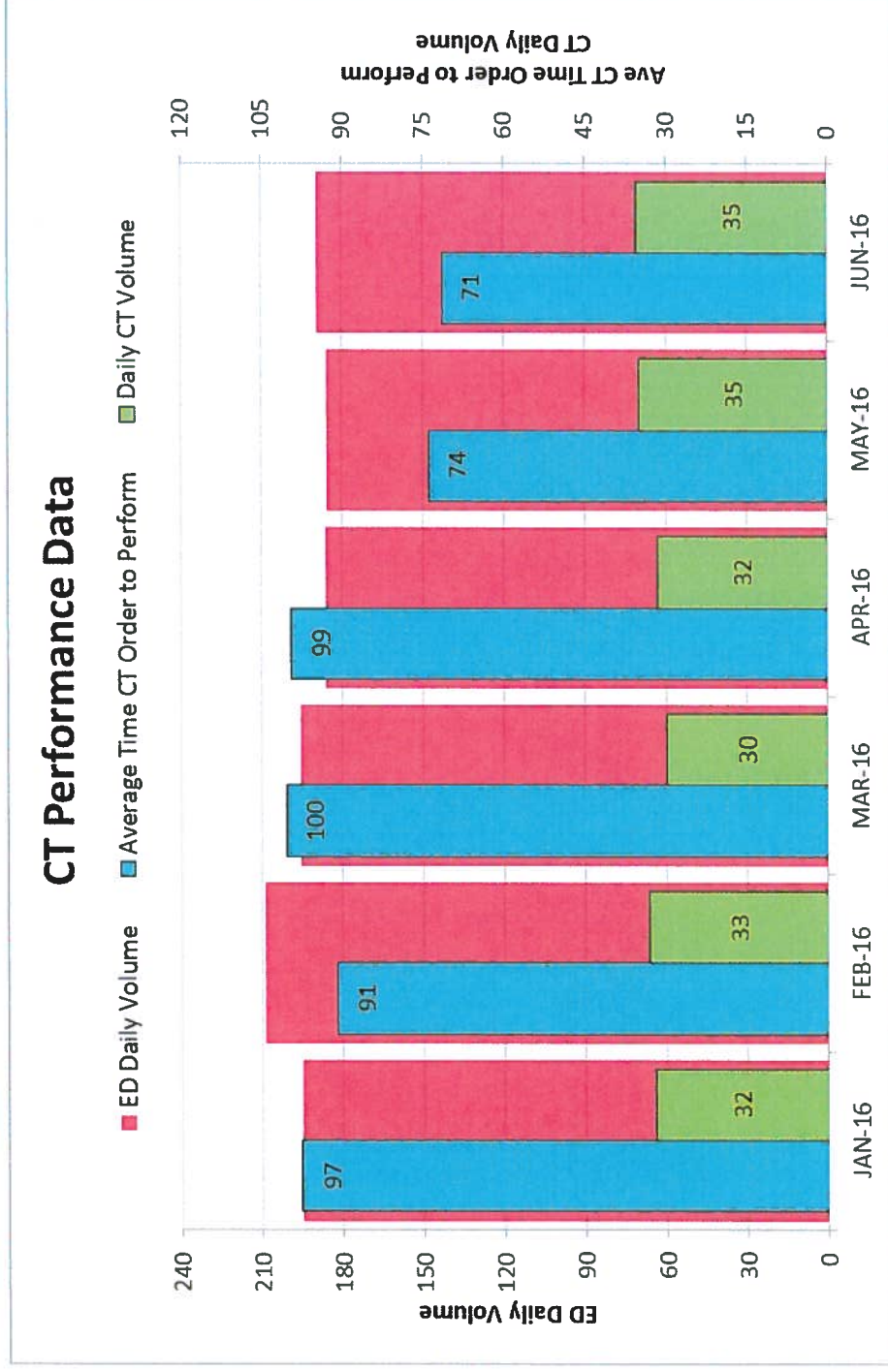


The average time from Arrival to Provider fell from 62 minutes to 42 minutes for the overall department. That is a 20 minute improvement



The average time from Arrival to Provider fell from 78 minutes to 54 minutes for patients with acuity levels of 4 and 5. That is a 24 minute improvement

CT Performance Data



Average time CT time reduction in May and June – 26 minutes