TRI-CITY HEALTHCARE DISTRICT
AGENDA FOR A REGULAR MEETING
OF THE FINANCE, OPERATION AND PLANNING COMMITTEE

September 20, 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 ALLOTED	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 – August 16, 2016	2 min.	Standard
5.	Old Business-*(All items for Discussion or possible Action)*		
6.	New Business-*(All Items for Discussion or possible Action)*		
	a) Physician Agreement for ED On-Call Coverage • Cardiothoracic Surgery	10 min.	Sherry Miller
	b) Physician Agreement for ED On-Call Coverage • Urology Surgery	10 min.	Sherry Miller
	c) Physician Agreement for ED On-Call Coverage • OB-GYN	10 min.	Sherry Miller
	d) Physician Recruitment Proposal • Anton M. Kushnaryov, MD	10 min.	Jeremy Raimo
	e) Siemens Healthcare Diagnostics, Inc. Proposal • Replacement Blood Gas Instruments, Consumables & Cerner Interface	10 min.	Tara Eagle
	f) Clinical Coverage & Medical Director Agreement Extension • North County Oncology Medical Clinic, Inc.	10 min.	Wayne Knight
	g) Financials	10 min.	Ray Rivas
	h) Work Plan – Information Only • Aionex Bed Board / Throughput	20 min.	Sharon Schultz

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 ALLOTED	PERSON RESPONSIBLE
	• Dashboard • Meaningful Use • Finance, Operations & Planning Charter (from April)		Ray Rivas Terry Moede Chair
7.	Comments by committee members	2 min.	Chair
8.	Date of next meeting: October 18, 2016	2 min.	Chair
9.	Community Member Openings: (none)	2 min.	Chair
10.	Adjournment		
	Total Budget Time for Meeting	1 hr. 43 min.	

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.

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Tri-City Medical Center
Finance, Operations and Planning Committee Minutes
August 16, 2016

Members Present	Director James Dagostino, Director Cyril Kellett, Director Julie Nygaard, Dr. John Kroener, Dr. Frank Corona, Kathleen Mendez, Carlo Marcuzzi, Steve Harrington, Wayne Lingenfelter
Non-Voting Members Present:	Steve Dietlin, CEO, Ray Rivas, Acting CFO, Kapua Conley, COO, Wayne Knight, Chief Strategy Officer, Cheryle Bernard-Shaw, CCO
Others Present	Director, Laura Mitchell, David Bennett, Colleen Thompson, Glen Newhart, Charlene Carty, Sharon Schultz, Norma Braun, Jane Dunmeyer, Sherry Miller, Thomas Moore, Terry Moede, Steve Young, Jeremy Raimo, Jody Root (Procopio), Barbara Hainsworth
Members Absent:	Marcus Contardo, M.D., Tim Keane

Topic	Discussions, Conclusions Recommendations	Action Recommendations/ Conclusions	Person(s) Responsible
1. Call to order	Director Dagostino called the meeting to order at 12:35 pm.		
2. Approval of Agenda		**MOTION** **It was moved by Director Kellett, Director Nygaard seconded, and it was unanimously approved to accept the agenda of August 16, 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 July 19, 2016	Minutes were ratified.	Minutes were ratified. **MOTION** **It was moved by Director Kellett, Ms. Mendez seconded, that the minutes of July 19, 2016, are to be approved without any requested modifications.**	

Topic	Discussions, Conclusions Recommendations	Action Recommendations/ Conclusions	Person(s) Responsible
5. Old Business			
6. New Business			
a. Cardiovascular Health Institute – Operations Committee • Paul Sarkaria, M.D.	Jeremy Raimo conveyed that this agreement was a renewal for Dr. Paul Sarkaria at the same rates, to continue as a member of the Operations Committee for the Cardiovascular Health Institute.	**<u>MOTION</u>** **It was moved by Director Kellett, Dr. Corona 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 Agreement for a 12 month term, beginning September 1, 2016 and ending August 31, 2017, for an annual amount not to exceed $5,040.**	Jeremy Raimo
b. Neuroscience Institute – Quality Committee Agreement • Bilal Choudry, M.D.	Jeremy Raimo explained that this was a new agreement with Dr. Bilal Choudry to become a member of the Neuroscience Institute's Quality Committee. Discussion ensued.	**<u>MOTION</u>** **It was moved by Director Kellett, Dr. Corona 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 Quality Committee Agreement for a 12 month term, beginning September 1, 2016 and ending August 31, 2017, for an annual amount not to exceed $4,800.**	Jeremy Raimo
c. Neuroscience Institute – Operations Committee Agreement • Bilal Choudry, M.D.	Jeremy Raimo explained that this was a new agreement with Dr. Bilal Choudry to become a member of the Neuroscience	**<u>MOTION</u>** **It was moved by Director Kellett, Dr. Corona seconded, and it was unanimously approved that the**	Jeremy Raimo

