

**TRI-CITY HEALTHCARE DISTRICT
AGENDA FOR A REGULAR MEETING
OF THE FINANCE, OPERATION AND PLANNING COMMITTEE
Thursday, October 24, 2019
8:30-11:30 A.M.
Assembly Room 3
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 19, 2019 | 2 min. | Standard |
| 5. | Old Business | | |
| 6. | New Business | 5 min. | |
| | a) Reminders : <ul style="list-style-type: none"> • No FOP meeting to be held in November 2019 • December meeting scheduled on Thursday, 12/5/19 | | 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) Cardiovascular Health Institute – Medical Director Proposal <ul style="list-style-type: none"> • Yuan Hwang Lin, M.D. <i>Motion: Request approval of the agreement with Dr. Yuan Hwang Lin as the medical director for a term of 12 months, beginning September 1, 2019 – Ending August 31, 2020. Not to exceed an average of 12 hours per month or 144 hours annually, at an hourly rate of \$210 for an annual and term cost of \$30,240.</i> | | Eva England |
| | b) Physician Agreement for Cardiovascular Health Institute – Operations Committee <ul style="list-style-type: none"> • Yuan Hwang Lin, M.D. <i>Motion: Request approval of the agreement with Yuan Hwang Lin, M.D. as a Cardiovascular Health Institute – Operations Committee member for a term of 12 months, beginning September 1, 2019 – Ending, August 31, 2020. Not to exceed 2 hours per month at an hourly rate of \$210, for an annual and term cost of \$5,040.</i> | | Eva England |

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) Physician Agreement for ED On-Call Coverage – Orthopedics <ul style="list-style-type: none"> Arash Calafi, M.D. <i>Motion: Request approval of the agreement to add Dr. Arash Calafi to the currently existing Panel Agreement for ED On-Call Coverage-Orthopedics for a term of 12 months, beginning November 1, 2019 – ending, October 31, 2020.</i> | | Sherry Miller |
| | d) Bulk Oxygen Supplier Agreement <ul style="list-style-type: none"> Matheson Tri-Gas, Inc. <i>Motion: Request approval of a bulk oxygen supplier agreement for approximately \$286,560 (based on consumption), with Matheson Tri-Gas, Inc., for a term of 3-years.</i> | | Chris Miechowski |
| | e) Regulated Medical Waste Disposal & Sharps Disposal Management <ul style="list-style-type: none"> Stericycle <i>Motion: Request approval of the agreement with Stericycle for regulated medical waste disposal & sharps disposal management for a term of 60 months, beginning October 1, 2019 and ending September 30, 2024 for an annual cost of \$82,680, and a total cost for the term of \$413,400.</i> | | Jeff Surowiec |
| | f) Linen & Laundry Services Agreement Proposal <ul style="list-style-type: none"> Crothall Laundry Services <i>Motion: Request approval of the agreement with Crothall Laundry Services for all of TCHD's linen/laundry services for a term of 36 months starting October 1, 2019 and ending on September 30, 2022 for an annual amount of \$750,000 and a total expense for the initial 36 month term, not to exceed \$2.25M.</i> | | Hope Chaney |
| 8. | Financials | 10 min. | Ray Rivas |
| 9. | Work Plan | 20 min. | |
| | a) Construction Report (quarterly) | | Chris Miechowski |
| | b) Infusion Center (annually) | | Barbara Vogelsang |
| | c) ED Throughput (quarterly) | | Candice Parras |
| | d) Medical Director – Surgery (semi-annually) | | Debra Feller |
| | e) Dashboard | | Ray Rivas |
| 10. | Comments by committee members | 2 min. | Chair |
| 11. | Date of next meeting: December 5, 2019 | 2 min. | Chair |
| 12. | Community Member Openings (0) | 1 min. | Chair |
| 13. | Adjournment | | |
| | Total Budget Time for Meeting | 1 hr. 17 min. | |

