

**TRI-CITY HEALTHCARE DISTRICT
AGENDA FOR A REGULAR MEETING
OF THE FINANCE, OPERATION AND PLANNING COMMITTEE
October 16, 2018
12:30-3:30 P.M.
Assembly Room 2
Tri-City Medical Center
4002 Vista Way, Oceanside, CA 92056**

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

	AGENDA ITEM	TIME ALLOTTED	PERSON RESPONSIBLE
1.	Call to Order	1 min.	Chair
2.	Approval of Agenda	2 min.	Chair
3.	Public Comments-Announcement Comments may be made at this time by members of the public on any item on the Agenda before the Committee's consideration of the item or on any matter within the jurisdiction of the Committee. NOTE: During the Committee's consideration of any Agenda item, members of the public also have the right to address the Committee at that time regarding that item.	2 min.	Chair
4.	Ratification of minutes – September 18, 2018	2 min.	Standard
5.	Old Business		
	a) Affiliation Agreement <ul style="list-style-type: none"> • The Regents of the University of California, Team Physicians of Southern California Medical Group & Tri-City Healthcare District 	5 min.	Susan Hadley / Sharon Schultz
6.	New Business		
	b) Board of Director Member Recognition: <ul style="list-style-type: none"> • Director Cyril Kellett 	2 min.	Chair
	c) Reminder: <ul style="list-style-type: none"> • No FOP meeting to be held in November 2018 • December meeting scheduled on Tuesday, 12/4/18 	2 min.	Chair
7.	Consideration of Consent Calendar-(<i>All items will be approved with a single motion, unless pulled for discussion</i>)	30 min.	Chair
	a) Medical Director Agreement - Surgery <ul style="list-style-type: none"> • Dr. Dandy Lee <i>Motion: Request approval of the agreement with Dr. Dandy Lee as the Medical Director for Surgery for a term of 24 months beginning October 1, 2018 and ending September 30, 2020. Not to exceed an average of 16 hours per month or 192 hours annually, at an hourly rate of \$150 for an annual cost not to exceed \$28,800, and a total cost for the term not to exceed \$57,600.</i>		Debra Feller
	b) Pharmacy USP 800 Upgrades <ul style="list-style-type: none"> • Choctaw Construction Company, Inc. <i>Motion: Request approval of the agreement with Choctaw Construction Company, Inc. for \$582,785 and the total project budget of \$1,099,949 for Pharmacy USP 800 upgrades.</i>		Chris Miechowski

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
	c) Pyxis Supply Cabinetry Lease Proposal <ul style="list-style-type: none"> Becton Dickinson – Pyxis Supply <i>Motion: Request approval of the agreement with Becton Dickinson - Pyxis for lease of medical supply automated cabinetry for a term of 60 months, beginning February 1, 2019 and ending January 31, 2024 for an annual cost of \$406,320, and a total cost for the term of \$2,031,600.</i>		Tom Moore
	d) Physician Agreement for ED On-Call Coverage – ENT <ul style="list-style-type: none"> Anton Kushnaryov, M.D. <i>Motion: Request approval of the agreement with Dr. Anton Kushnaryov as an ED-call coverage physician for ENT for a term of 12 months, beginning October 1, 2018 and ending September 30, 2019 at a daily rate of \$550, for a term cost of \$200,750.</i>		Sherry Miller
	e) Physician Recruitment Proposal – General Surgery <ul style="list-style-type: none"> Hussna Wakily, M.D. <i>Motion: Request approval of the loan amount, not to exceed \$670,000 and a total expenditure of \$680,000, in order to recruit Hussna Wakily, M.D. as a General Surgery 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 three-year forgiveness period) with Coastal Surgeons.</i>		Jeremy Raimo
	f) Physician Agreement for ED On-Call Coverage – OB/GYN <ul style="list-style-type: none"> Raheleh Esfandiari, M.D. <i>Motion: Request approval of the agreement to add Raheleh Esfandiari M.D. to the currently existing ED On-Call Coverage Panel for OB/GYN for a term of 21 months, beginning October 1, 2018 and ending June 30, 2020.</i>		Sherry Miller
8.	Financials	10 min.	Ray Rivas
9.	Work Plan	20 min.	
	a) Construction Report (<i>quarterly</i>)		Chris Miechowski
	b) Infusion Center (<i>annual</i>)		Diane Sikora
	c) ED Throughput (<i>quarterly</i>)		Candice Parras
	d) Medical Director, Surgery (<i>semi-annual</i>)		Debra Feller
	e) Dashboard		Ray Rivas
10.	Comments by committee members	2 min.	Chair
11.	Date of next meeting: December 4, 2018 (<i>first week of December</i>)	2 min.	Chair
12.	Community Member Openings (0)		
13.	Adjournment		
	Total Budget Time for Meeting	1 hr. 20 min.	

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**Tri-City Medical Center
Finance, Operations and Planning Committee Minutes
September 18, 2018**

Members Present	Director Julie Nygaard, Director Cyril Kellett, Director Leigh Anne Grass, Dr. Marcus Contardo, Dr. Mark Yamanaka, Dr. Jeffrey Ferber, Wayne Lingenfelter, Jack Cumming
Non-Voting Members Present:	Steve Dietlin, CEO, Ray Rivas, CFO, Scott Livingstone, COO, Sharon Schultz, CNE, Carlos Cruz, CCO, Susan Bond, General Counsel
Others:	Director Jim Dagostino, Jeremy Raimo, Jane Dunmeyer, Cristina Barrera, Kelly Mourning, Glen Newhart, Maria Carapia, Eve England, Sherry Miller, Barbara Hainsworth
Members Absent:	Dr. Gene Ma

Topic	Discussions, Conclusions Recommendations	Action Recommendations/ Conclusions	Person(s) Responsible
1. Call to order	Director Nygaard called the meeting to order at 12:32 pm.		
2. Approval of Agenda	<p>Before the vote, Director Nygaard announced that the following items are being pulled from the agenda, as they are not ready to move forward at this time:</p> <ul style="list-style-type: none"> • 7.e. Physician Recruitment Proposal – General Surgery- Eleazar Lawson, M.D. • 7.h. Medical Directorship Agreement for Employee Health Services Department-Jeffrey M. Ferber M.D. <p>She also mentioned that a correction is necessary to the following write-up:</p> <ul style="list-style-type: none"> • 7.a. Physician Agreement for Cardiovascular Health Institute – Quality Committee-Dr. Ashish Kabra. 	<p><u>MOTION</u> It was moved by Director Kellett, Dr. Contardo seconded, and it was unanimously approved to accept the agenda of September 18, 2018 with the modifications as outlined by Director Nygaard.</p> <p><u>Members:</u> AYES: Nygaard, Kellett, Grass, Contardo, Yamanaka, Ferber, Lingenfelter, Cumming NOES: None ABSTAIN: None ABSENT: Ma</p>	

