

**TRI-CITY HEALTHCARE DISTRICT  
AGENDA FOR A REGULAR MEETING  
OF THE FINANCE, OPERATION AND PLANNING COMMITTEE  
March 20, 2018  
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<br>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.<br>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 – February 13, 2018   | 2 min.        | Standard           |
| 5. | Old Business  |               |                    |
| 6. | New Business  |               |                    |
|    | a) Community Member Recognition:<br>• Mr. Steve Harrington  | 2 min.        | Chair              |
| 7. | Consideration of Consent Calendar-(All items will be approved with a single motion, unless pulled for discussion)   | 30 min.       | Chair              |
|    | a) Abbott / St. Jude Medical – Product Purchase Commitment Proposal<br><i>Motion: Request approval of the agreement with Abbott/St. Jude Medical for a term of 48 months, beginning April 1, 2018 and ending March 31, 2022 for an expected annual cost of \$2,435,489, and an expected total cost for the term of \$9,741,956.</i>   |               | Eva England        |
|    | b) Physician Agreement for ED On-Call Coverage – Neurology<br>• Abigail Lawler, M.D.<br><i>Motion: Request approval to add Abigail Lawler M.D. to the currently existing ED On-Call Coverage Panel for Neurology for a term of 3 months, beginning April 1, 2018 and ending June 30, 2018.</i>  |               | Sherry Miller      |
|    | c) Physician Agreement for Covering Physician – Inpatient Wound Care<br>• Sharon Slowik, M.D.<br><i>Motion: Request approval to authorize Dr. Sharon Slowik as the Coverage Physician for Inpatient Wound Care for a term of 12 months from May 1, 2018, and ending April 30, 2019. Not to exceed an average of 20 hours a month, at an hourly rate of \$180 for a total cost for the term of \$43,200.</i> |               | 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 office of the Executive Assistant 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 |
|-----|--|---------------|--------------------|
|     | d) Physician Agreement for Covering Physician – Inpatient Wound Care <ul style="list-style-type: none"> <li>Henry Showah, M.D.</li> </ul> <i>Motion: Request approval to authorize Dr. Henry Showah as the Coverage Physician for Inpatient Wound Care for a term of 12 months from May 1, 2018, and ending April 30, 2019. Not to exceed an average of 20 hours a month, at an hourly rate of \$180 for a total cost for the term of \$43,200.</i>                    |               | Sharon Schultz     |
|     | e) Physician Agreement for Covering Physician – Outpatient Wound Care/HBO Center <ul style="list-style-type: none"> <li>Sharon Slowik, M.D.</li> </ul> <i>Motion: Request approval to authorize Dr. Sharon Slowik as the Coverage Physician for Outpatient Wound Care/HBO for a term of 12 months from May 1, 2018, and ending April 30, 2019. Not to exceed an average of 20 hours a month, at an hourly rate of \$180 for a total cost for the term of \$43,200.</i> |               | Sharon Schultz     |
|     | f) Physician Agreement for Covering Physician – Outpatient Wound Care/HBO Center <ul style="list-style-type: none"> <li>Henry Showah, M.D.</li> </ul> <i>Motion: Request approval to authorize Dr. Henry Showah as the Coverage Physician for Outpatient Wound Care/HBO for a term of 12 months from May 1, 2018, and ending April 30, 2019. Not to exceed an average of 20 hours a month, at an hourly rate of \$180 for a total cost for the term of \$43,200.</i>   |               | Sharon Schultz     |
| 8.  | Financials   | 10 min.       | Ray Rivas          |
| 9.  | Work Plan  | 10 min.       |                    |
|     | a) Wellness Center, (bi-monthly)   |               | Scott Livingstone  |
|     | b) Meaningful Use, (semi-annual)   |               | Mark Albright      |
|     | c) Crisis Stabilization Unit (CSU), (bi-monthly)   |               | Sharon Schultz     |
|     | d) Dashboard   |               | Ray Rivas          |
| 10. | Comments by committee members  | 2 min.        | Chair              |
| 11. | Date of next meeting: April 17, 2018   | 2 min.        | Chair              |
| 12. | Community Member Openings: (0)   | 2 min.        | Chair              |
| 13. | Adjournment  |               |                    |
|     | Total Budget Time for Meeting  | 1 hr. 5 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 office of the Executive Assistant during normal business hours.

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**Tri-City Medical Center  
Finance, Operations and Planning Committee Minutes  
February 13, 2018**

|                                    |   |
|------------------------------------|---|
| <b>Members Present</b>             | Director Cyril Kellett, Director Laura Mitchell, Dr. Marcus Contardo, Dr. Mark Yamanaka, Dr. Jeffrey Ferber, Steve Harrington, Wayne Lingenfelter |
| <b>Non-Voting Members Present:</b> | Steve Dietlin, CEO, Ray Rivas, CFO, Sharon Schultz, CNE, Carlos Cruz, CCO, Susan Bond, General Counsel  |
| <b>Others:</b>                     | Jane Dunmeyer, David Bennett, Thomas Moore, Jeremy Raimo, David Benitez, Eva England, Joni Penix, Charlene Carty, Barbara Hainsworth              |
| <b>Members Absent:</b>             | Director Julie Nygaard, Director Leigh Anne Grass, Dr. Gene Ma, Scott Livingstone   |

| Topic  | Discussions, Conclusions<br>Recommendations  | Action<br>Recommendations/<br>Conclusions   | Person(s)<br>Responsible |
|--|--|---|--------------------------|
| 1. Call to order   | Director Kellett called the meeting to order at 12:31 p.m.                         | In Director Nygaard's absence, Director Kellett will chair this meeting.  |                          |
| 2. Approval of Agenda  |  | <b><u>MOTION</u></b><br>It was moved by Dr. Contardo, Dr. Yamanaka seconded, and it was unanimously approved to accept the agenda of February 13, 2018.   |                          |
| 3. Comments by members of the public on any item of interest to the public before committee's consideration of the item. | Director Kellett read the paragraph regarding comments from members of the public. |   | Director Nygaard         |
| 4. Ratification of minutes of January 16, 2018   | Minutes were ratified.   | Minutes were ratified.<br><b><u>MOTION</u></b><br>It was moved by Dr. Contardo, Dr. Yamanaka seconded, that the minutes of January 16, 2018 are to be unanimously approved, with Director Mitchell and Drs. Yamanaka and Ferber abstaining from the vote. |                          |
| 5. Old Business  |  |   |                          |
| 6. New Business  |  |   |                          |

| Topic   | Discussions, Conclusions<br>Recommendations   | Action<br>Recommendations/<br>Conclusions   | Person(s)<br>Responsible                             |
|---|---|---|--|
| a. Introduction of New Committee Member: <ul style="list-style-type: none"> <li>• Dr. Jeffrey Ferber</li> </ul>   | Director Kellett welcomed Dr. Ferber to the Finance, Operations and Planning Committee.   |   | Chair  |
| 7. Consideration of Consent Calendar:   | Mr. Lingenfelter requested that the following item be pulled for discussion:<br><b>7.c. Locum Tenens Contracts for Crisis Stabilization Unit (CSU)</b>  | <b><u>MOTION</u></b><br><b>Director Mitchell moved to approve the Consent Calendar minus the item pulled. Mr. Lingenfelter seconded the motion.</b><br><b><u>Members:</u></b><br><b>AYES: Kellett, Mitchell, Contardo, Yamanaka, Ferber, Harrington, Lingenfelter</b><br><b>NOES: None</b><br><b>ABSTAIN: None</b><br><b>ABSENT: Nygaard, Grass, Ma</b> |  |
| a. Policy Review: <ul style="list-style-type: none"> <li>• Prior Authorization for Non-Emergency Services for HMO/PPO Patients, #8610-213</li> <li>• Audits for Third Party Insurance, #8610-255</li> <li>• Medi-Cal Treatment Authorization Request (TAR) Requirements, #8610-268</li> </ul> |   | <b>Approved via Consent Calendar</b>  | David Benitez<br><br>Joni Penix<br><br>David Benitez |
| b. Managed Resources, Inc. Proposal   |   | <b>Approved via Consent Calendar</b>  | Joni Penix   |
| c. Locum Tenens Contracts for Crisis Stabilization Unit (CSU)   | Mr. Lingenfelter requested that this item be pulled for discussion as the write-up reflects that this agreement has not been budgeted.<br>Ray Rivas clarified that the funds for a portion of this agreement have been budgeted, but are actually | <b><u>MOTION</u></b><br><b>It was moved by Director Mitchell, seconded by Mr. Lingenfelter to approve the agreement with Locum Tenens vendors, with flexibility to add or delete agencies, for supplemental physician staffing of</b>   | Sharon Schultz                                       |