Topic	Discussions, Conclusions Recommendations	Action Recommendations/ Conclusions	Person(s) Responsible
	Institute's Operations Committee.	**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 Agreement for a 12 month term, beginning September 1, 2016 and ending August 31, 2017, for an annual amount not to exceed $4,800.**	
d. Physician Agreement for ED On-Call Coverage – Neurology • Reshma Gokaldas, M.D.	Sherry Miller noted that this agreement is being submitted in order to add Dr. Reshma Gokaldas to the existing ED On-Call panel agreement for Neurology. She emphasized that there would be no increase in expense to the original agreement.	**MOTION** **It was moved by Director Kellett, Dr. Corona seconded, and it was unanimously approved that the Finance, Operations and Planning Committee recommend that the TCHD Board of Directors add Dr. Reshma Gokaldas to the currently existing ED On-Call Coverage Panel for Neurology for a term of 22 months, beginning September 1, 2016 and ending June 30, 2018.**	Sherry Miller
e. Proposal for Proctoring • Charles Athill, M.D.	Sherry Miller conveyed that this agreement was to Dr. Charles Athill to act as a proctor for Electrophysiology (EP) procedures, and serve as a vehicle to ensure payment when proctoring services have been rendered. During the discussion it was noted that the terms of this agreement should be changed to 13 months to agree with the beginning and	**MOTION** **It was moved by Director Kellett, Dr. Kroener seconded, and it was unanimously approved that the Finance, Operations and Planning Committee recommend that the TCHD Board of Directors authorize the agreement with Charles Athill, M.D. for acting as proctor for a term of 13 months, beginning July 1, 2016 and ending July 31, 2017, for an hourly rate of $500, not to exceed 10 hours, for an annual cost not to exceed $5,000, and a total cost for the term**	Sherry Miller

Topic	Discussions, Conclusions Recommendations	Action Recommendations/ Conclusions	Person(s) Responsible
	ending dates of July 1, 2016 and July 31, 2017.	**not to exceed $5,000.** ***Barbara Hainsworth to amend this write-up***	
f. Proposal for Lawson/INFOR Renewal	Terry Moede shared that this was a renewal agreement at the same rates of the Lawson/INFOR systems, used by Finance and Human Resources. She emphasized that this system is a business based application which is critical for providing fiscal decision and support data.	**MOTION** **It was moved by Director Kellett, Dr. Corona seconded, and it was unanimously approved that the Finance, Operations and Planning Committee recommend that the TCHD Board of Directors authorize the agreement with Lawson/INFOR for HR and Finance Lawson Apps daily maintenance-support for a term of 12 months, beginning June 1, 2016 and ending May 31, 2017 for monthly cost of $23,383.30, and a total cost for the term of $280,599.60.**	Terry Moede
g. CloudMed Proposal	Colleen Thompson conveyed that CloudMed is a firm that provides audits of inpatient accounts to confirm accuracy of the DRG's assigned by the coders. They also provide comments relating to query opportunities, as well as confirmation of clinical documentation available to support the coding edits recommended. Discussion ensued.	**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 authorize the agreement with CloudMed for Coding Auditing for a term of 12 months beginning September 1, 2016 and ending August 31, 2017, for a total cost for the term of 40% of agreed upon, rebilled & collected accounts audited by CloudMed, not to exceed $400,000.**	Colleen Thompson
h. Proposal for Siemens Medical Solutions Service Contract	Steve Young explained that this agreement is for a service contract on three angiographic machines, one MRI machine, two computer image processing workstations,	**MOTION** **It was moved by Dr. Corona, Ms. Mendez seconded, and it was unanimously approved that the Finance, Operations and Planning**	Steve Young