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Tri-City Medical Center
Finance, Operations and Planning Committee Minutes
September 19, 2019

| | |
|------------------------------------|--|
| Members Present | Director Julie Nygaard, Director Rocky Chavez, Director Leigh Anne Grass, Dr. Jeffrey Ferber, Dr. Cary Mells, Dr. Javaid Shad, Mr. Jack Cumming, Ms. Kathryn Fitzwilliam |
| Non-Voting Members Present: | Steve Dietlin, CEO, Ray Rivas, CFO, Scott Livingstone, COO, Barbara Vogelsang, CNE, Dr. Gene Ma, CMO, Susan Bond, General Counsel, |
| Others: | Sue Shrader, Mark Albright, Jeremy Raimo, Maria Carapia, Kristy Larkin, Sherry Miller, Chris Miechowski, Barbara Hainsworth, |
| Members Absent: | Dr. Marcus Contardo |

| Topic | Discussions, Conclusions Recommendations | Action Recommendations/ Conclusions | Person(s) Responsible |
|--|---|---|------------------------------|
| 1. Call to Order | Director Nygaard called the meeting to order at 8:30 a.m. | | Chair |
| 2. Approval of Agenda | | <u>MOTION</u> It was moved by Mr. Cumming, Director Grass seconded, and it was unanimously approved to accept the agenda of September 19, 2019. <u>Members:</u> AYES: Nygaard, Grass, Chavez, Ferber, Mells, Shad, Cumming, Fitzwilliam NOES: None ABSTAIN: None ABSENT: Contardo | Chair |
| 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. | No comments | Chair |
| 4. Ratification of minutes of August 22, 2019 | Dr. Ferber conveyed that he had abstained from item 7.h. Cox Metro-E Proposal-Cox Business, but that it had | Minutes were ratified. <u>MOTION</u> It was moved by Director Grass, Dr. | Chair |

| Topic | Discussions, Conclusions Recommendations | Action Recommendations/ Conclusions | Person(s) Responsible |
|---|---|---|--------------------------|
| | not be recorded as such in the minutes. Barbara Hainsworth to amend the August 22, 2019 minutes to reflect the requested correction. | Mells seconded, and the minutes of August 22, 2019 were unanimously approved, with the correction to be made as requested by Dr. Ferber. Dr. Shad and Ms. Fitzwilliam abstained from the vote. | |
| 5. Old Business | None | | |
| 6. New Business | | | |
| a. Introduction – New Physician Committee Member • Dr. Javaid Shad | Director Nygaard welcomed Dr. Javaid Shad to the Finance, Operations and Planning Committee, as a new physician member. | | Chair |
| b. Introduction – New Community Member • Ms. Kathryn Fitzwilliam | Director Nygaard welcomed Ms. Kathryn Fitzwilliam to the Finance, Operations and Planning Committee, as a new community member. | | Chair |
| 7. Consideration of Consent Calendar: | It has been requested that the following items be pulled for discussion: <u>Director Grass requested:</u> 7.b. Physician Agreement for ED On-Call Coverage – Orthopedics • Morgan Silldorff, M.D. 7.d. Comprehensive Coverage / Directorship Agreement for ARU, Stroke, Neurology, Epilepsy, ARU (Mid-Level) • The Neurology Center <u>Director Nygaard requested:</u> 7.h. Nurse Call System Replacement – Intensive Care Unit (ICU) • West-Com & TV, Inc. | <u>MOTION</u> It was moved by Director Grass, Dr. Ferber seconded, and it was unanimously approved to accept the Consent Calendar for September 19, 2019. <u>Members:</u> AYES: Nygaard, Grass, Chavez, Ferber, Mells, Shad, Cumming, Fitzwilliam NOES: None ABSTAIN: None ABSENT: Contardo, | Chair |