| Topic  | Discussions, Conclusions<br>Recommendations   | Action<br>Recommendations/<br>Conclusions   | Person(s)<br>Responsible |
|--|---|---|--------------------------|
|  | <p>designated in a different category. Sharon Schultz conveyed that the cost amounts are estimates based on the anticipated usage of locum tenens staffing. The rates range from \$235-\$315 per hour, dependent on the shift and overtime. She further explained that work is being undertaken with UCSD on a contract for Telemedicine, which will provide the coverage for nights and weekends. The intent is to keep the current TCMC per diem nurse practitioners on contract for emergencies.</p>   | <p>allied health providers for a 4 month term, beginning March 1, 2018 and ending June 30, 2018, for a total expected cost for the term of \$660,000.</p> <p><b>Members:</b><br/> <b>AYES:</b> Kellett, Mitchell, Contardo, Yamanaka, Ferber, Harrington, Lingenfelter<br/> <b>NOES:</b> None<br/> <b>ABSTAIN:</b><br/> <b>ABSENT:</b> Nygaard, Grass, Ma</p> |                          |
| <p>d. Physician Recruitment Proposal</p> <ul style="list-style-type: none"> <li>Anitha Rajamanickam, M.D.</li> </ul> |   | <p><b>Approved via Consent Calendar</b></p>   | <p>Jeremy Raimo</p>      |
| <p>8. Financials:</p>  | <p>Ray Rivas presented the financials ending January 31, 2018 (dollars in thousands)</p> <p><b><u>TCHD – Financial Summary</u></b><br/> <b><u>Fiscal Year to Date</u></b><br/> Operating Revenue           \$ 210,391<br/> Operating Expense           \$ 218,960<br/> EBITDA                           \$ 3,700<br/> EROE                             \$ (5,415)</p> <p><b><u>TCMC – Key Indicators</u></b><br/> <b><u>Fiscal Year to Date</u></b><br/> Avg. Daily Census               176<br/> Adjusted Patient Days       66,680<br/> Surgery Cases                   3,761<br/> Deliveries                       1,391<br/> ED Visits                         36,660</p> |   | <p>Ray Rivas</p>         |

| Topic   | Discussions, Conclusions<br>Recommendations  | Action<br>Recommendations/<br>Conclusions | Person(s)<br>Responsible |
|---|--|---|--------------------------|
|   | <p><b><u>TCHD – Financial Summary</u></b><br/> <b><u>Current Month</u></b><br/> Operating Revenue       \$ 31,517<br/> Operating Expense       \$ 33,369<br/> EBITDA                   \$     81<br/> EROE                      \$ (1,242)</p> <p><b><u>TCMC – Key Indicators</u></b><br/> <b><u>Current Month</u></b><br/> Avg. Daily Census           211<br/> Adjusted Patient Days       10,721<br/> Surgery Cases               541<br/> Deliveries                   209<br/> ED Visits                    5,201</p> <p><b><u>TCMC - Net Patient A/R &amp; Days in</u></b><br/> <b><u>Net A/R By Fiscal Year</u></b><br/> Net Patient A/R Avg.<br/> (in millions)                 \$ 45.6<br/> Days in Net A/R Avg.        49.1</p> <p><b><u>Graphs:</u></b></p> <ul style="list-style-type: none"> <li>• TCMC-Net Days in Patient Accounts Receivable</li> <li>• TCMC-Average Daily Census, Total Hospital-Excluding Newborns</li> <li>• TCMC-Adjusted Patient Days</li> <li>• TCMC-Acute Average Length of Stay</li> </ul> |   |                          |
| 9. Work Plan:   |  |   |                          |
| a. Tri-City Real Estate Holding & Management, LLC ( <i>annual</i> ) | Ray Rivas conveyed that the properties within this LLC have either been sold or financing requirements satisfied. The LLC is to be dissolved, and therefore this will be the last report pertaining to this item.  |   | Ray Rivas                |

| Topic   | Discussions, Conclusions<br>Recommendations  | Action<br>Recommendations/<br>Conclusions | Person(s)<br>Responsible |
|---|--|---|--------------------------|
| b. Accountable Care<br>Organization (ACO) ( <i>annual</i> ) | Steve Dietlin detailed that TCMC's<br>ACO will to be dissolved, and the<br>projected plan is to partner with<br>UCSD in their ACO. |   | Scott Livingstone        |
| c. Dashboard  | No discussion  |   | Ray Rivas                |
| 10. Comments by committee<br>members                        |  |   |                          |
| 11. Date of next meeting                                    | Tuesday, March 20, 2018  |   | Chair                    |
| 12. Community Openings (0)                                  |  |   |                          |
| 13. Adjournment   | Meeting adjourned 12:50 p.m.   |   |                          |

**Finance, Operations and Planning Committee**

**Date of Meeting: March 20, 2018**

**Community Member Recognitions:**

- Mr. Steve Harrington



**FINANCE, OPERATIONS & PLANNING COMMITTEE**  
**DATE OF MEETING: March 20, 2018**  
**Abbott / St. Jude Medical – Product Purchase Commitment Proposal**

|                            |   |                   |  |                     |   |                                    |
|----------------------------|---|-------------------|--|---------------------|---|------------------------------------|
| <b>Type of Agreement</b>   |   | Medical Directors |  | Panel               | X | Other: Product Purchase Commitment |
| <b>Status of Agreement</b> | X | New Agreement     |  | Renewal – New Rates |   | Renewal – Same Rates               |

**Vendor's Name:** Abbott / St. Jude Medical  
**Area of Service:** Cardiac Catheterization Lab  
**Term of Agreement:** 48 months, Beginning, April 1, 2018 – Ending, March 31, 2022

**Maximum Totals:**

| Committed Annual Cost | Committed Total Term Cost |
|-----------------------|---------------------------|
| \$2,435,489           | \$9,741,956               |

**Description of Services/Supplies:**

- This proposal includes a 15% savings on all Cardiac Rhythm Management (CRM) implants
- 95% dual vendor commitment
- Current TCMC annual spend for all CRM \$3,716,000
- Current TCMC annual spend for Abbott/St. Jude \$2,075,000 (CRM & EP Equipment)
- 4 year Commitment includes “No Capital outlay EP equipment” (2 systems Cost @ \$444,526)
- Shift from 4 CRM vendors to 2 CRM vendors
- Cost commitment includes all Abbott/St. Jude EP Equipment – Annual Spend \$597,000

|   |     |     |  |    |
|---|-----|-----|--|----|
| Document Submitted to Legal for Review: | X   | Yes |  | No |
| Approved by Chief Compliance Officer:   | N/A | Yes |  | No |
| Is Agreement a Regulatory Requirement:  | X   | Yes |  | No |
| Budgeted Item:                          | X   | Yes |  | No |

**Person responsible for oversight of agreement:** Eva England, Service Line Administrator, Cardiovascular Service Line / Scott Livingstone, Chief Operating Officer

**Motion:**

I move that Finance Operations and Planning Committee recommend that TCHD Board of Directors authorize the agreement with Abbott/St. Jude Medical for a term of 48 months, beginning April 1, 2018 and ending March 31, 2022 for an annual cost of \$2,435,489, and an total cost for the term of \$9,741,956.