Topic	Discussions, Conclusions Recommendations	Action Recommendations/ Conclusions	Person(s) Responsible
	one power injector and one high capacity universal power supply. He emphasized that vendors frequently give priority to service contracts over those that are for time and material only. Discussion ensued.	**Committee recommend that the TCHD Board of Directors authorize the agreement with Siemens Medical Solutions for services on equipment in three IR Suites and on one MRI system for a term of 5 years, beginning October 23, 2016 and ending October 22, 2021 for a total term expense not to exceed $1,824,670.**	
i. Physician Recruitment Proposal • Himani Singh, M.D.	Jeremy Raimo gave a brief PowerPoint presentation regarding the recruitment for Dr. Himani Singh, whose specialty is Hematology and Oncology. She will be joining the North County Oncology practice, which currently consists of Drs. Paroly, Oblon and Siddique. Jeremy noted that the October 1, 2017 effective date for this agreement is incorrect and should be changed to October 1, 2016.	**MOTION** **It was moved by Dr. Corona, Ms. Mendez 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 the expenditure, not to exceed $645,000 in order to facilitate this Hematology/Oncology physician practicing medicine in the communities served by the District. This will be accomplished through a Group Physician Recruitment Agreement (not to exceed a two-year income guarantee with a two-year forgiveness period) with North County Oncology and Dr. Himani Singh.** ***Barbara Hainsworth to amend this write-up***	Jeremy Raimo
j. Physician Recruitment Proposal • Wilson Liu, M.D.	Jeremy Raimo gave a brief PowerPoint presentation regarding the recruitment of Dr. Wilson Liu whose specialty is Family Medicine. He is returning to the	**MOTION** **It was moved by Dr. Corona, Ms. Mendez seconded, and it was unanimously approved that the Finance, Operations and Planning**	Jeremy Raimo

Topic	Discussions, Conclusions Recommendations	Action Recommendations/ Conclusions	Person(s) Responsible
	area, and will be joining the practice of Primary Health Partners, which now consists of Drs. Zimmerman, Gonzales and Curran. Dr. Liu will be filling the vacancy of departing Dr. Stewart, who is leaving the practice. Jody Root commented that the Motion should be changed to reflect that the agreement is with Dr. Liu, and not with Primary Health Partners.	**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 the expenditure, not to exceed $514,000 in order to facilitate this Family Medicine physician practicing medicine in the communities served by the District. This will be accomplished through a Physician Recruitment Agreement (not to exceed a two-year income guarantee with a three-year forgiveness period) with Primary Health Partners and Dr. Wilson Liu.** ***Barbara Hainsworth to amend this write-up***	
k. Financials	Ray Rivas presented the financials ending July 31, 2016 (dollars in thousands) **<u>Fiscal Year to Date</u>** Operating Revenue $ 27,765 Operating Expense $ 27,895 EBITDA $ 1,583 EROE $ 288 **<u>TCMC – Key Indicators – Current Month</u>** Avg. Daily Census 179 Adjusted Patient Days 9,315 Surgery Cases 545 Deliveries 223 ED Visits 5,727 **<u>TCMC - Net Patient A/R & Days in Net A/R By Fiscal Year</u>** Net Patient A/R (in millions) $ 44.3 Days in Net A/R 51.2 **<u>Graphs:</u>**		Ray Rivas

Topic	Discussions, Conclusions Recommendations	Action Recommendations/ Conclusions	Person(s) Responsible
	• TCMC-Net Days in Patient Accounts Receivable • TCMC-Adjusted Patient Days • TCMC-Acute Average Length of Stay • TCMC Emergency Department Visits		
I. Work Plan – Information Only	Director Dagostino reported that these agenda items were for review only, but Committee members were welcome to ask questions.		Chairman
• ICD-10 Update	Colleen Thompson gave a brief PowerPoint presentation reflecting the workgroups involved in the ICD-10 transition, as well as the coder impact/challenges, and the revenue cycle impact of the ICD-10 implementation. She also shared that new coding updates will be introduced in October.		Colleen Thompson
• Dashboard	No discussion Discussion ensued regarding the status of the Work Plan. Director Nygaard conveyed that it would be helpful to have an annual update on the status of the Institutes: • Cardiovascular • Neuroscience • Orthopaedic After some discussion, it was decided to add an annual update to the Work Plan for the Institutes.		Ray Rivas