| Topic | Discussions, Conclusions Recommendations | Action Recommendations/ Conclusions | Person(s) Responsible |
|--|---|--|--------------------------|
| | 7.i. Purchase Agreement – G.E. 3.0 Tesla MRI <ul style="list-style-type: none"> G.E. Healthcare | | |
| a. Physician Agreement for ED On-Call Coverage - Gastroenterology General & ERCP <ul style="list-style-type: none"> Dr. Hellen Chiao | | Approved via Consent Calendar | Sherry Miller |
| b. Physician Agreement for ED On-Call Coverage - Orthopedics <ul style="list-style-type: none"> Morgan Silldorff, M.D. | Director Grass requested clarification of the nature of this physician agreement. Scott Livingstone conveyed that it would add Dr. Silldorff, as a new physician to the ED on-call panel for Orthopedics. He emphasized there would be no change in the existing reimbursement. | <u>MOTION</u> It was moved by Director Grass, Dr. Ferber seconded, to authorize the agreement to add Dr. Morgan Silldorff to the currently existing Panel Agreement for ED On-Call Coverage-Orthopedics for a term of 12 months, beginning October 1, 2019 – ending, September 30, 2020. <u>Members:</u> AYES: Nygaard, Grass, Chavez, Ferber, Mells, Shad, Cumming, Fitzwilliam NOES: None ABSTAIN: None ABSENT: Contardo | Sherry Miller |
| c. Physician Agreement for ED On-Call Coverage - Cardio- Thoracic Surgery <ul style="list-style-type: none"> Yuan Hwang Lin, M.D. & Frederick Howden, M.D. | | Approved via Consent Calendar | Sherry Miller |
| d. Comprehensive Coverage / Directorship Agreement for ARU, Stroke, Neurology, Epilepsy, ARU (Mid-Level) <ul style="list-style-type: none"> The Neurology Center | Scott Livingstone reported that this was a renewal agreement for neurology coverage and medical directorship for the acute rehab unit, including mid-level, as well as for stroke, neuro and epilepsy care. | <u>MOTION</u> It was moved by Director Grass, Director Chavez seconded, to authorize the agreement with The Neurology Center to provide comprehensive coverage / directorship for ARU, Stroke, Neurology, Epilepsy, ARU (mid- | Jeremy Raimo |

| Topic | Discussions, Conclusions Recommendations | Action Recommendations/ Conclusions | Person(s) Responsible |
|--|--|--|--------------------------|
| | | level) for a term of 24 months beginning October 1, 2019 and ending September 30, 2021, for a total cost for the term of \$1,152,240. <u>Members:</u> AYES: Nygaard, Grass, Chavez, Ferber, Mells, Shad, Cumming, Fitzwilliam NOES: None ABSTAIN: None ABSENT: Contardo | |
| e. Sub-Lease Agreement Proposal • Yuan Hwang Lin, M.D. ("Tenant") | | Approved via Consent Calendar | Jeremy Raimo |
| f. Medical Directorship Agreement for Plastic Surgery – Consultative & Procedural Services • Geehan D'Souza, M.D. | | Approved via Consent Calendar | Jeremy Raimo |
| g. Physician Agreement for ED On-Call Coverage - Ophthalmology • Jean Paul Abboud, M.D. | | Approved via Consent Calendar | Sherry Miller |
| h. Nurse Call System Replacement - Intensive Care Unit (ICU) • West-Com & TV, Inc. | Scott Livingstone reported that this hard-wired replacement nurse call system is needed, as repair parts for the existing system are no longer available. The top 3 nurse call systems were evaluated by the nurse managers and the West-Com system received the best score. Brief discussion ensued. | <u>MOTION</u> It was moved by Director Grass, Mr. Cumming seconded, to authorize the agreement with West-Com & TV, Inc. for \$587,735, and the total project budget of \$873,438 for the replacement of the nurse call system in the intensive care unit (ICU). <u>Members:</u> AYES: Nygaard, Grass, Chavez, | Chris Miechowski |

| Topic | Discussions, Conclusions Recommendations | Action Recommendations/ Conclusions | Person(s) Responsible |
|--|--|---|------------------------------------|
| | | Ferber, Mells, Shad, Cumming, Fitzwilliam NOES: None ABSTAIN: None ABSENT: Contardo | |
| i. Purchase Agreement – G.E. 3.0 Tesla MRI Proposal <ul style="list-style-type: none"> G.E. Healthcare | Scott Livingstone detailed that this proposal would provide customized high-quality, ultra-fast imaging protocol techniques, as well as anticipating much shorter scan times. Routine studies can be reduced from the typical 45 minutes to less than 15 minutes for uncomplicated studies. Minor discussion ensued. | <u>MOTION</u> It was moved by Director Grass, Director Chavez seconded, to authorize the agreement with the purchase of the G.E. 750W 3.0 Tesla MRI, for a total purchase price of \$1,171,270.29, with funds provided by Tri-City Hospital Foundation. <u>Members:</u> AYES: Nygaard, Grass, Chavez, Ferber, Mells, Shad, Cumming, Fitzwilliam NOES: None ABSTAIN: None ABSENT: Contardo | Steve Young / Scott Livingstone |
| 8. Financials: | Ray Rivas presented the financials ending August 31, 2019 (dollars in thousands) <u>TCHD – Financial Summary</u> <u>Fiscal Year to Date</u> Operating Revenue \$ 58,494 Operating Expense \$ 60,622 EBITDA \$ 1,367 EROE \$ (970) <u>TCMC – Key Indicators</u> <u>Fiscal Year to Date</u> Avg. Daily Census 143 Adjusted Patient Days 16,642 Surgery Cases 1,077 ED Visits 9,723 <u>TCHD – Financial Summary</u> | | Ray Rivas |