**FINANCE, OPERATIONS & PLANNING COMMITTEE**  
**DATE OF MEETING: March 20, 2018**  
**PHYSICIAN AGREEMENT for ED ON-CALL COVERAGE - Neurology**

|                            |   |                   |   |                        |  |                         |
|----------------------------|---|-------------------|---|------------------------|--|-------------------------|
| <b>Type of Agreement</b>   |   | Medical Directors | X | Panel                  |  | Other:                  |
| <b>Status of Agreement</b> | X | New Agreement     |   | Renewal –<br>New Rates |  | Renewal – Same<br>Rates |

**Physician's Name:** Abigail Lawler, M.D.

**Area of Service:** Emergency Department On-Call: Neurology

**Term of Agreement:** 3 months, Beginning, April 1, 2018 – 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: Neurology  
 New physician to existing panel, no increase in expense

| Rate/Day | Current Panel Days<br>per Year | Current Panel<br>Annual Cost |
|----------|--------------------------------|------------------------------|
| \$740    | 365                            | \$270,100                    |
|          | <b>Total:</b>                  | <b>\$270,100</b>             |

**Position Responsibilities:**

- Provide 24/7 patient coverage for all Neurology 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.

|   |     |     |  |    |
|---|-----|-----|--|----|
| Document Submitted to Legal for Review: | X   | Yes |  | No |
| Approved by Chief Compliance Officer:   | N/A | Yes |  | No |
| Is Agreement a Regulatory Requirement:  | X   | Yes |  | No |
| Budgeted Item:                          | X   | Yes |  | No |

**Person responsible for oversight of agreement:** Sherry Miller, Manager, Medical Staff Services /  
 Scott Livingstone, Chief Operating Officer

**Motion:**

I move that Finance Operations and Planning Committee recommend that TCHD Board of Directors add Abigail Lawler M.D. to the currently existing ED On-Call Coverage Panel for Neurology for a term of 3 months, beginning April 1, 2018 and ending June 30, 2018.

**FINANCE, OPERATIONS & PLANNING COMMITTEE**
**DATE OF MEETING: March 20, 2018**
**PHYSICIAN AGREEMENT for Covering Physician - Inpatient Wound Care**

|                            |   |                   |   |                        |   |                         |
|----------------------------|---|-------------------|---|------------------------|---|-------------------------|
| <b>Type of Agreement</b>   | X | Medical Directors | X | Panel                  |   | Other:                  |
| <b>Status of Agreement</b> |   | New Agreement     |   | Renewal –<br>New Rates | X | Renewal – Same<br>Rates |

**Physician's Name:** Sharon Slowik, M.D.

**Area of Service:** Inpatient Wound Care

**Term of Agreement:** 12 months, Beginning, May 1, 2018 - Ending, April 30, 2019

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

| Rate/Hour | Hours per Month | Hours per Year | Cost per Month | 12 month (Term) Cost |
|-----------|-----------------|----------------|----------------|----------------------|
| \$180     | 20              | 240            | \$3,600        | \$43,200             |

**Position Responsibilities:**

- Provide supervision for the clinical operation of the Inpatient Wound Care Team
- Provide staff education to improve outcome of care
- Resolve conflicts that are intra-departmental or inter-departmental in nature to ensure or improve timeliness of patient treatment and intervention
- Ensure that services provided are in compliance with regulatory standards
- Participate in Quality Assurance and Performance Improvement activities
- Timely communication with primary care physicians and/or other community health resources
- Documentation: Full and timely documentation for all patients. Comply with all legal regulatory, accreditation, Medical Staff and billing criteria, including applying Medicare guidelines, including, Title 1X for admission and discharge decisions
- Utilization Review, Quality Improvement: Actively participate in hospital and Medical Staff utilization review, quality, performance improvement and risk programs

|   |     |     |  |    |
|---|-----|-----|--|----|
| Document Submitted to Legal for Review: | X   | Yes |  | No |
| Approved by Chief Compliance Officer:   | N/A | Yes |  | No |
| Is Agreement a Regulatory Requirement:  | X   | Yes |  | No |
| Budgeted Item:                          | X   | Yes |  | No |

**Person responsible for oversight of agreement:** Sharon Schultz, Chief Nurse Executive

**Motion:** I move that Finance Operations and Planning Committee recommend that TCHD Board of Directors authorize Dr. Sharon Slowik as the Coverage Physician for Inpatient Wound Care for a term of 12 months from May 1, 2018, and ending April 30, 2019. Not to exceed an average of 20 hours a month, at an hourly rate of \$180 for a total cost for the term of \$43,200.

**FINANCE, OPERATIONS & PLANNING COMMITTEE**
**DATE OF MEETING: March 20, 2018**
**PHYSICIAN AGREEMENT for Covering Physician - Inpatient Wound Care**

|                            |   |                   |   |                        |   |                         |
|----------------------------|---|-------------------|---|------------------------|---|-------------------------|
| <b>Type of Agreement</b>   | X | Medical Directors | X | Panel                  |   | Other:                  |
| <b>Status of Agreement</b> |   | New Agreement     |   | Renewal –<br>New Rates | X | Renewal – Same<br>Rates |

**Physician's Name:** Henry Showah, M.D.  
**Area of Service:** Inpatient Wound Care  
**Term of Agreement:** 12 months, Beginning, May 1, 2018 - Ending, April 30, 2019  
**Maximum Totals:** Within Hourly and/or Annualized Fair Market Value: YES

| Rate/Hour | Hours per Month | Hours per Year | Cost per Month | 12 month (Term) Cost |
|-----------|-----------------|----------------|----------------|----------------------|
| \$180     | 20              | 240            | \$3,600        | \$43,200             |

**Position Responsibilities:**

- Provide supervision for the clinical operation of the Inpatient Wound Care Team
- Provide staff education to improve outcome of care
- Resolve conflicts that are intra-departmental or inter-departmental in nature to ensure or improve timeliness of patient treatment and intervention
- Ensure that services provided are in compliance with regulatory standards
- Participate in Quality Assurance and Performance Improvement activities
- Timely communication with primary care physicians and/or other community health resources
- Documentation: Full and timely documentation for all patients. Comply with all legal regulatory, accreditation, Medical Staff and billing criteria, including applying Medicare guidelines, including, Title 1X for admission and discharge decisions
- Utilization Review, Quality Improvement: Actively participate in hospital and Medical Staff utilization review, quality, performance improvement and risk programs

|   |     |     |  |    |
|---|-----|-----|--|----|
| Document Submitted to Legal for Review: | X   | Yes |  | No |
| Approved by Chief Compliance Officer:   | N/A | Yes |  | No |
| Is Agreement a Regulatory Requirement:  | X   | Yes |  | No |
| Budgeted Item:                          | X   | Yes |  | No |

**Person responsible for oversight of agreement:** Sharon Schultz, Chief Nurse Executive

**Motion:** I move that Finance Operations and Planning Committee recommend that TCHD Board of Directors authorize Dr. Henry Showah as the Coverage Physician for Inpatient Wound Care for a term of 12 months from May 1, 2018, and ending April 30, 2019. Not to exceed an average of 20 hours a month, at an hourly rate of \$180 for a total cost for the term of \$43,200.

**FINANCE, OPERATIONS & PLANNING COMMITTEE**
**DATE OF MEETING: March 20, 2018**
**PHYSICIAN AGREEMENT for Covering Physician - Outpatient Wound Care/HBO Center**

|                            |   |                   |   |                        |   |                         |
|----------------------------|---|-------------------|---|------------------------|---|-------------------------|
| <b>Type of Agreement</b>   | X | Medical Directors | X | Panel                  |   | Other:                  |
| <b>Status of Agreement</b> |   | New Agreement     |   | Renewal –<br>New Rates | X | Renewal – Same<br>Rates |

**Physician's Name:** Sharon Slowik, M.D.  
**Area of Service:** Outpatient Wound Care/HBO  
**Term of Agreement:** 12 months, Beginning, May 1, 2018- Ending, April 30, 2019  
**Maximum Totals:** Within Hourly and/or Annualized Fair Market Value: YES

| Rate/Hour | Hours per Month | Hours per Year | Cost per Month | 12 month (Term) Cost |
|-----------|-----------------|----------------|----------------|----------------------|
| \$180     | 20              | 240            | \$3,600        | \$43,200             |

**Position Responsibilities:**

- Provide supervision of staff and patients undergoing HBO
- Provide staff education to improve outcome of care
- Resolve conflicts that are intra-departmental or inter-departmental in nature to ensure or improve timeliness of patient treatment and intervention
- Ensure that services provided are in compliance with regulatory standards
- Design Quality Assurance and Performance Improvement program.
- Creates criteria for medical audits
- Timely communication with primary care physicians and/or other community health resources
- Audits patient care and records of care for opportunities in case delivery
- Documentation: Full and timely documentation for all patients. Comply with all legal regulatory, accreditation, Medical Staff and billing criteria, including applying Medicare guidelines, including, Title 1X for admission and discharge decisions
- Utilization Review, and QAPI: Actively participate in Hospital's Medical Staff utilization review, quality, performance improvement and risk programs.
- Attends monthly QAPI meetings

|   |     |     |  |    |
|---|-----|-----|--|----|
| Document Submitted to Legal for Review: | X   | Yes |  | No |
| Approved by Chief Compliance Officer:   | N/A | Yes |  | No |
| Is Agreement a Regulatory Requirement:  | X   | Yes |  | No |
| Budgeted Item:                          | X   | Yes |  | No |

**Person responsible for oversight of agreement:** Sharon Schultz, Chief Nurse Executive

**Motion:** I move that Finance Operations and Planning Committee recommend that TCHD Board of Directors authorize Dr. Sharon Slowik as the Coverage Physician for Outpatient Wound Care/HBO for a term of 12 months from May 1, 2018, and ending April 30, 2019. Not to exceed an average of 20 hours a month, at an hourly rate of \$180 for a total cost for the term of \$43,200.