Topic	Discussions, Conclusions Recommendations	Action Recommendations/ Conclusions	Person(s) Responsible
	In addition, after some discussion it was determined that the Blue Belt Robotic Knee System should be deleted from the Work Plan.	***Barbara Hainsworth to make the requested modifications to the Work Plan***	
7. Comments by Committee Members		None	Chair
8. Date of next meeting	September 20, 2016		Chair
9. Community Openings (none)			
10. Adjournment	Meeting adjourned 1:56 pm		

FINANCE, OPERATIONS & PLANNING COMMITTEE
DATE OF MEETING: September 20, 2016
PHYSICIAN AGREEMENT for ED ON-CALL COVERAGE – Cardiothoracic Surgery

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

Physician's Names: Daniel L. Gramins, MD, Eugene Golts, MD, Steven Howe, MD, Michael Madani, MD, Anthony Perricone, MD, Travis Pollema, MD, Gert Pretorius, MD, Patricia Thistlethwaite, MD.

Area of Service: Emergency Department On-Call: Cardiothoracic Surgery

Term of Agreement: 22 months, Beginning, September 1, 2016 – Ending, June 30, 2018

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

Maximum Totals: For entire Current ED On-Call Area of Service Coverage: Cardiothoracic Surgery
New physicians to existing panel, no increase in expense

Rate/Day	Panel Days per Year	Panel Annual Cost
Cardiac: $375	FY17: 365	$136,875
Thoracic: $375	FY17: 365	$136,875
	Total Cost:	**$273,750**

Position Responsibilities:

- Provide 24/7 patient coverage for all Cardiothoracic specialty services in accordance with Medical Staff Policy #8710-520 (Emergency Room Call: Duties of the On-Call Physician)
- Complete related medical records in accordance with all Medical Staff, accreditation, and regulatory requirements.

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: 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 add Daniel L. Gramins, MD, Eugene Golts, MD, Steven Howe, MD, Michael Madani, MD, Anthony Perricone, MD, Travis Pollema, MD, Gert Pretorius, MD, Patricia Thistlethwaite, MD to the currently existing ED On-Call Coverage Panel for Cardiothoracic Surgery for a term of 22 months, beginning September 1, 2016 and ending June 30, 2018.

FINANCE, OPERATIONS & PLANNING COMMITTEE
DATE OF MEETING: September 20, 2016
PHYSICIAN AGREEMENT for ED ON-CALL COVERAGE – Urology Surgery

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

Physician's Name: Aaron G. Boonjindasup, MD

Area of Service: Emergency Department On-Call: Urology Surgery

Term of Agreement: 12 months, Beginning, October 1, 2016 – Ending, September 30, 2017

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

Maximum Totals: For entire Current ED On-Call Area of Service Coverage: Urology
New physician to existing panel, no increase in expense

Rate/Day	Panel Days per Year	Panel Annual Cost
$350	FY17: 365	$127,750

Position Responsibilities:

- Provide 24/7 patient coverage for all Urology specialty services in accordance with Medical Staff Policy #8710-520 (Emergency Room Call: Duties of the On-Call Physician)
- Complete related medical records in accordance with all Medical Staff, accreditation, and regulatory requirements.

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: Sherry Miller, Manager, Medical Staff Services / Kapua Conley, Chief Operating Officer

Motion: I move that Finance Operations and Planning Committee recommend that the TCHD Board of Directors add Dr. Aaron G. Boonjindasup to the currently existing ED On-Call Coverage Panel for Urology Surgery for a term of 12 months, beginning October 1, 2016 and ending September 30, 2017.