Topic	Discussions, Conclusions Recommendations	Action Recommendations/ Conclusions	Person(s) Responsible
	The write-up reflects 20 hours per year. This number should be corrected to be 18 hours per year.	Barbara Hainsworth to edit write-up 7.a. to reflect the quantity change in the annual hours.	
3. Comments by members of the public on any item of interest to the public before committee's consideration of the item.	Director Nygaard read the paragraph regarding comments from members of the public.		Director Nygaard
4. Ratification of minutes of August 21, 2018	Minutes were ratified.	Minutes were ratified. <u>MOTION</u> It was moved by Mr. Lingenfelter, Dr. Ferber seconded, that the minutes of August 21, 2018 are unanimously approved with Directors Kellett and Grass, abstaining from the vote.	
5. Old Business	None		
6. New Business	None		
7. Consideration of Consent Calendar:	Mr. Lingenfelter requested that the following items be pulled for discussion: • 7.f. Comprehensive Coverage / Directorship Agreement for ARU, Stroke, Neurology, Epilepsy, ARU (mid-level) • 7.g. Physician Agreement for ED On-Call Coverage – OB/GYN Director Grass requested that the following item be pulled for discussion: • 7.b. Campus Medical Office Building Traffic Improvements – Budget Closeout	<u>MOTION</u> It was moved by Dr. Contardo to approve the Consent Calendar, Mr. Cumming seconded. <u>Members:</u> AYES: Nygaard, Kellett, Grass, Contardo, Ma, Yamanaka, Lingenfelter, Cumming NOES: None ABSTAIN: ABSENT: Ma	Chair
a. Physician Agreement for Cardiovascular Health Institute – Quality Committee • Dr. Ashish Kabra		Approved via Consent Calendar	Eva England

Topic	Discussions, Conclusions Recommendations	Action Recommendations/ Conclusions	Person(s) Responsible
b. Campus Medical Office Building Traffic Improvements – Budget Closeout <ul style="list-style-type: none"> • Dick Miller, Inc. (DMI) 	Director Grass questioned the source of the additional “change order” costs. Scott Livingstone conveyed that much of the additional expenses had been absorbed by the vendor. He explained that when a change order exceeds a 5% overage, it is District policy that any requests for additional funds, be approved by the Board of Directors.	<u>MOTION</u> It was moved by Director Grass, seconded by Director Kellett to authorize the a Change Order to Dick Miller, Inc. for \$96,634 for additional traffic control costs due to unforeseen storm drain relocation delays and the additional project budget of \$64,000, to cover the change order costs. <u>Members:</u> AYES: Nygaard, Kellett, Grass, Contardo, Yamanaka, Ferber, Lingenfelter, Cumming NOES: None ABSTAIN: None ABSENT: Ma	Chris Miechowski
c. Physician Agreement for Antibiotic Stewardship Chair <ul style="list-style-type: none"> • Dr. Richard Smith 		Approved via Consent Calendar	Tori Hong / Scott Livingstone
d. Medical Directorship Agreement for Plastic Surgery – Consultative & Procedural Services <ul style="list-style-type: none"> • Geehan D’Souza, M.D. 		Approved via Consent Calendar	Susan Hadley / Sharon Schultz
e. Physician Recruitment Proposal <ul style="list-style-type: none"> • Eleazar Lawson, M.D. 		PULLED	
f. Comprehensive Coverage / Directorship Agreement for ARU, Stroke, Neurology, Epilepsy, ARU (Mid-Level)	Mr. Lingenfelter inquired about the number of agreements included within this one write-up. Jeremy Raimo explained that they had previously been submitted as separate	<u>MOTION</u> It was moved by Mr. Lingenfelter, seconded by Director Kellett to authorize the agreement with The Neurology Center to provide	Jeremy Raimo

Topic	Discussions, Conclusions Recommendations	Action Recommendations/ Conclusions	Person(s) Responsible
<ul style="list-style-type: none"> The Neurology Center 	<p>agreements, however, with physicians associated with the same medical group. They were simply consolidated into a single agreement, under The Neurology Center, as a physicians' group practice.</p>	<p>comprehensive coverage/directorship for ARU, Stroke, Neurology, Epilepsy, ARU (mid-level) for a term of 12 months beginning October 1, 2018 and ending September 30, 2019, for a total cost for the term of \$561,130. Members: AYES: Nygaard, Kellett, Grass, Contardo, Yamanaka, Ferber, Lingenfelter, Cumming NOES: None ABSTAIN: None ABSENT: Ma</p>	
<p>g. Physician Agreement for ED On-Call Coverage – OB/GYN</p> <ul style="list-style-type: none"> Tina Dhillon-Ashley, M.D. Marlene Pountney-Levesque, M.D. 	<p>Mr. Lingenfelter inquired about the response time for and on-call OB/GYN physician. Scott Livingstone conveyed that the TCMC by-laws reflect a response time of 30 minutes. The majority of on call OB/GYN physicians spend the night on-site in the physician's sleeping quarters.</p>	<p><u>MOTION</u> It was moved by Mr. Lingenfelter, seconded by Director Kellett to add Drs. Tina Dhillon-Ashley and Marlene Pountney-Levesque to the currently existing ED On-Call Coverage Panel for OB/GYN for a term of 21 months, beginning October 1, 2018 and ending June 30, 2020. Members: AYES: Nygaard, Kellett, Grass, Contardo, Yamanaka, Ferber, Lingenfelter, Cumming NOES: None ABSTAIN: None ABSENT: Ma</p>	Sherry Miller
<p>h. Medical Directorship Agreement for Employee Health Services Department</p> <ul style="list-style-type: none"> Jeffrey M. Ferber, M.D. 		PULLED	