**FINANCE, OPERATIONS & PLANNING COMMITTEE**
**DATE OF MEETING: March 20, 2018**
**PHYSICIAN AGREEMENT for Covering Physician - Outpatient Wound Care/HBO Center**

|                            |   |                   |   |                     |   |                      |
|----------------------------|---|-------------------|---|---------------------|---|----------------------|
| <b>Type of Agreement</b>   | X | Medical Directors | X | Panel               |   | Other:               |
| <b>Status of Agreement</b> |   | New Agreement     |   | Renewal – New Rates | X | Renewal – Same Rates |

**Physician's Name:** Henry Showah, M.D.  
**Area of Service:** Outpatient Wound Care/HBO  
**Term of Agreement:** 12 months, Beginning, May 1, 2018 - Ending, April 30, 2019  
**Maximum Totals:** Within Hourly and/or Annualized Fair Market Value: YES

| Rate/Hour | Hours per Month | Hours per Year | Cost per Month | 12 month (Term) Cost |
|-----------|-----------------|----------------|----------------|----------------------|
| \$180     | 20              | 240            | \$3,600        | \$43,200             |

**Position Responsibilities:**

- Provide supervision of staff and patients undergoing HBO
- Provide staff education to improve outcome of care
- Resolve conflicts that are intra-departmental or inter-departmental in nature to ensure or improve timeliness of patient treatment and intervention
- Ensure that services provided are in compliance with regulatory standards
- Design Quality Assurance and Performance Improvement program.
- Creates criteria for medical audits
- Timely communication with primary care physicians and/or other community health resources
- Audits patient care and records of care for opportunities in case delivery.
- Documentation: Full and timely documentation for all patients. Comply with all legal regulatory, accreditation, Medical Staff and billing criteria, including applying Medicare guidelines, including, Title 1X for admission and discharge decisions
- Utilization Review, and QAPI: Actively participate in Hospital's Medical Staff utilization review, quality, performance improvement and risk programs.
- Attends monthly QAPI meetings

|   |     |     |  |    |
|---|-----|-----|--|----|
| Document Submitted to Legal for Review: | X   | Yes |  | No |
| Approved by Chief Compliance Officer:   | N/A | Yes |  | No |
| Is Agreement a Regulatory Requirement:  | X   | Yes |  | No |
| Budgeted Item:                          | X   | Yes |  | No |

**Person responsible for oversight of agreement:** Sharon Schultz, Chief Nurse Executive

**Motion:** I move that Finance Operations and Planning Committee recommend that TCHD Board of Directors authorize Dr. Henry Showah as the Coverage Physician for Outpatient Wound Care/HBO for a term of 12 months from May 1, 2018, and ending April 30, 2019. Not to exceed an average of 20 hours a month, at an hourly rate of \$180 for a total cost for the term of \$43,200.

**Finance, Operations and Planning Work Plan  
Program Tracking Schedule  
FY2018  
March 20, 2018**

|  | July | Aug | Sept | Oct | Nov | Dec | Jan | Feb | Mar<br>2017 | Apr       | May | June | Responsible<br>Party           |
|--|------|-----|------|-----|-----|-----|-----|-----|-------------|-----------|-----|------|--------------------------------|
| <b>Wellness Center (Bi-Monthly)</b> , (Since 2009)<br>(Changed from quarterly to bi-monthly, January 2018) | •    |     | •    |     | •   |     | •   |     | •           |           | •   |      | Scott Livingstone              |
| <b>Physician Recruitment Tracking (Annual)</b> , (Since 2009)  |      |     |      |     |     |     |     |     |             |           |     | •    | Jeremy Raimo                   |
| <b>Finance, Operations and Planning Charter, (Annual)</b>  |      |     |      |     |     |     |     |     |             | 2020<br>• |     |      | Chair                          |
| <b>Construction Report, (Quarterly)</b>  | •    |     |      | •   |     |     | •   |     |             | •         |     |      | Scott Livingstone              |
| <b>Infusion Center, (Annual)</b><br>(Report quarterly until Oct. 2015 then annual)                         |      |     |      | •   |     |     |     |     |             |           |     |      | Sharon Schultz                 |
| <b>ED Throughput, (Quarterly)</b> (Changed from bi-monthly to quarterly, January 2018)                     | •    |     |      | •   |     |     | •   |     |             | •         |     |      | Candice Parras                 |
| <b>Meaningful Use, (Semi-Annual)</b> (Begin reporting September 2015 for one year then semi-annually)      |      |     | •    |     |     |     |     |     | •           |           |     |      | Mark Albright                  |
| <b>Medical Director – Surgery (Semi-Annual)</b><br>(Began reporting in July 2015)                          |      |     |      | •   |     |     |     |     |             | •         |     |      | Debra Feller /<br>Mary Diamond |
| <b>IT Physician Liaison (Semi-Annual)</b> (Began reporting in July 2016)                                   | •    |     |      |     |     |     | •   |     |             |           |     |      | Mark Albright                  |

|   | July | Aug | Sept | Oct | Nov | Dec | Jan | Feb | Mar<br>2017 | April | May | June | Responsible Party |
|---|------|-----|------|-----|-----|-----|-----|-----|-------------|-------|-----|------|-------------------|
| <b>Institutes Update (Annual):</b> <ul style="list-style-type: none"> <li>• Cardiovascular</li> <li>• Neuroscience</li> <li>• Orthopaedic</li> </ul> (Added August 2016, began reporting August 2017) |      | •   |      |     |     |     |     |     |             |       |     |      | Jeremy Raimo      |
| <b>PRIME Update (Annual):</b><br>(Timeline pending for update)  |      |     |      |     |     |     |     |     |             |       |     |      | Scott Livingstone |
| <b>Crisis Stabilization Unit (CSU) Update (Bi-Monthly):</b><br>(Changed from semi-annual to bi-monthly, December 2017)<br>(Added January 2017, begin reporting July 2017)                             | •    |     | •    |     | •   |     | •   |     | •           |       | •   |      | Sharon Schultz    |
| <b>Institute for Clinical Effectiveness (Semi-Annual):</b><br>(Added July 2017, begin reporting January 2018) Timeline pending  |      |     |      |     |     |     |     |     |             |       |     |      | Jeremy Raimo      |
| <b>Dashboard</b>  |      | •   | •    | •   | •   | •   | •   | •   | •           | •     | •   | •    | Ray Rivas         |





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# Tri-City Wellness & Fitness Center Business Brief

Finance, Operations & Planning Committee  
March 20, 2018

Scott Livingstone, R.N., B.S.N., J.D., A.C.M.



## Tri-City Wellness

- **Two key objectives identified by district leadership in August 2017:**
  - **Objective 1 – Grow Membership**
  - **Objective 2 – Decrease financial losses**



## Tri-City Wellness

- **Objective 1** – *Grow Membership:*
  - Membership growth of ~11% from 3,400 in August 2017 to 3,775 members by February 2018
  - Anticipate record membership of 3,862 by close of March, 2018
- **Objective 2** – *Decrease Financial Losses*
  - Please see next slide . . .