FINANCE, OPERATIONS & PLANNING COMMITTEE
DATE OF MEETING: September 20, 2016
PHYSICIAN AGREEMENT for ED ON-CALL COVERAGE – OB/GYN

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

Physician's Name: Jan R. Penvose-Yi, MD

Area of Service: Emergency Department On-Call: OB-GYN

Term of Agreement: 20 months, Beginning, November 1, 2016 - Ending, June 30, 2018

Maximum Totals: Within Hourly and/or Annualized Fair Market Value: YES
For entire Current ED On-Call Area of Service Coverage: OB/GYN
New physicians to existing panel, no increase in expense

Rate/Day – OB/GYN	Current Panel Days Per Year	Current Panel Annual Cost
Weekday $800	FY17: 253	$202,400
Weekend/holiday $1000	FY17: 112	$112,000
Weekday $800	FY18: 253	$202,400
Weekend/holiday $1000	FY18: 112	$112,000
	Total Term Cost:	**$628,800**

Position Responsibilities:

- Provide 24/7 patient coverage for all OB/GYN specialty services in accordance with Medical Staff Policy #8710-520 (Emergency Room Call: Duties of the On-Call Physician)
- Complete related medical records in accordance with all Medical Staff, accreditation, and regulatory requirements.

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: 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 add Dr. Jan R. Penvose-Yi, MD to the currently existing ED On-Call Coverage Panel for OB/GYN for a term of 20 months, beginning November 1, 2016 and ending June 30, 2018.

FINANCE, OPERATIONS & PLANNING COMMITTEE
DATE OF MEETING: September 20, 2016
Physician Recruitment Proposal

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

Physician Name: Anton M. Kushnaryov, MD
Areas of Service: Otolaryngology

Key Terms of Agreement:

Effective Date: February 1, 2017 or the date Dr. Kushnaryov becomes a credentialed member in good standing of the Tri-City Healthcare District Medical Staff
Community Need: TCHD Physician Needs Assessment shows significant community need for an Otolaryngologist
Service Area: Area defined by the lowest number of contiguous zip codes from which the hospital draws at least 75% of its inpatients
Income Guarantee: None
Sign-on Bonus: $25,000
Relocation: $10,000
Total Not to Exceed: $35,000 Loan Amount

Unique Features:

- Dr. Kushnaryov will join the group practice of North County Ear, Nose, Throat, Head & Neck Surgery, in Vista, CA headed by Dr. Mark Lebovits, a long time Tri-City Otolaryngologist, and Dr. Julie Berry.
- This agreement does not include an income guarantee; however, the amount provided (sign-on bonus and relocation) will be in the form of a loan. The total amount loaned will be forgiven over a two-year period provided Dr. Kushnaryov continues his practice in the service area, observes good business practices and complies with the terms of the agreement.

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: Jeremy Raimo, Sr. Director, Business Development / Wayne Knight, Chief Strategy Officer

Motion:
I move that the Finance, Operations and Planning Committee recommend the Board of Directors find it in the best interest of the public health of the communities served by the District to approve the expenditure not to exceed $35,000, in order to facilitate this Otolaryngology physician practicing medicine in the communities served by the District. This will be accomplished through a Physician Recruitment Agreement with North County Ear, Nose, Throat and Head & Neck Surgery and Anton Kushnaryov, MD.

FINANCE, OPERATIONS & PLANNING COMMITTEE
DATE OF MEETING: September 20, 2016
Siemens Healthcare Diagnostics, Inc. Proposal for
Replacement of Blood Gas Instruments, Consumables, and Cerner Interface

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

Vendor's Name: Siemens Healthcare Diagnostics, Inc.

Areas of Service: Laboratory, NICU, Cath Lab, O.R., PACU, Emergency Department

Term of Agreement: 5 years, Beginning, October 1, 2016 – Ending, September 30, 2021

Maximum Totals:	**Year 1**	**Years 2-5 per Year**	**5 Year Total**
Instrumentation Purchase with 5 years' service included	$100,077		$100,077
Cerner Interface	$30,000		$30,000
Hardware Peripherals for Interface	$5,000		$5,000
Annual Reagent & Consumables Spend *(current expenditure)*	$132,690	$132,690	$663,450
Total Financial Commitment for Project	**$267,767**	**$132,690**	**$798,527**

Description of Services/Supplies:

- The Siemens RapidPoint500 is our instrument of choice for point of care testing of arterial blood gases, electrolytes, and metabolites, such as glucose. This clinical information is vital to quality and timely patient care.
- These replacement instruments are produced by the same manufacturer of our current instruments. Our current instruments are nearing the end of usable life.
- This proposal includes (9) replacement instruments, 5 years of service/warranty on the instruments, 5 years of consumables, Cerner interfaces and necessary hardware. Among the consumables are reagents, quality control and calibration material, and specimen tips for sampling.
- This time-sensitive proposal is predicated on the following conditions: Instrument purchase orders must be received by 9/30/2016, and the instruments delivered no later than 12/31/2016.