Topic	Discussions, Conclusions Recommendations	Action Recommendations/ Conclusions	Person(s) Responsible																																								
8. Financials:	<p>Ray Rivas presented the financials ending August 31, 2018 (dollars in thousands)</p> <p><u>TCHD – Financial Summary</u> <u>Fiscal Year to Date</u></p> <table border="0"> <tr> <td>Operating Revenue</td> <td style="text-align: right;">\$ 59,759</td> </tr> <tr> <td>Operating Expense</td> <td style="text-align: right;">\$ 61,354</td> </tr> <tr> <td>EBITDA</td> <td style="text-align: right;">\$ 1,963</td> </tr> <tr> <td>EROE</td> <td style="text-align: right;">\$ (598)</td> </tr> </table> <p><u>TCMC – Key Indicators</u> <u>Fiscal Year to Date</u></p> <table border="0"> <tr> <td>Avg. Daily Census</td> <td style="text-align: right;">158</td> </tr> <tr> <td>Adjusted Patient Days</td> <td style="text-align: right;">17,744</td> </tr> <tr> <td>Surgery Cases</td> <td style="text-align: right;">1,119</td> </tr> <tr> <td>Deliveries</td> <td style="text-align: right;">388</td> </tr> <tr> <td>ED Visits</td> <td style="text-align: right;">9,813</td> </tr> </table> <p><u>TCHD – Financial Summary</u> <u>Current Month</u></p> <table border="0"> <tr> <td>Operating Revenue</td> <td style="text-align: right;">\$ 30,614</td> </tr> <tr> <td>Operating Expense</td> <td style="text-align: right;">\$ 31,229</td> </tr> <tr> <td>EBITDA</td> <td style="text-align: right;">\$ 1,168</td> </tr> <tr> <td>EROE</td> <td style="text-align: right;">\$ (121)</td> </tr> </table> <p><u>TCMC – Key Indicators</u> <u>Current Month</u></p> <table border="0"> <tr> <td>Avg. Daily Census</td> <td style="text-align: right;">156</td> </tr> <tr> <td>Adjusted Patient Days</td> <td style="text-align: right;">8,868</td> </tr> <tr> <td>Surgery Cases</td> <td style="text-align: right;">599</td> </tr> <tr> <td>Deliveries</td> <td style="text-align: right;">202</td> </tr> <tr> <td>ED Visits</td> <td style="text-align: right;">4,838</td> </tr> </table> <p><u>TCMC - Net Patient A/R & Days in</u> <u>Net A/R By Fiscal Year</u></p> <table border="0"> <tr> <td>Net Patient A/R Avg. (in millions)</td> <td style="text-align: right;">\$ 42.8</td> </tr> <tr> <td>Days in Net A/R Avg.</td> <td style="text-align: right;">44.0</td> </tr> </table> <p><u>Graphs:</u></p> <ul style="list-style-type: none"> • TCMC-Net Days in Patient Accounts Receivable 	Operating Revenue	\$ 59,759	Operating Expense	\$ 61,354	EBITDA	\$ 1,963	EROE	\$ (598)	Avg. Daily Census	158	Adjusted Patient Days	17,744	Surgery Cases	1,119	Deliveries	388	ED Visits	9,813	Operating Revenue	\$ 30,614	Operating Expense	\$ 31,229	EBITDA	\$ 1,168	EROE	\$ (121)	Avg. Daily Census	156	Adjusted Patient Days	8,868	Surgery Cases	599	Deliveries	202	ED Visits	4,838	Net Patient A/R Avg. (in millions)	\$ 42.8	Days in Net A/R Avg.	44.0		Ray Rivas
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Topic	Discussions, Conclusions Recommendations	Action Recommendations/ Conclusions	Person(s) Responsible
	<ul style="list-style-type: none"> • TCMC-Average Daily Census, Total Hospital-Excluding Newborns • TCMC-Acute Average Length of Stay 		
9. Work Plan:			
a. Wellness Center (<i>bi-monthly</i>)	<p>Scott Livingstone gave a brief overview of the PowerPoint Presentation for the Wellness Center, which had been included in the packet.</p> <p><u>Membership:</u></p> <ul style="list-style-type: none"> • Growth-Increase of 17%, between August 2017 – June 2018 <p><u>Medically Integrated Program:</u></p> <ul style="list-style-type: none"> • FY2018: 74 Members • FYTD2019 (August): 102 Members • As of September 2018: 117 Members <p>Brief discussion ensued.</p>		Scott Livingstone
b. Meaningful use (<i>semi-annual</i>)	<p>Scott Livingstone conveyed that CMS is undertaking a number of changes to the Meaningful Use program. One specific change is that the name is being changed to “Promoting Interoperability”. He further conveyed that work continues to move toward simplifying the exchange of electronic health information between providers and patients.</p> <p>Brief discussion ensued.</p>		Mark Albright
c. Crisis Stabilization Unit (CSU) (<i>bi-monthly</i>)	<p>CSU Services were suspended on 8/3/18 – No Report</p>		Sharon Schultz
d. Dashboard	<p>No discussion</p>		Ray Rivas
10. Comments by committee			

Topic	Discussions, Conclusions Recommendations	Action Recommendations/ Conclusions	Person(s) Responsible
members			
11. Date of next meeting	Tuesday, October 16, 2018		Chair
12. Community Openings (0)			
13. Adjournment	Meeting adjourned 1:05 p.m.		

FINANCE, OPERATIONS & PLANNING COMMITTEE
DATE OF MEETING: October 16, 2018
AFFILIATION AGREEMENT

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

Vendor's Name: The Regents of The University of California, Team Physicians of Southern California Medical Group, Inc. & Tri-City Healthcare District

Area of Service: Education

Term of Agreement: 60 months, Beginning, July 1, 2018 – Ending, June 30, 2023

Maximum Totals:

Monthly Cost	Annual Cost	Total Term Cost
\$8,724.13	\$104,689.56	\$523,447.80

Description of Services/Supplies:

- Emergency Residency Program – Providing Education and Training Programs to Trainees.

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

Person responsible for oversight of agreement: Susan Hadley, Director, Network Development / Steve Dietlin, Chief Executive Officer

Motion:

I move that Finance Operations and Planning Committee recommend that TCHD Board of Directors authorize the agreement with The Regents of the University of California, Team Physicians of Southern California Medical Group, Inc. & Tri-City Healthcare District for an Emergency Residency Program to provide education and training to trainees, for a term of 60 months, beginning July 1, 2018 and ending June 30, 2023 for an annual cost of \$104,689.56 and a total cost for the term of \$523,447.80.

Finance, Operations and Planning Committee

Date of Meeting: October 16, 2018

Board Member Recognition:

- Director Cyril Kellett

Finance, Operations and Planning Committee

Date of Meeting: October 16, 2018

Reminder:

There will be **NO** Finance, Operations & Planning Committee meeting held in November 2018

The December meeting has been scheduled as follows:

Date: *December 4th, 2018*

Time: *12:30 pm*

Location: *Assembly Room # 3*

FINANCE, OPERATIONS & PLANNING COMMITTEE
DATE OF MEETING: October 16, 2018
Medical Director Agreement - Surgery

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

Physician's Name: Dandy Lee, M.D.

Area of Service: Surgery

Term of Agreement: 24 months, Beginning, October 1, 2018 – Ending September 30, 2020

Maximum Totals: Within Hourly and/or Annualized Fair Market Value: YES (*Verified by MD Ranger*)

Rate/Hour	Hours per Month Not to Exceed	Hours per Year Not to Exceed	Monthly Cost Not to Exceed	Annual Cost Not to Exceed	24 month (Term) Cost Not to Exceed
\$150	16	192	\$2,400	\$28,800	\$57,600

Position Responsibilities:

- Functions as the Medical Director for the Surgery Department
- Provides clinical and administrative consultation for the operating room leadership
- Establishes and evaluates policies, procedures and protocols related to patient care, patient safety and medical developments (including new treatments modalities, drug information etc.)

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

Person responsible for oversight of agreement: Debra Feller, Clinical Director, Surgery / Sharon Schultz, Chief Nurse Executive

Motion:

I move that Finance Operations and Planning Committee recommend that TCHD Board of Directors authorize Dr. Dandy Lee as the Medical Director for Surgery for a term of 24 months beginning October 1, 2018 and ending September 30, 2020. Not to exceed an average of 16 hours per month or 192 hours annually, at an hourly rate of \$150 for an annual cost not to exceed \$28,800, and a total cost for the term not to exceed \$57,600.

FINANCE, OPERATIONS & PLANNING COMMITTEE
DATE OF MEETING: October 16, 2018
Pharmacy USP 800 Upgrades

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

Vendor's Name: Choctaw Construction Company Inc.