| Topic | Discussions, Conclusions Recommendations | Action Recommendations/ Conclusions | Person(s) Responsible |
|--|---|--|--------------------------|
| | <p><u>Current Month</u></p> <p>Operating Revenue \$ 29,679</p> <p>Operating Expense \$ 30,758</p> <p>EBITDA \$ 681</p> <p>EROE \$ (494)</p> <p><u>TCMC – Key Indicators</u></p> <p><u>Current Month</u></p> <p>Avg. Daily Census 144</p> <p>Adjusted Patient Days 8,400</p> <p>Surgery Cases 560</p> <p>ED Visits 4,935</p> <p><u>TCMC - Net Patient A/R & Days in</u></p> <p><u>Net A/R By Fiscal Year</u></p> <p>Net Patient A/R Avg. (in millions) \$ 43.7</p> <p>Days in Net A/R Avg. 54.6</p> <p><u>Graphs:</u></p> <ul style="list-style-type: none"> • TCMC-Net Days in Patient Accounts Receivable • TCMC-Average Daily Census, Total Hospital-Excluding Newborns • TCMC-Acute Average Length of Stay | | |
| 9. Work Plan: | | | |
| a. Wellness Center (<i>bi-monthly</i>) | This item was been tabled, as an update had been provided at the August 22, 2019 meeting. | <p>Director Nygaard solicited feedback from the committee members regarding the possibility of changing the Wellness Center's reporting structure from bi-monthly to quarterly. The members of the committee were in agreement with this proposed change.</p> <p>Barbara Hainsworth to make this change to the Work Plan.</p> | Scott Livingstone |
| b. Dashboard | No discussion | | Ray Rivas |

| Topic | Discussions, Conclusions Recommendations | Action Recommendations/ Conclusions | Person(s) Responsible |
|-----------------------------------|---|--|----------------------------------|
| 10. Comments by committee members | None | | Chair |
| 11. Date of next meeting | Thursday, October 24, 2019 | | Ray Rivas |
| 12. Community Openings (0) | | | |
| 13. Adjournment | Meeting adjourned 8:55 a.m. | | Chair |

Finance, Operations and Planning Committee

Date of Meeting: October 24, 2019

Reminders:

There will be **NO** Finance, Operations & Planning Committee meeting held in November 2019

The December meeting has been scheduled as follows:

Date: *Thursday, December 5th, 2019*

Time: *8:30 am*

Location: *Assembly Room # 2*

FINANCE, OPERATIONS & PLANNING COMMITTEE
DATE OF MEETING: October 24, 2019
Cardiovascular Health Institute - Medical Director Proposal

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

Vendor's Name: Yuan Hwang Lin, M.D., Cardiovascular Health Institute / Cardiothoracic Medical Director

Area of Service: Cardiovascular Health Institute

Term of Agreement: 12 months, Beginning, September 1, 2019 – Ending, August 31st, 2020

Maximum Totals:

| Rate/Hour | Average Hours Per Month | Hours per Year | Monthly Cost | 12 Month (Term) Cost |
|------------------|--------------------------------|-----------------------|---------------------|-----------------------------|
| \$210 | 12 | 144 | \$2,520 | \$30,240 |

Description of Services/Supplies:

Physicians shall service as the Institute Medical Director and shall be responsible for the medical direction of the Institute and the performance of the other medical administrative service as outlined in the previously approved Co-Management Agreement for the Institute.

| | | | | |
|---|---|-----|---|----|
| 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: Eva England, Cardio-Vascular Service Line Administrator / Scott Livingstone, Chief Operating Officer

Motion:

I move that Finance Operations and Planning Committee recommend that TCHD Board of Directors authorize the agreement with Dr. Yuan Hwang Lin as the medical director for a term of 12 months, beginning September 1, 2019 – Ending August 31, 2020. Not to exceed an average of 12 hours per month or 144 hours annually, at an hourly rate of \$210 for an annual and term cost of \$30,240.