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: Tara Eagle, Operations Manager, Lab / Kapua Conley, Chief Operating Officer

Motion: I move that Finance, Operations, and Planning Committee recommend that TCHD Board of Directors authorize the agreement with Siemens Healthcare Diagnostics, Inc. for Blood Gas Instruments and Consumables for a term of 5 years, beginning October 1, 2016 and ending September 30, 2021 for a total expected cost for the term of $798,527.

FINANCE, OPERATIONS & PLANNING COMMITTEE
DATE OF MEETING: September 20, 2016
CLINICAL COVERAGE AND CO-MEDICAL DIRECTOR AGREEMENT with
NORTH COUNTY ONCOLOGY MEDICAL CLINIC, INC.

Type of Agreement	X	Medical Directors		Panel	X	Other: Coverage
Status of Agreement	X	New Agreement	X	New Agreement		Same Rates that hospital paid previously

Practice Name: North County Oncology Medical Clinic, Inc.
Area of Service: Oncology Medical Clinic & Chemotherapy Infusion Center
Term of Agreement: 36 months
Maximum Totals: Within Hourly and/or Annualized Fair Market Value: YES

Services	Monthly Cost	36-month (Term) Cost
Infusion Center Coverage	$43,333.33	$1,560,000.00
Co-Medical Director	$ 6,666.67	$ 240,000.00
TOTAL	**$50,000.00**	**$1,800,000.00**

Description:

- Clinic Coverage – The on-site presence of a physician is required by CDPH for TCMC to own and operate a chemotherapy infusion service.
- This was vetted in 2016 with HealthCare Appraisers, Inc., and was verified to be at fair market value.
- The Medical Directorship Services will be provided by **multiple physicians**.
- Initial approval from BOD on March 29, 2012. This is a new three-year agreement with no rate increase from 2012 rates.

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: 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 36 months, beginning October 1, 2017 and ending September 30, 2020 as follows: Coverage Agreement, full time at $43,333.33 per month; Co-Medical Director Agreement at $6,666.67 a month (not to exceed 34 hours per month), for a total cost for the 36-month term of $1,800,000.00.

Finance, Operations and Planning Work Plan
Program Tracking Schedule
FY 2017
September 20, 2016

	July	Aug	Sept 2016	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	Aug	Sept 2016	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)			●						●				Terry Moede / Lyn Bolton
ICD-10 - Update (Annual)		●											Colleen Thompson
Neuroscience Institute – NSI Medical Directorships, (Semi-Annual) (Start reporting June 2015 for first year then semi-annual)	●						●						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)
Update on Institutes (Annual): • Cardiovascular • Neuroscience • Orthopaedic (Added August 2016, begin reporting August 2017)		●											Wayne Knight