Area of Service: Pharmacy

Term of Agreement: Completion of work

Maximum Totals:

Proposal:	Expected Costs:
Choctaw Construction Company, Inc. (Construction)	\$582,785
Design, Permits, Inspections, Contingency	\$517,164
Total Expected Project Cost:	\$1,099,949

Description of Services/Supplies:

- IV room remodel has to be done to meet California State Board of Pharmacy (SBOP) requirements. All facilities were expected to be in compliance by January 1, 2018 to align with new USP 800 regulations that were going to be enforced. USP 800 enforcement is delayed; however SBOP is still expecting compliant IV rooms. We, like many other facilities, had to apply for a waiver.
- Choctaw Construction Company Inc. was able to come in substantially lower than the other bidders due to finding a local less expensive stainless steel manufacturer and by having a low company overhead (the Project Manager will be the owner of the company).
- Choctaw Construction Company Inc. was the lowest responsive and responsible bidder. Bid results below:

Company:	Bid Amount:
Choctaw Construction Company, Inc.	\$582,785
Jennette	\$795,000
Herman Construction Group	\$895,500
Weir	\$975,000

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

Person responsible for oversight of agreement: Chris Miechowski, Director of Facilities / Scott Livingstone, Chief Operating Officer

Motion:

I move that Finance Operations and Planning Committee recommend that TCHD Board of Directors authorize an agreement with Choctaw Construction Company, Inc. for \$582,785 and the total project budget of \$1,099,949 for Pharmacy USP 800 upgrades.

FINANCE, OPERATIONS & PLANNING COMMITTEE
DATE OF MEETING: October 16, 2018
Pyxis Supply Cabinetry Lease Proposal

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

Vendor's Name: Becton Dickinson - Pyxis Supply

Area of Service: All Departments with Pyxis Supply Cabinets

Term of Agreement: 60 months, Beginning, February 1, 2019 – Ending, January 31, 2024

Maximum Totals:

Monthly Cost	Annual Cost	Total Term Cost
\$33,860	\$406,320	\$2,031,600

One-time fee:

- 1) \$15,000 Implementation fee for Item Master
- 2) \$50,000 Cerner Integration fee

One time credit: One-time credit up front of \$106,041

Description of Services/Supplies:

- Renewal for version upgrade and lease of all Pyxis supply cabinets (75)
- Cabinetry is automated to charge patients as supplies are used and also reorder replacement stock
- Adding automation in Warehouse to manage product, Cerner integration and Item master interface
- All stations will now have Scanners to track product usage and expiration dates
- The newer version will also record products used on EMR as well as synchronize pricing across systems

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

Person responsible for oversight of agreement: Thomas Moore, Director, Supply Chain Management / Ray Rivas, Chief Financial Officer

Motion:

I move that Finance Operations and Planning Committee recommend that TCHD Board of Directors authorize the agreement with Becton Dickinson - Pyxis for lease of medical supply automated cabinetry for a term of 60 months, beginning February 1, 2019 and ending January 31, 2024 for an annual cost of \$406,320, and a total cost for the term of \$2,031,600.

FINANCE, OPERATIONS & PLANNING COMMITTEE
DATE OF MEETING: October 16, 2018
PHYSICIAN AGREEMENT for ED ON-CALL COVERAGE – ENT

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

Physician's Name: Anton Kushnaryov, M.D.
Area of Service: Emergency Department On-Call: ENT
Term of Agreement: 12 months, Beginning, July 1, 2018 – Ending, June 30, 2019
Maximum Totals: Within Hourly and/or Annualized Fair Market Value: YES
Maximum Totals: For entire Current ED On-Call Area of Service Coverage: ENT

Existing panel, no increase in Expense

Rate/Day	Panel Days per Year	Panel Term Cost
\$550/Day	365	\$200,750

Position Responsibilities:

- Provide 24/7 patient coverage for all ENT 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:	X	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 / Scott Livingstone, Chief Operating Officer

Motion: I move that Finance Operations and Planning Committee recommend that TCHD Board of Directors authorize Dr. Anton Kushnaryov as an ED-call coverage physician for ENT for a term of 12 months, beginning July 1, 2018 and ending June 30, 2019 at a daily rate of \$550, for a term cost of \$200,750.

FINANCE, OPERATIONS & PLANNING COMMITTEE
DATE OF MEETING: October 16, 2018
Physician Recruitment Proposal – General Surgery

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

Physician Name: Hussna Wakily, M.D.

Areas of Service: General Surgery

Key Terms of Agreement:

Effective Date: January 1, 2019 or the date Dr. Wakily 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 General Surgery
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: \$650,000 NTE (\$325,000 per year) for a 2-year income guarantee followed by 3-year forgiveness
Sign-on Bonus: \$20,000
Relocation: \$10,000 (Not part of the loan)
Loan Amount, Not to Exceed: \$670,000
Total Spend: \$680,000

Unique Features: Dr. Wakily will join the group practice of Coastal Surgeons with Drs. Jamshidi, Deemer & Toosie

Requirements:

Business Pro Forma: Must submit a two-year business pro forma for TCHD approval relating to the addition of this physician to the medical practice, including proposed incremental expenses and income. TCHD may suspend or terminate income guarantee payments if operations deviate more than 20% from the approved pro forma and are not addressed as per agreement.

Expenses: The agreement specifies categories of allowable professional expenses (expenses associated with the operation of physician’s practice and approved at the sole discretion of TCHD) such as billing, rent, medical and office supplies, etc. If the incremental monthly expenses exceed the maximum, the excess amount will not be included.

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

Person responsible for oversight of agreement: Jeremy Raimo, Sr. Director Business Development / Scott Livingstone, Chief Operating 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 loan amount, not to exceed \$670,000 and a total expenditure of \$680,000, in order to recruit Hussna Wakily, M.D. as a General Surgery 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 three-year forgiveness period) with Coastal Surgeons.

FINANCE, OPERATIONS & PLANNING COMMITTEE
DATE OF MEETING: October 16, 2018
PHYSICIAN AGREEMENT for ED ON-CALL COVERAGE – OB/GYN

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

Physician’s Names: Raheleh, Esfandiari M.D.

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

Term of Agreement: 21 months, Beginning, October 1, 2018 – Ending, June 30, 2020
 Within Hourly and/or Annualized Fair Market Value: YES

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

Rate/Day	Annual Panel Days	Annual Panel Cost	Term Cost
Mon-Fri / \$800	FY18: 253	\$202,400	\$406,400
	FY20: 255	\$204,000	
Sat-Sun / TCMC Recognized Holidays: \$1,000	FY18: 112	\$112,000	\$223,000
	FY20: 111	\$111,000	
Total Term Cost			\$629,400

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.

Document Submitted to Legal for Review:	X	Yes		No
Approved by Chief Compliance Officer:	X	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 Raheleh, Esfandiari M.D. to the currently existing ED On-Call Coverage Panel for OB/GYN for a term of 21 months, beginning October 1, 2018 and ending June 30, 2020.