**Wellness Complex - All Departments Combined**  
**FY18 Profit & Loss**

|                                 | FY 2018           |                   |                   |                   |                    |                   | FY 18              | FY 18              |
|---------------------------------|-------------------|-------------------|-------------------|-------------------|--------------------|-------------------|--------------------|--------------------|
|                                 | Jul-17            | Aug-17            | Sep-17            | Oct-17            | Nov-17             | Dec-17            | YTD TOTAL          | YTD Budget         |
| Gross Revenue                   | \$628,373         | \$732,511         | \$677,976         | \$723,814         | \$721,073          | \$637,108         | \$4,120,855        | \$4,084,567        |
| Deductions                      | (241,325)         | (309,530)         | (286,231)         | (300,329)         | (298,215)          | (249,085)         | (1,684,714)        | (1,697,237)        |
| Net Operating Revenue           | 387,048           | 422,981           | 391,745           | 423,486           | 422,858            | 388,023           | 2,436,140          | 2,387,330          |
| <b><u>Operating Expense</u></b> |                   |                   |                   |                   |                    |                   |                    |                    |
| Salaries                        | 56,885            | 61,126            | 64,390            | 67,494            | 61,792             | 59,800            | 371,486            | 370,653            |
| Benefits (at 24.50%)            | 13,937            | 14,976            | 15,775            | 16,536            | 15,139             | 14,651            | 91,014             | 90,810             |
| Supplies                        | 11,400            | 16,695            | 6,278             | 20,012            | 15,164             | 9,138             | 78,687             | 80,402             |
| Purchased Services              | 245,591           | 282,339           | 251,053           | 278,204           | 285,128            | 286,238           | 1,628,552          | 1,454,959          |
| Professional/Medical Fees       | 6,451             | 5,476             | 6,970             | 5,561             | 7,252              | 6,229             | 37,939             | 31,516             |
| Repairs & Maintenance           | 1,588             | 15,814            | 18,911            | 7,120             | 10,575             | 11,071            | 65,080             | 57,187             |
| Utilities                       | 38,724            | 34,165            | 41,106            | 40,924            | 31,286             | 33,566            | 219,771            | 201,419            |
| Rent - Equipment                | 7                 | 23                | 23                | 71                | 334                | 71                | 529                | 299                |
| Depreciation - Equipment        | 26,687            | 26,687            | 26,687            | 26,687            | 26,687             | 26,687            | 160,123            | 160,123            |
| Other Expenses                  | 810               | 6,690             | 5,800             | 2,769             | 109,003            | 35,453            | 160,525            | 213,497            |
| Total Operating Expenses        | 402,080           | 463,992           | 436,993           | 465,378           | 562,361            | 482,903           | 2,813,708          | 2,660,865          |
| <b>Contribution Margin</b>      | <b>(\$15,032)</b> | <b>(\$41,011)</b> | <b>(\$45,249)</b> | <b>(\$41,892)</b> | <b>(\$139,503)</b> | <b>(\$94,880)</b> | <b>(\$377,568)</b> | <b>(\$273,535)</b> |



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Questions?



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# Meaningful Use Update

FINANCE, OPERATIONS & PLANNING COMMITTEE  
MARCH 20, 2018



## Meaningful Use Phases

Stage 1 – 2011 to 2012 (Complete)

- ✓ Data capture and sharing

Stage 2 – 2014 to 2017 (3<sup>rd</sup> Attestation Complete)

- ✓ Advance clinical processes

Stage 3 – 2018 (Potential to Attest 2/19)

- ✓ Improved outcomes

**Note: May attest to modified Stage 2 vs. Stage 3 in 2019**



## MU Stage 3 Objective Roadmap

- EHR Must Meet 2015 Edition Certification Criteria ✓
- Protect Patient Health Information (Annual Security Assessment) 2017 complete ✓
- ePrescribe (Generate/Send > 25%) ✓
- Patient Electronic Access to Health Info (> 50%)
- Patient-Specific Education (> 5%)
- Coordination of Care/Patient Engagement (> 5%)
- Health Information Exchange/Send & Receive (>10%)
- Clinical Information Reconciliation (>50%)
- Public Health Reporting (Public Registries) ✓





## MU 3 Incentives = Penalty Avoidance

- Failure to Attest Penalty
  - Penalty = reduction to the annual CMS market basket updates
  - Penalties are based on a 2 year look back
    - Penalty applied in 2020 for failure to attest in 2018
  - Penalties are cumulative
- TCMC's estimated risk = **\$1,620,721**



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Thank You . . .



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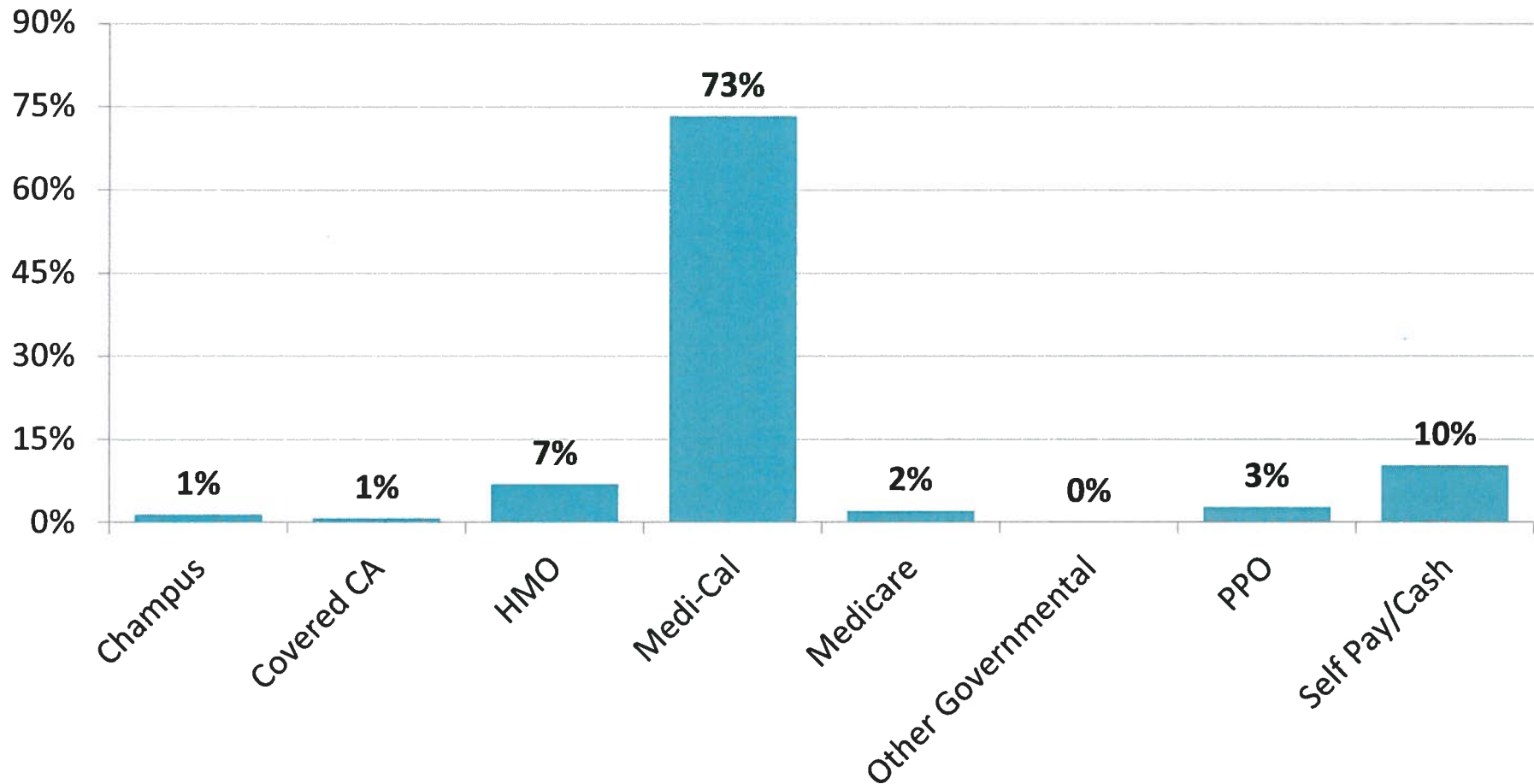
# Crisis Stabilization Unit Report