Aionex Dashboard 8/2016

Throughput

Metrics Description	2013	2014	2015	16-Jan	16-Feb	16-Mar	16-Apr	16-May	16-Jun	16-Jul	16-Aug	16-Sep	16-Oct	16-Nov	16-Dec	2016 Average	Monthly Trend
Overview Bed Board																	
BB-ALL bed requests (completed Admits and Transfers)	1315	1428	1447	1358	1478	1372	1368	1384	1335	1299	1330					1366	↑
BB-Total Admits Bed Requests (Direct/Transfers, ED, Reg)				1088	1115	1108	1092	1140	1102	906	1094					1081	↑
BB-Total Internal Transfers	660	391	268	290	321	266	296	257	111	393	237					271	↓
BB-Total HOLD Status (Admits and Transfers-NOT including Admit Orders Rec'd; Future DA (on))	193	446	597	696	860	696	766	563	700	349	464					637	↑
Admits Only																	
BB-Bed Request to Assign Average (min) (Admits Only-No Internal Tsf or PACU/PreOp Hold; does include DA)				104	108	66	118			70	78					91	↑
BB-Bed Request to Assign Median (min) (Admits Only-No Internal Tsf or PACU/PreOp Hold; does include DA)				55	60	42	57			37	37					48	←→
Requests Minus PACU/Preop Hold, DA & ED--Internal movement																	
BB-Bed Request to Patient in Bed Average (min) (excludes PACU/PreOp Hold and ED)	223	236	262	265	263	250	313	217	391	306	274					285	↓
BB-Bed Request to Patient in Bed Median (min) (excludes PACU/PreOp Hold and ED)				170	177	172	177			268	246					202	↓
PACU																	
BB-PACU Bed Requests (includes PreOp Hold area)				128	146	138	148			110	144					136	↑
BB-Percent PACU Bed Assignments in under 11 minutes from Request				16%	30%	31%	22%			26%	23%					25%	↓
ED																	
BB-Total ED Bed Requests	884	922	913	877	884	879	839	921	858	820	841					865	↑
Request to Assign																	
BB-ED Bed Request to Assign Average min)	79	63	72	109	115	80	127	66	81	74	81					92	↑
BB-ED Bed Request to Assign Median (min)				59	65	48	65			42	41					53	↓
7A-7P ED Bed Request to Assign Average				111	111	83	113			80	85					97	↑
7A-7P ED Bed Request to Assign Median				74	77	48	57			47	45					58	↓
7P-7A ED Bed Request to Assign Average				109	120	81	144			69	78					100	↑
7P-7A ED Bed Request to Assign Median				49	55	49	78			37	37					51	←→

Assign to Ready																	
BB-ED Bed Assign to Bed Ready Average				56	54	40	48			32	28					43	↓
BB-ED Bed Assign to Bed Ready Median				15	19	5	9			3	3					9	↔
7A-7P ED Bed Assign to Ready Average				50	68	52	56			42	39					51	↓
7A 7P ED Bed Assign to Ready Median				13	41	10	17			10	6					16	↓
7P-7A ED Bed Assign to Ready Average				24	36	27	39			22	15					27	↓
7P 7A ED Bed Assign to Ready Median				0	3	1	4			0	0					1	↔
Ready to Complete																	
BB-ED Bed Ready to Complete Average				76	64	61	69	64	63	61	73					66	↑
BB-ED Bed Ready to Complete Median				61	55	52	51			54	56					55	↑
7A 7P ED Bed Ready to Complete Average				78	68	65	62			64	75					69	↑
7A-7P ED Bed Ready to Complete Median				63	57	58	54			56	60					58	↑
7P 7A ED Bed Ready to Complete Average				74	60	57	54			58	70					62	↑
7P-7A ED Bed Ready to Complete Median				58	51	45	47			52	54					51	↑
BB-Percent ED Bed Assignments in under 11 minutes from Request				11%	13%	15%	11%			15%	16%					13%	↑
Transfer Services																	
TS-Direct/ Inbound Transfers	28	52	79	65	72	78	83	92	80	86	77					79	↓
TS-Outbound Transfers to external	0	6	21	69	77	96	52	84	46	65	72					70	↑

Environmental Services	EVS- Total of All EVS Requests (bed cleans, spills, trash, etc)	3959	3468	3267	3431	3039	3215	3257	3167	3137	3034	3073					3169	↑
	EVS-Total Bed Clean requests (Routine and STAT) *Added Room Cleans that were patient rooms and not halls/offices	3791	3222	2930	3157	2770	2938	2941	2921	2845	2715	2762					2881	↑
	EVS-Bed Clean requests per day (Average Routine and STAT)	124	106	96	102	96	95	98	94.2	94.8	88	89					95	↑
	EVS-Total Discrepancy Bed Clean requests	336	75	101	88	60	78	116	107	84	61	84					85	↑
	EVS-Create Bed Clean peak times				3:00 PM	2:00 PM	2:00 PM	4:00 PM	3:00 PM	3:00 PM	2:00 PM	4:00 PM					2:52 PM	↓
	EVS-Completed Bed Clean peak times	4:00 PM	6:00 PM	4:00 PM	4:00 PM	4:00 PM	4:00 PM	4:00 PM	4:00 PM	6:00 PM	4:00 PM	6:00 PM					4:30 PM	↓
	EVS-Routine Bed Clean request to complete Average time(min)	69	94	95	77	81	79	83	86	83	87	95					84	↑
	EVS-Routine Bed Clean request to complete Median time(min)				54	58	59	60	60	6C	61	65					60	↑
	EVS-STAT Bed Clean request to complete Average time(min)	59	80	78	72	71	74	62	67	65	68	76					69	↑
	EVS-STAT Bed Clean request to complete Median time(min)				53	55	53	49	48	49	49	56					52	↑
PT	Patient-Isolation Volume										57	54					55 50	↓