**Finance, Operations and Planning Work Plan
Program Tracking Schedule
FY2019
October 16, 2018**

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

	July	Aug	Sept	Oct 2018	Nov	Dec	Jan	Feb	Mar	April	May	June	Responsible Party
Institutes Update (Annual): <ul style="list-style-type: none"> • Cardiovascular (Added August 2016, began reporting August 2017)		•											Jeremy Raimo
PRIME Update (Annual): (Timeline pending for update)													Scott Livingstone
Institute for Clinical Effectiveness (Semi-Annual): (Added July 2017, began reporting January 2018) Timeline pending													Jeremy Raimo
Dashboard		•	•	•	•	•	•	•	•	•	•	•	Ray Rivas



ADVANCED HEALTH CARE
FOR YOU

Construction Report
As of September 2018

Project	FOP/Board Approval Date	% of Design Complete	Construction Start or Estimated Construction Start Date	Estimated Construction Completion Date*	% of Construction Complete	Total Budget	Actual Expenditures	Remaining Budget	Status / Comments
OR #4 Surgical Lights Replacement	September-17	100%	October-18	January-19	0%	\$ 510,761.00	\$ 127,633.54	\$ 383,127.46	Scheduling construction.
Retail Pharmacy	September-17	100%	January-18	July-18	100%	\$ 373,293.00	\$ 341,073.58	\$ 32,219.42	Awaiting State Licensing
Surface Parking Lot	December-17	100%	February-18	October-18	95%	\$ 2,473,975.00	\$ 2,275,472.56	\$ 198,502.44	Awaiting City Approval of Revised Plans
Total Construction Projects						\$ 3,358,029.00	\$ 2,744,179.68	\$ 613,849.32	

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

Oncology Infusion Center

	<u>FY 2018</u>
Net Revenue	\$16,371,749
Operating Expenses	<u>9,666,106</u>
Contribution Margin	<u><u>\$6,705,642</u></u>
Visits	4,149

Self Assessment Score _____, (1= Planning; 2= Some Activity; 3 = Some Improvement; 4= Significant Improvement; 5= Outstanding results)

Aim Statement

Improve the patient flow through the Emergency Department from Arrival to ED Discharge or Admission to the hospital

Changes Being Tested (T), Implemented (I), or Spread (S)

Changes Implemented

1. - PA's providing MSE on all patients presenting to Triage from 8AM to 2AM
2. MD in Triage 3/1/2017=4
 - MD added to Triage at 10a to 12m
 - n. 5/1/18 MD hours until 2A
3. Decrease LWBS = 4
 - Extended hours for Provider in Triage to increase flow, care for greater numbers of vertical ESI 3's Decrease visit times
4. Improve Patient Satisfaction=2
 - Direct result of immediate contact with Provider
 - All patients registering at Triage



Run Charts / Data

LWOT

- Left Without Being Seen (LWBS)
 - 2016 LWBS = 6.9%
- GOAL 2017 = 3.5%
 - 2017 LWBS = 1.61%
- GOAL 2018 = 3%
 - 2018 YTD increased
 - 3.45%

ED Arrival to Discharge Increased by 27 minutes over 2017
2017 decreased by 55 minutes

A decrease in Physician and PA hours due to a decrease in patient volumes has caused the shift in LWOT and door to discharge times

Barriers / Lessons Learned

Changes Implemented

1. PA's providing MSE on all patients presenting to Triage
 - 2 additional hours 12mn-2a
2. **"IN QUICKER"** Process added to TCMC Website
Patients can make appointments for minor concerns 10A-2P
3. Improve Patient Satisfaction
 - Direct result of immediate contact with Provider
 - All patients registering at Triage
5. Triage process seeing 55+ patients daily treated and discharged.
More available beds open for critical patients and Paramedic runs in the main ED

Recommendations and Next Steps

9/1/2018

"NO WALL TIME"

Paramedics greeted and patients placed in beds within 20 minutes of arrival. TCMC now Best in SD County!!

Team Members

Candice Parras: Leader
Rick Sanchez, Sharon A. Schultz; . Diane Sikora; Dr. Cary Mells; Dr. Mark O'Brien; Paula F. White; ; Steven A. Young; Hope Chaney; Jared Burton; David Benitez
Merebeth Richins;

Acknowledgments/ Contact Info

Rick Sanchez for data graphs



MEDICAL DIRECTOR, OR

Outcome Performance Report
April 2018 – September 2018

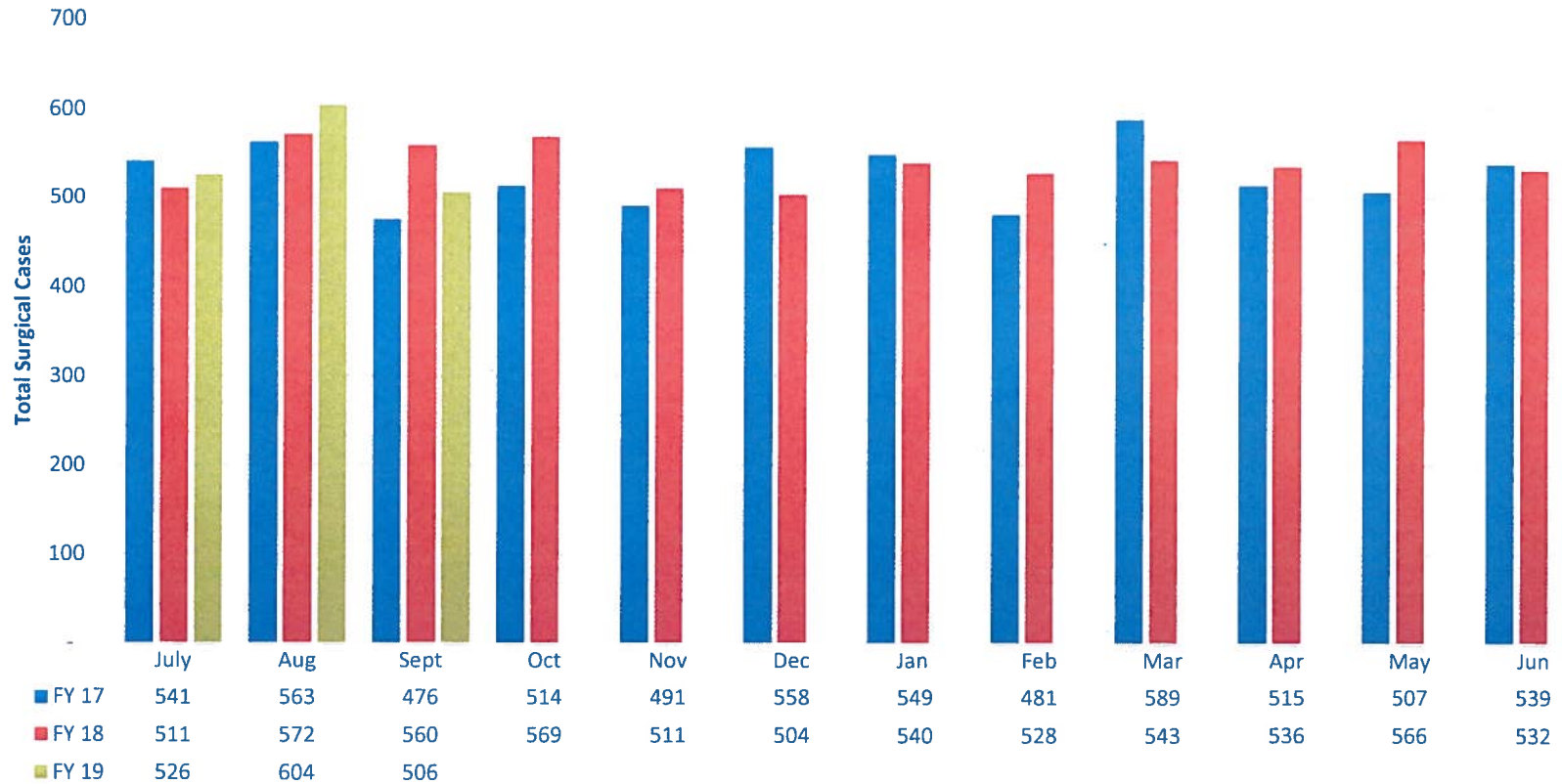
PROCESS IMPROVEMENTS

- Projects
 - Cerner Optimization 9/18- Tracking Boards , Summary Pages & Documentation
 - Electronic Anesthesia Evaluation
 - Patient Anesthesia Questionnaire created for physician offices
 - OR four begin construction Oct 15, 2018
 - Preop hold renovation projected December 2018
 - Supply conversions
- Case Volume
 - Related to physician satisfaction
 - Robotic volume
- PSH
- Ongoing quarterly scheduler's luncheon