FINANCE, OPERATIONS & PLANNING COMMITTEE  
MARCH 20, 2018

January - February 2018

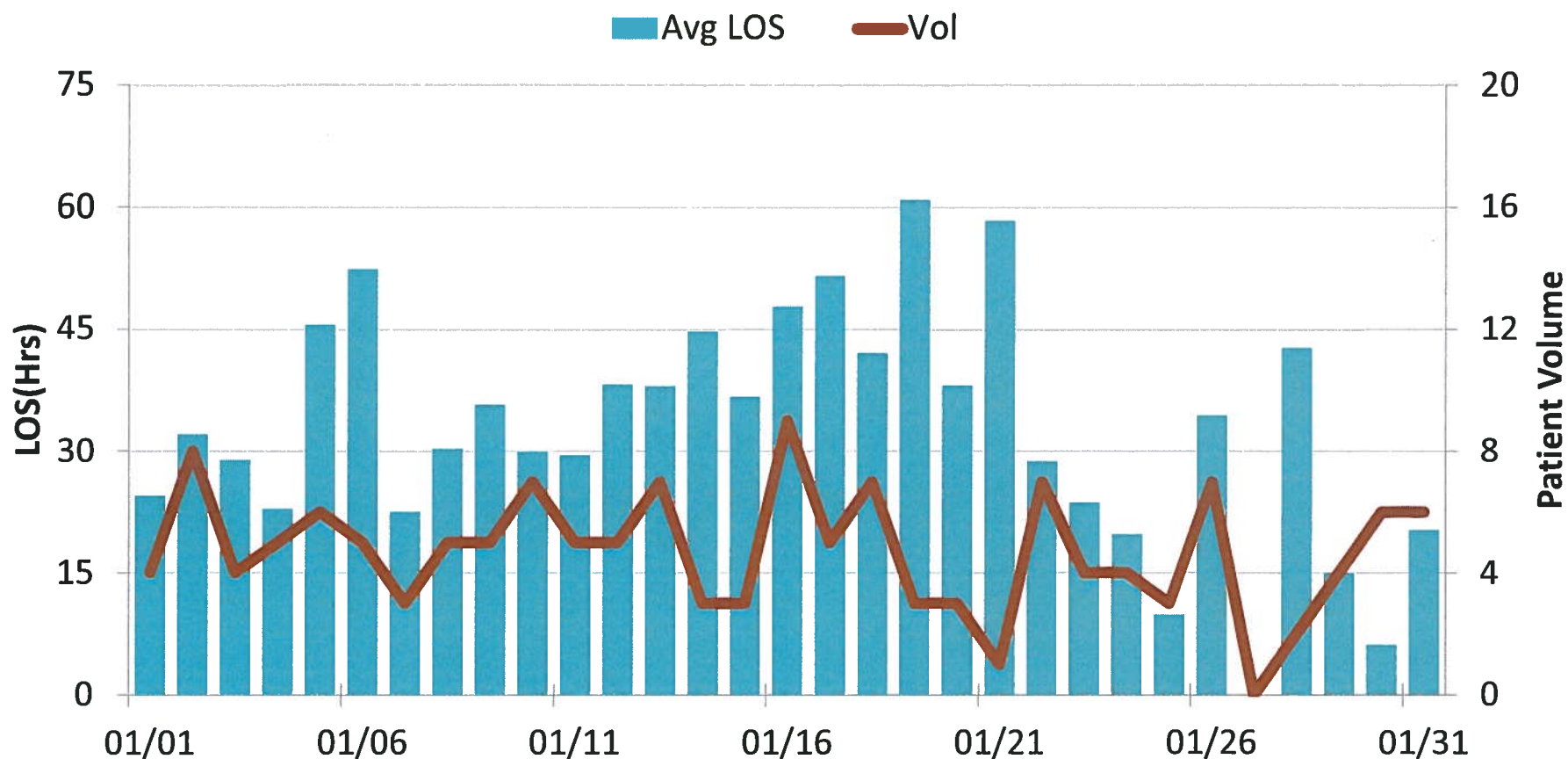


# CSU Payer Mix - 01/01/18 - 01/28/18





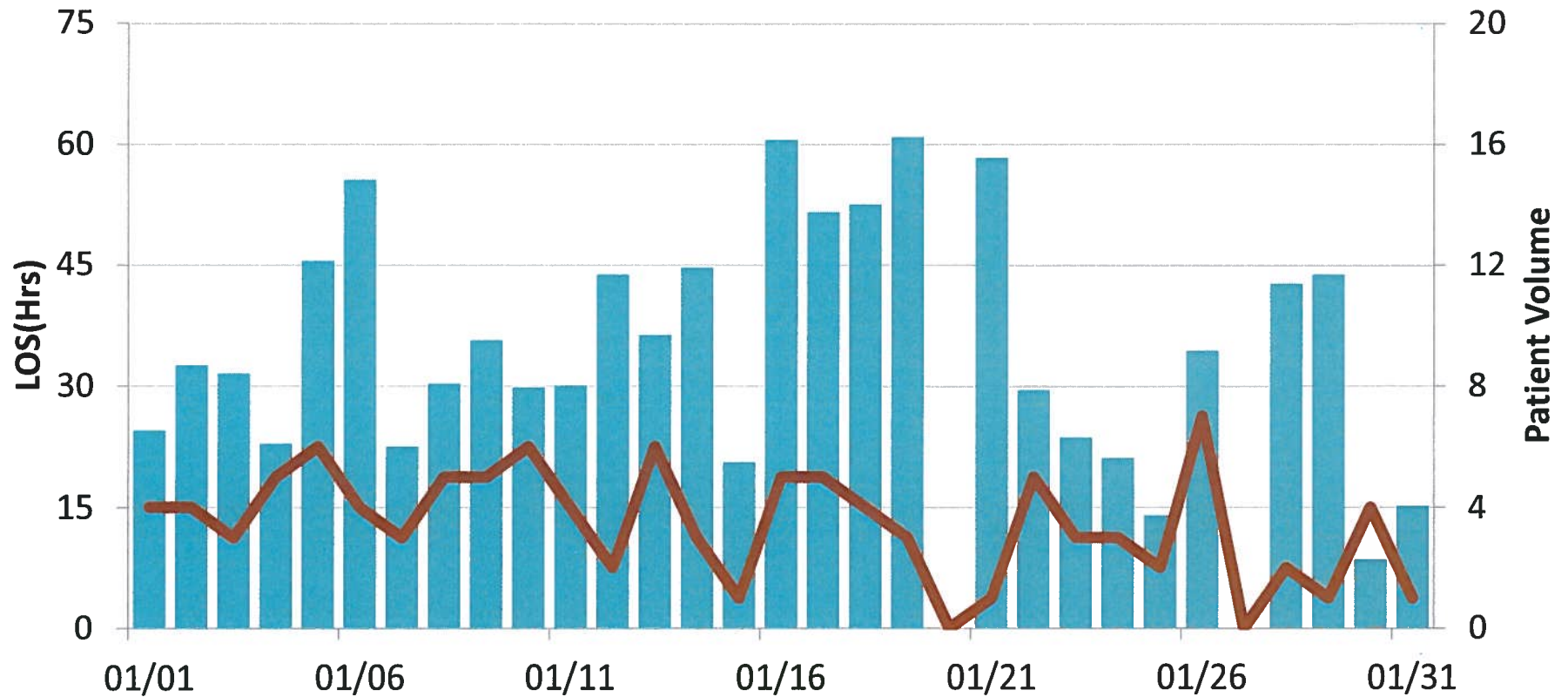
# CSU Overall Admission Volume & Average LOS 01/01/2018 – 01/31/2018