Legend Key	↑	←→
	↓	

Financial Strength

Tri-City Medical Center

ADVANCED HEALTH CARE FOR YOU

6.h.

Financial Information

TCMC Days in Accounts Receivable (A/R)

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	C/M YTD Avg	Goal Range
FY17	51.2	50.2											50.7	48-52
FY16	46.7	45.7	45.7	45.3	47.0	49.1	51.7	48.9	49.5	50.4	47.4		46.2	48-52

TCMC Days in Accounts Payable (A/P)

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	C/M YTD Avg	Goal Range
FY17	78.9	81.6											80.3	75-100
FY16	83.6	85.8	92.1	88.7	84.0	82.5	83.6	81.1	81.4	81.1	81.1		84.7	75-100

TCHD EROE $ in Thousands (Excess Revenue over Expenses)

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	C/M YTD	C/M YTD Budget
FY17	$288	$211											$499	$75
FY16	$862	$612	$182	($189)	($513)	$965	($1,784)	($411)	($220)	$331	$315		$1,474	

TCHD EROE % of Total Operating Revenue

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	C/M YTD	C/M YTD Budget
FY17	1.04%	0.75%											0.89%	0.13%
FY16	3.03%	2.20%	0.66%	-0.68%	-2.00%	3.40%	-6.31%	-1.53%	-0.77%	1.13%	1.09%		2.62%	

Financial Strength

Tri-City Medical Center — ADVANCED HEALTH CARE FOR YOU

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Financial Information

TCHD EBITDA $ in Thousands (Earnings before Interest, Taxes, Depreciation and Amortization)

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	C/M YTD	C/M YTD Budget
FY17	$1,583	$1,496											$3,079	$2,717
FY16	$2,046	$1,817	$1,357	$1,011	$644	$2,155	($594)	$797	$1,019	$1,530	$1,598		$3,863	

TCHD EBITDA % of Total Operating Revenue

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	C/M YTD	C/M YTD Budget
FY17	5.70%	5.32%											5.51%	4.72%
FY16	7.20%	6.53%	4.90%	3.65%	2.50%	7.58%	-2.10%	2.97%	3.56%	5.22%	5.55%		6.87%	

TCMC Paid FTE (Full-Time Equivalent) per Adjusted Occupied Bed

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	C/M YTD	C/M YTD Budget
FY17	6.04	5.84											5.94	6.11
FY16	6.13	6.05	5.91	5.98	6.11	6.01	5.77	5.43	6.07	5.86	6.09		6.09	

TCHD Fixed Charge Coverage Covenant Calculation

	TTM Jul	TTM Aug	TTM Sep	TTM Oct	TTM Nov	TTM Dec	TTM Jan	TTM Feb	TTM Mar	TTM Apr	TTM May	TTM Jun	Covenant	
FY17	1.37	1.37											1.10	
FY16	1.88	1.96	2.15	2.05	1.85	1.92	1.87	1.73	1.70	1.82	1.63		1.10	

TCHD Liquidity $ in Millions (Cash + Available Revolving Line of Credit)

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	
FY17	$29.1	$29.4											
FY16	$30.7	$33.4	$36.1	$35.7	$31.8	$28.0	$26.3	$27.5	$24.8	$28.0	$37.6		

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 commitments: 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.

f. The Charter shall be reviewed and revised as appropriate every three years.

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:

Committee Community 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