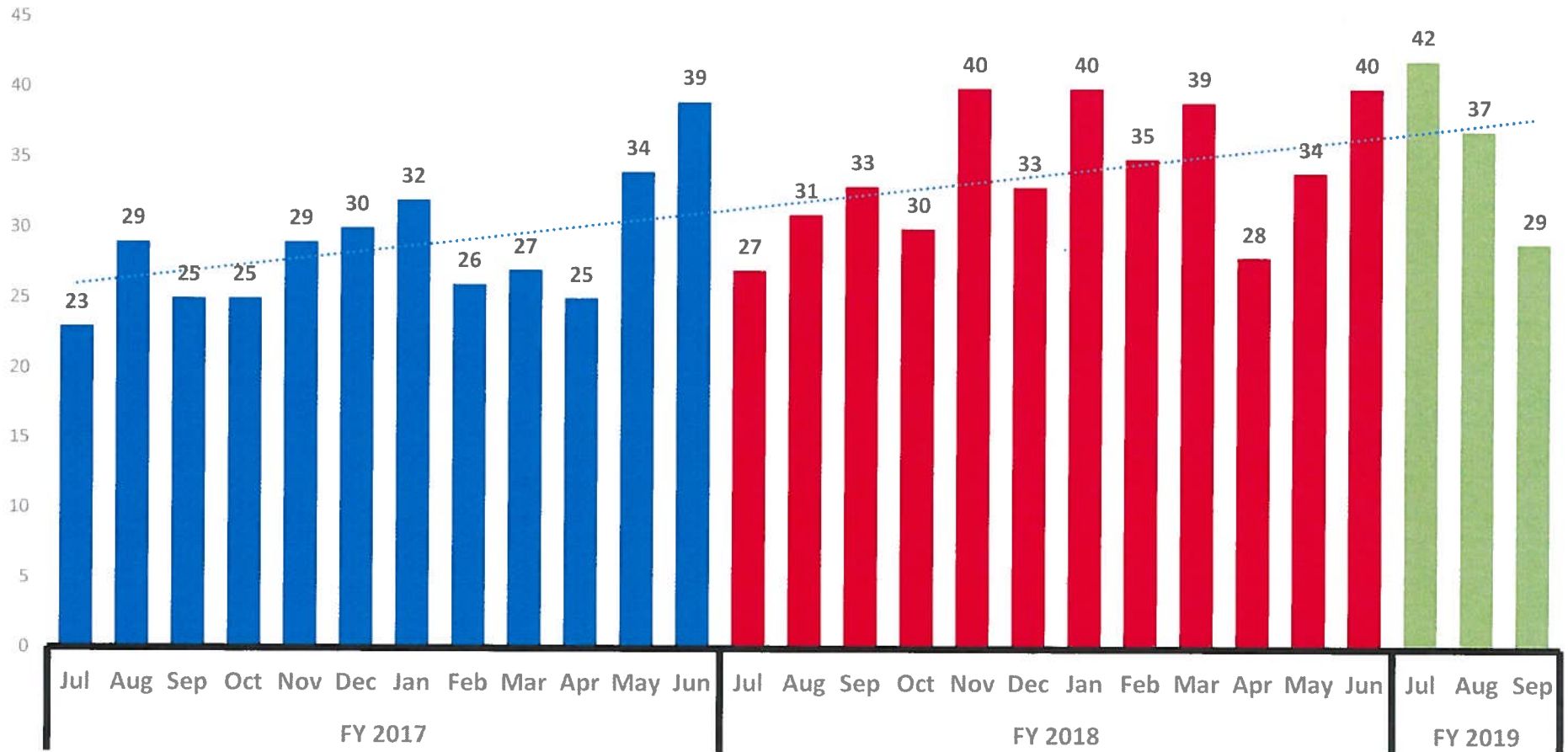
SURGICAL VOLUME OVERALL

FY2017 - YTD
Cases: By Month



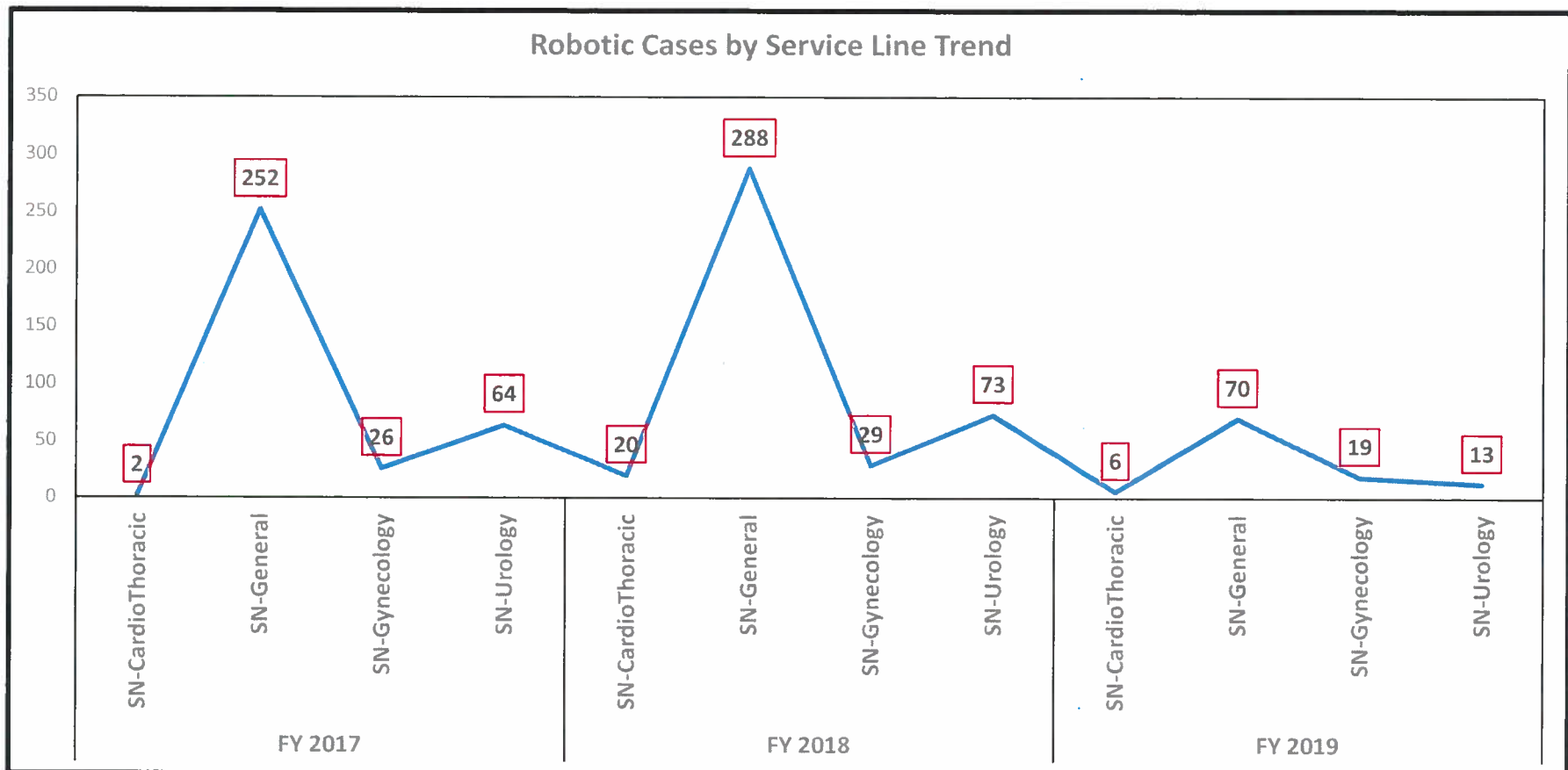


Robotic Case Volume





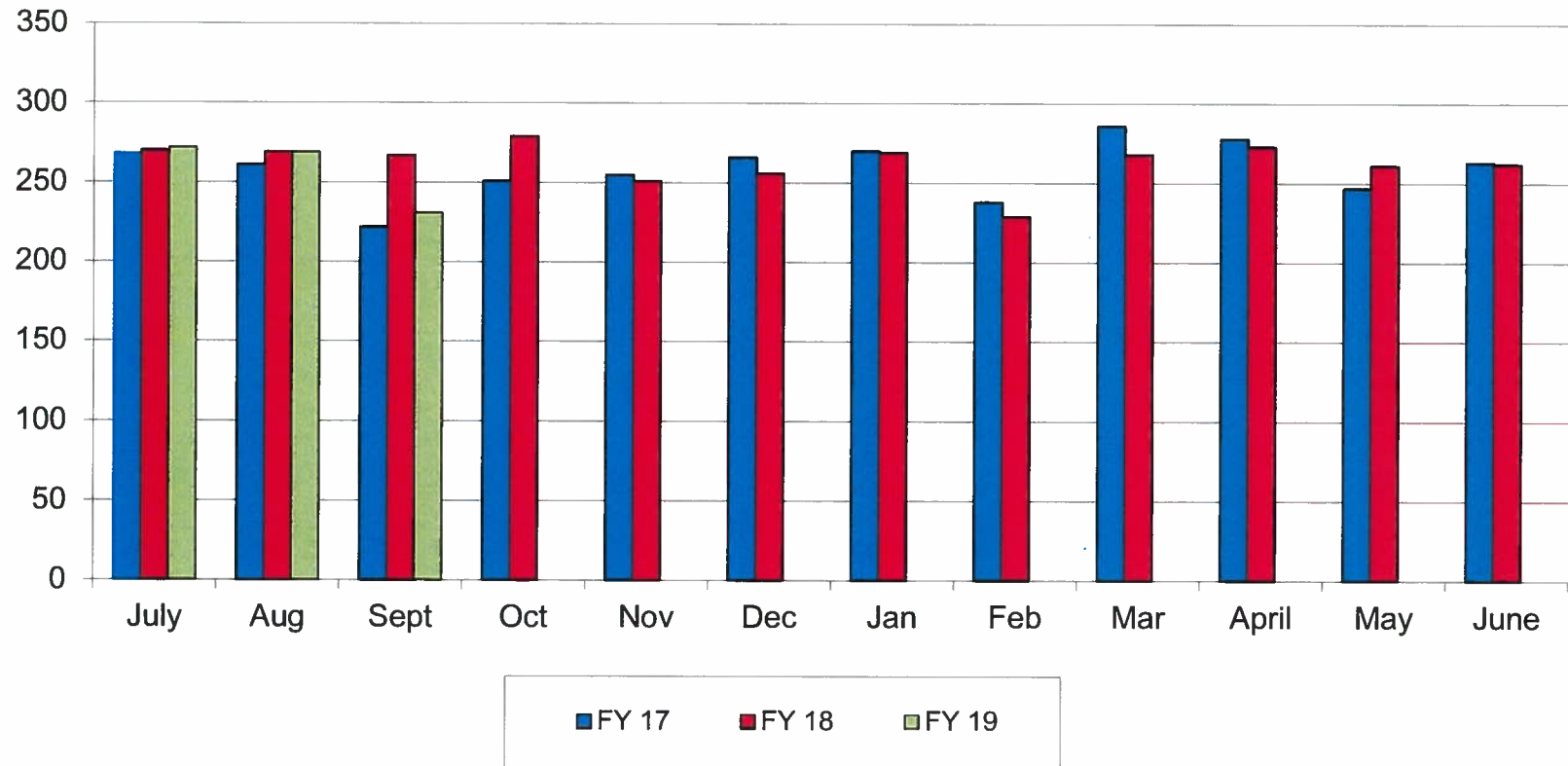
Robotic Case Volume by Service Line





INPATIENT

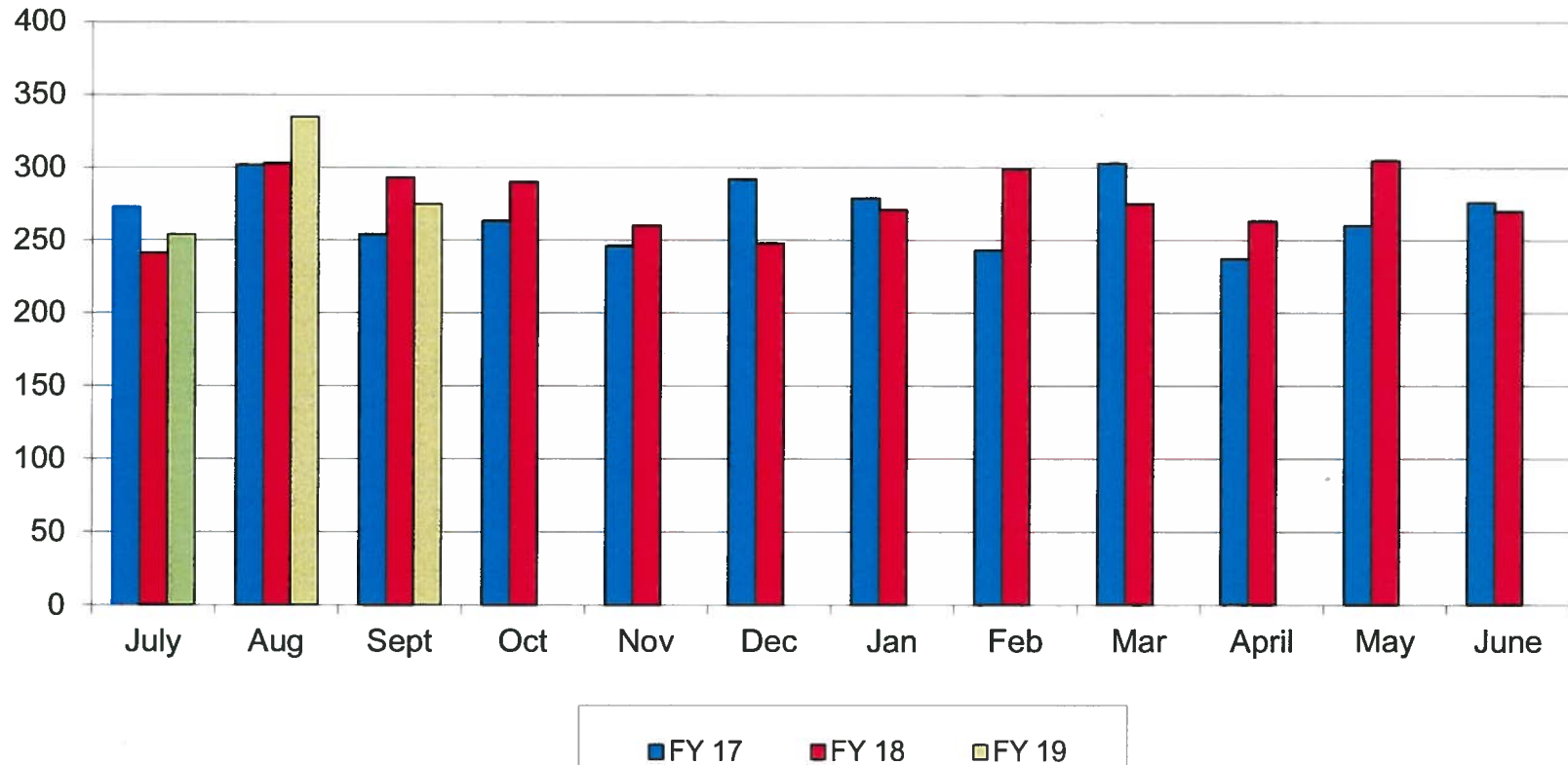
OR Activity Analysis: Inpatients





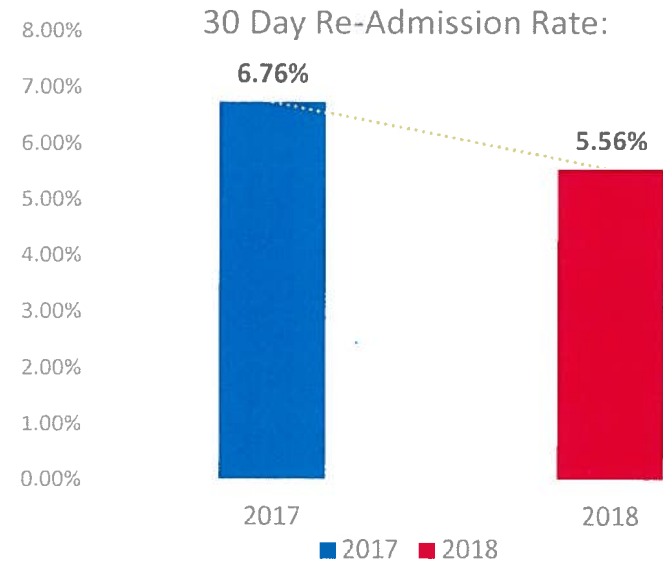
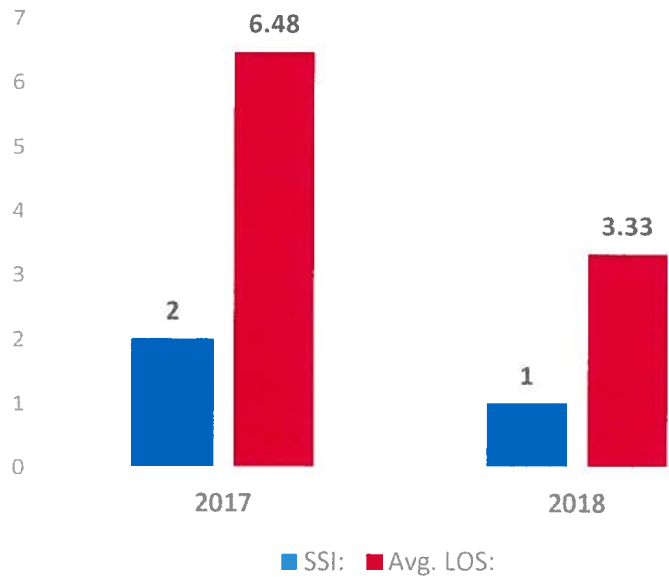
OUTPATIENT

OR Activity Analysis: Out Patients





PSH Data





FUTURE

- Cerner upgrades
- OR 5 construction
- Surgical Volume
 - Growth in overall case volume
 - Robotics, GI, Urology, Cardiothoracic, Ophthalmology, Gynecology
- Continue to maximize GPO with supply conversion and utilization of consignment opportunities
- Add Urology service for PSH