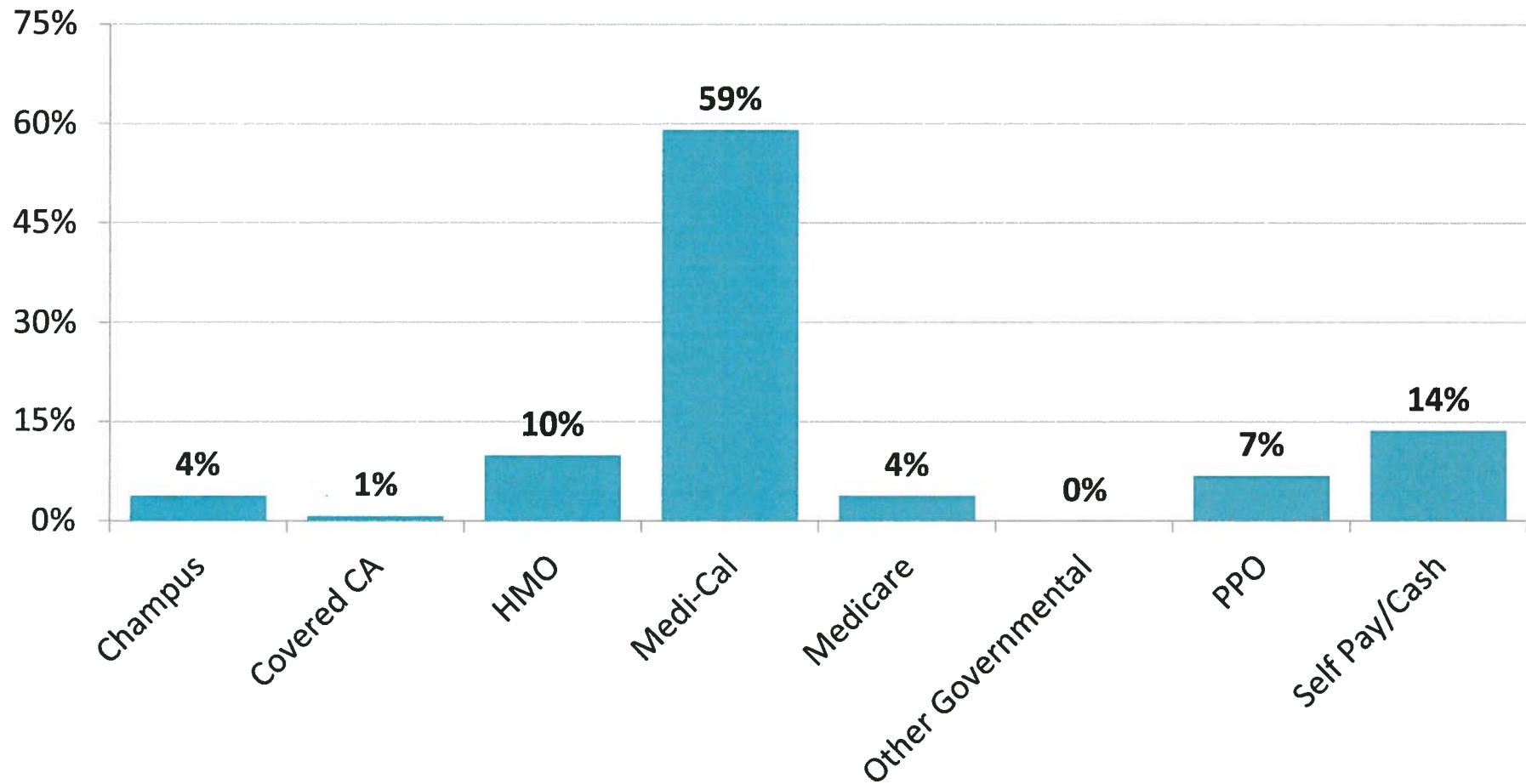
# CSU Medi-Cal Admission Volume & Average LOS 01/01/2018 – 01/31/2018