- Continued relationships with physician office schedulers



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
FY19	44.9	43.1	46.4										44.8	48-52
FY18	47.7	47.8	48.9	50.8	49.6	49.5	49.8	47.2	46.8	47.0	46.6	45.8	48.1	

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
FY19	84.9	86.5	90.2										87.2	75-100
FY18	82.1	79.1	78.8	83.4	87.7	81.3	82.9	85.2	78.8	83.2	89.2	83.0	80.0	

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
FY19	(\$478)	(\$121)	\$119										(\$479)	\$ (1,045)
FY18	(\$394)	(\$429)	(\$224)	(\$171)	(\$2,571)	(\$383)	(\$1,242)	(\$542)	(\$337)	(\$679)	(\$408)	\$3,118	(\$1,048)	

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
FY19	-1.64%	-0.39%	0.41%										-0.54%	-1.22%
FY18	-1.33%	-1.39%	-0.76%	-0.55%	-9.47%	-1.26%	-3.94%	-1.86%	-1.09%	-2.31%	-1.31%	9.07%	-1.16%	



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
FY19	\$796	\$1,168	\$1,417										\$3,381	\$2,890
FY18	\$898	\$864	\$1,091	\$1,146	(\$1,288)	\$908	\$81	\$751	\$963	\$571	\$900	\$4,407	\$2,853	

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
FY19	2.73%	3.81%	4.90%										3.81%	3.39%
FY18	3.03%	2.80%	3.69%	3.66%	-4.74%	2.99%	0.26%	2.57%	3.13%	1.95%	2.90%	12.82%	3.17%	

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
FY19	6.73	6.70	6.75										6.73	6.50
FY18	6.51	5.92	6.90	6.26	6.50	6.43	5.95	5.99	5.86	6.29	6.43	6.43	6.42	

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

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun		
FY19	\$50.0	\$49.5	\$49.3											
FY18	\$58.5	\$49.8	\$42.3	\$48.2	\$58.6	\$54.5	\$54.7	\$53.1	\$49.4	\$42.7	\$41.5	\$52.8		