Medi-Cal Avg LOS    Medi-Cal Vol



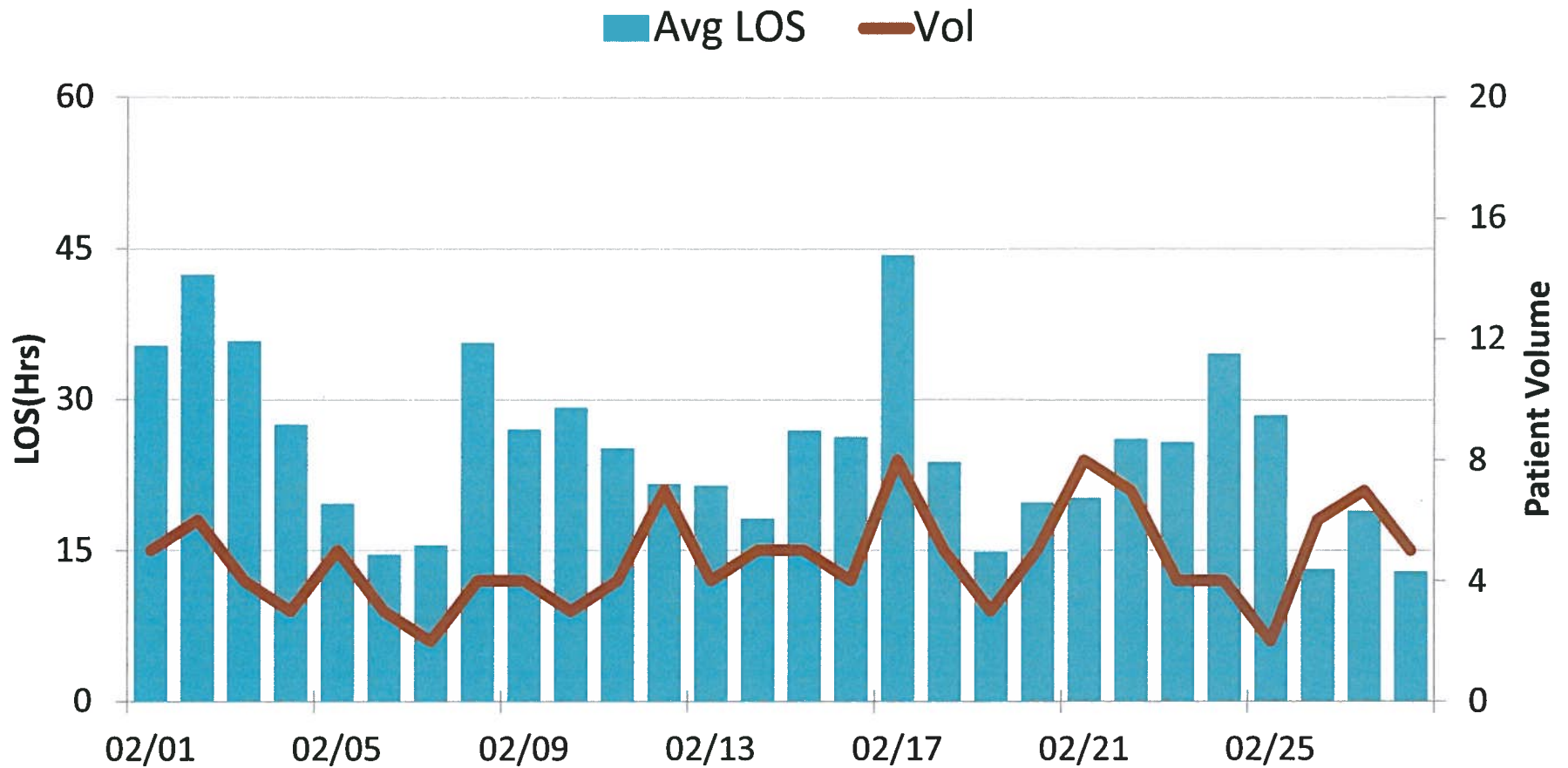


# CSU Payer Mix - 02/01/18 - 02/28/18





## CSU Overall Admission Volume & Average LOS 02/01/2018 – 02/28/2018

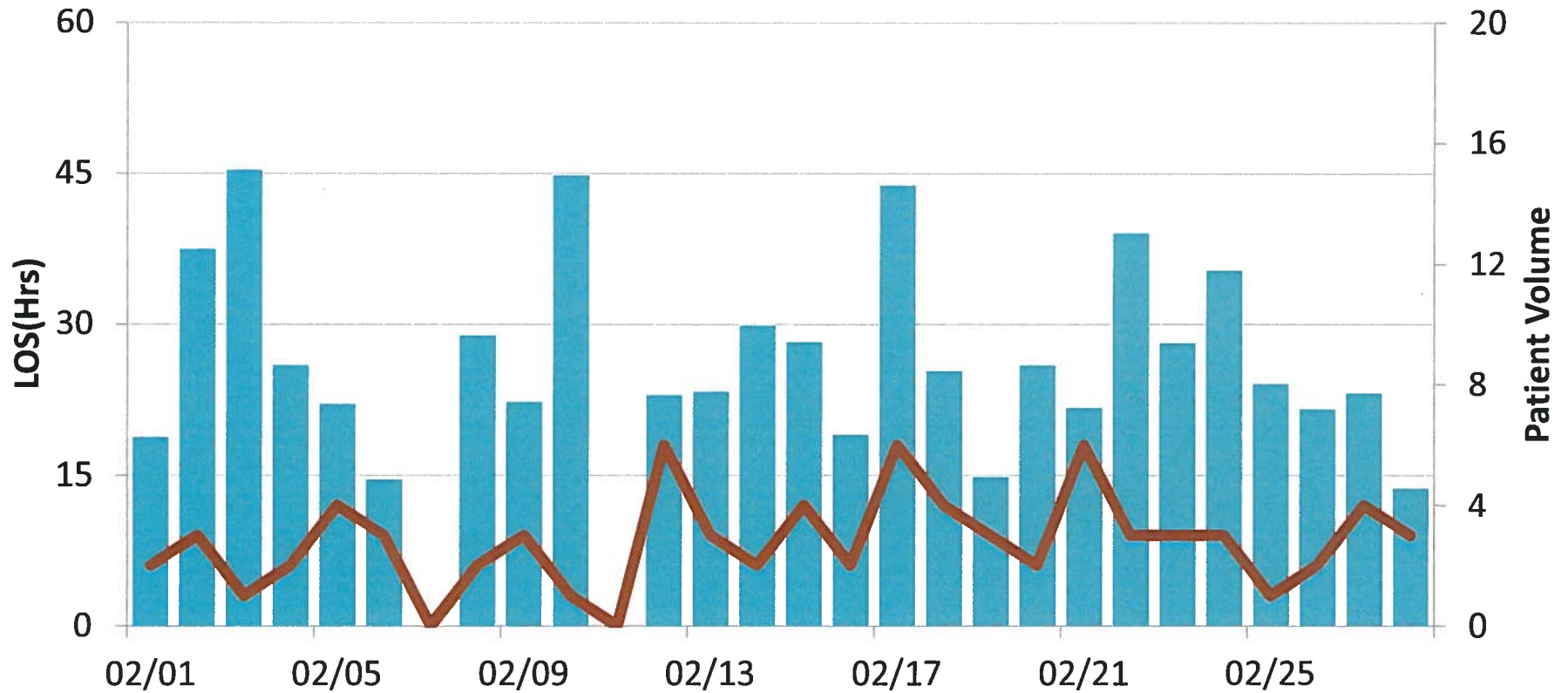






## CSU Medi-Cal Admission Volume & Average LOS 02/01/2018 – 02/28/2018

■ Medi-Cal Avg LOS    — Medi-Cal Vol





## Process Improvement - CSU

- Dr. Bishop to start May 14, 2018 CSU, will be the 3<sup>rd</sup> full-time physician.
- UCSD vetting 3 Telemedicine companies to cover 1900-0700 Monday - Friday and 24 hours availability Saturday/Sunday
- NP/PA coverage from Locum Tenens 1700-1700 since last week in February 2018.
- County survey delayed from March 5, 2018: TBD



## Financial Information

| TCMC Days in Accounts Receivable (A/R) |      |      |      |      |      |      |      |      |      |      |      |         | C/M   | Goal |
|--|------|------|------|------|------|------|------|------|------|------|------|---------|-------|------|
| Jul                                    | Aug  | Sep  | Oct  | Nov  | Dec  | Jan  | Feb  | Mar  | Apr  | May  | Jun  | YTD Avg | Range |      |
| FY18                                   | 47.7 | 47.8 | 48.9 | 50.8 | 49.6 | 49.5 | 49.8 | 47.2 |      |      |      | 48.9    | 48-52 |      |
| FY17                                   | 51.2 | 50.2 | 48.7 | 50.5 | 49.6 | 50.5 | 48.9 | 49.0 | 48.8 | 49.4 | 48.1 | 46.5    | 49.8  |      |

| TCMC Days in Accounts Payable (A/P) |      |      |      |      |      |      |      |      |      |      |      |         | C/M    | Goal |
|-------------------------------------|------|------|------|------|------|------|------|------|------|------|------|---------|--------|------|
| Jul                                 | Aug  | Sep  | Oct  | Nov  | Dec  | Jan  | Feb  | Mar  | Apr  | May  | Jun  | YTD Avg | Range  |      |
| FY18                                | 82.1 | 79.1 | 78.8 | 83.4 | 87.7 | 81.3 | 82.9 | 85.2 |      |      |      | 82.6    | 75-100 |      |
| FY17                                | 78.9 | 81.6 | 86.5 | 88.1 | 91.6 | 87.9 | 84.6 | 79.9 | 74.6 | 79.9 | 81.5 | 81.9    | 84.9   |      |

| TCHD EROE \$ in Thousands (Excess Revenue over Expenses) |         |         |         |         |           |         |           |         |           |        |       |           | C/M        | C/M |
|--|---------|---------|---------|---------|-----------|---------|-----------|---------|-----------|--------|-------|-----------|------------|-----|
| Jul  | Aug     | Sep     | Oct     | Nov     | Dec       | Jan     | Feb       | Mar     | Apr       | May    | Jun   | YTD       | YTD Budget |     |
| FY18   | (\$394) | (\$429) | (\$224) | (\$171) | (\$2,571) | (\$383) | (\$1,242) | (\$542) |           |        |       | (\$5,957) | (\$818)    |     |
| FY17   | \$288   | \$211   | \$746   | \$1,118 | \$414     | \$317   | (\$226)   | \$181   | (\$2,912) | (\$63) | \$296 | \$1,510   | \$3,050    |     |

| TCHD EROE % of Total Operating Revenue |        |        |        |        |        |        |        |        |        |        |       |        | C/M        | C/M |
|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-------|--------|------------|-----|
| Jul                                    | Aug    | Sep    | Oct    | Nov    | Dec    | Jan    | Feb    | Mar    | Apr    | May    | Jun   | YTD    | YTD Budget |     |
| FY18                                   | -1.33% | -1.39% | -0.76% | -0.55% | -9.47% | -1.26% | -3.94% | -1.86% |        |        |       | -2.49% | -0.34%     |     |
| FY17                                   | 1.04%  | 0.75%  | 2.69%  | 3.99%  | 1.51%  | 1.15%  | -0.79% | 0.67%  | -9.92% | -0.22% | 0.99% | 5.04%  | 1.37%      |     |



## 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<br>YTD | C/M<br>YTD Budget |
|------|---------|---------|---------|---------|-----------|---------|---------|---------|-----------|---------|---------|---------|------------|-------------------|
| FY18 | \$898   | \$864   | \$1,091 | \$1,146 | (\$1,288) | \$908   | \$81    | \$751   |           |         |         |         | \$4,451    | \$9,851           |
| FY17 | \$1,583 | \$1,496 | \$2,015 | \$2,365 | \$1,711   | \$1,556 | \$1,010 | \$1,428 | (\$1,630) | \$1,213 | \$1,558 | \$2,741 | \$13,163   |                   |

### TCHD EBITDA % of Total Operating Revenue

|      | Jul   | Aug   | Sep   | Oct   | Nov    | Dec   | Jan   | Feb   | Mar    | Apr   | May   | Jun   | C/M<br>YTD | C/M<br>YTD Budget |
|------|-------|-------|-------|-------|--------|-------|-------|-------|--------|-------|-------|-------|------------|-------------------|
| FY18 | 3.03% | 2.80% | 3.69% | 3.66% | -4.74% | 2.99% | 0.26% | 2.57% |        |       |       |       | 1.86%      | 4.08%             |
| FY17 | 5.70% | 5.32% | 7.27% | 8.43% | 6.27%  | 5.64% | 3.52% | 5.28% | -5.55% | 4.23% | 5.21% | 9.16% | 5.92%      |                   |

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

|      | Jul  | Aug  | Sep  | Oct  | Nov  | Dec  | Jan  | Feb  | Mar  | Apr  | May  | Jun  | C/M<br>YTD | C/M<br>YTD Budget |
|------|------|------|------|------|------|------|------|------|------|------|------|------|------------|-------------------|
| FY18 | 6.51 | 5.92 | 6.90 | 6.26 | 6.50 | 6.43 | 5.95 | 5.99 |      |      |      |      | 6.29       | 6.25              |
| FY17 | 6.04 | 5.84 | 5.74 | 5.85 | 6.43 | 6.16 | 6.26 | 6.14 | 6.25 | 6.30 | 6.18 | 6.56 | 6.05       |                   |

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

|      | Jul    | Aug    | Sep    | Oct    | Nov    | Dec    | Jan    | Feb    | Mar    | Apr    | May    | Jun    |  |  |
|------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--|--|
| FY18 | \$58.5 | \$49.8 | \$42.3 | \$48.2 | \$58.6 | \$54.5 | \$54.7 | \$53.1 |        |        |        |        |  |  |
| FY17 | \$29.1 | \$29.4 | \$26.8 | \$18.9 | \$23.0 | \$25.9 | \$35.7 | \$34.6 | \$73.6 | \$74.3 | \$77.9 | \$64.0 |  |  |