FINANCE, OPERATIONS & PLANNING COMMITTEE
DATE OF MEETING: October 24, 2019
Physician Agreement for Cardiovascular Health Institute – Operations Committee

| | | | | | | |
|----------------------------|---|-------------------|--|---------------------|---|-----------------------------|
| Type of Agreement | | Medical Directors | | Panel | X | Other: Operations Committee |
| Status of Agreement | X | New Agreement | | Renewal – New Rates | | Renewal – Same Rates |

Vendor's Name: Yuan Hwang Lin, M.D.

Area of Service: Cardiovascular Health Institute – Operations Committee

Term of Agreement: 12 months, Beginning, September 1, 2019 – Ending, August 31, 2020

Maximum Totals:

| Rate/Hour | Hours Per Month | Hours per Year | Monthly Cost | Total Term Cost |
|-----------|-----------------|----------------|--------------|-----------------|
| \$210 | 2 | 24 | \$420 | \$5,040 |

Description of Services/Supplies:

- Physician shall serve as an Operations Committee Member and shall be responsible for the services as outlined in the previously approved Co-Management Agreement for the Institute

| | | | | |
|---|---|-----|---|----|
| 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: Eva England, Cardiovascular Service Line Director / Scott Livingstone Chief Operating Officer

Motion:

I move that Finance Operations and Planning Committee recommend that TCHD Board of Directors authorize the agreement with Yuan Hwang Lin, M.D. as a Cardiovascular Health Institute – Operations Committee member for a term of 12 months, beginning September 1, 2019 – Ending, August 31, 2020. Not to exceed 2 hours per month at an hourly rate of \$210, for an annual and term cost of \$5,040.

FINANCE, OPERATIONS & PLANNING COMMITTEE
DATE OF MEETING: October 24, 2019
PHYSICIAN AGREEMENT for ED ON-CALL COVERAGE – Orthopedics

| | | | | | | |
|----------------------------|---|-------------------|---|---------------------|---|--------------------------------|
| Type of Agreement | | Medical Directors | X | Panel | X | Other: Add to ED On-Call Panel |
| Status of Agreement | X | New Agreement | | Renewal – New Rates | | Renewal – Same Rates |

Physician's Name: Arash Calafi, M.D.

Area of Service: Emergency Department On-Call: Orthopedics

Term of Agreement: 12 months, Beginning, November 1, 2019 – Ending, October 31, 2020

Maximum Totals: Within Hourly and/or Annualized Fair Market Value: YES
 For entire Current ED On-Call Area of Service Coverage: Orthopedics
 Adding physician to existing panel; no increase in expense

| Rate/Day | Annual Panel Days | Annual Panel Cost | Panel Term Cost |
|---------------------------|-------------------|-------------------|--------------------|
| Mon-Fri / \$1,500 | 253 | \$379,500 | \$762,000 |
| | 255 | 382,500 | |
| Sat-Sun / TCMC Recognized | 112 | \$184,800 | \$367,950 |
| Holidays: \$1,650 | 111 | 183,150 | |
| Total Term Cost: | | | \$1,129,950 |

Position Responsibilities:

- Provide 24/7 patient coverage for all Orthopedics 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 approve the agreement to add Dr. Arash Calafi to the currently existing Panel Agreement for ED On-Call Coverage-Orthopedics for a term of 12 months, beginning November 1, 2019 – ending, October 31, 2020.

FINANCE, OPERATIONS & PLANNING COMMITTEE
DATE OF MEETING: October 24, 2019
Bulk Oxygen Supplier Agreement

| | | | | | | |
|---------------------|--|-------------------|---|---------------------|---|------------------------|
| Type of Agreement | | Medical Directors | | Panel | X | Other: Oxygen Supplier |
| Status of Agreement | | New Agreement | X | Renewal – New Rates | | Renewal – Same Rates |

Vendor's Name: Matheson Tri-Gas, Inc.

Area of Service: Tri-City Medical Center – Patient Care Areas

Term of Agreement: 3 years

Maximum Totals: Approximately \$286,560 for the term (\$0.76/100scf + \$1,500 monthly facility fee)

Description of Services/Supplies:

- Matheson supplies the bulk oxygen to our Central Plant, from there it is distributed to the hospital for patient care
- Matheson has been supplying bulk oxygen to the hospital for decades
- Contract renewal will save us approximately \$18,000 per year
- Actual cost of the contract depends on consumption; historical data used to calculate the approximate contract cost
- Product price increase not to exceed 6% per annum

| | | | | |
|---|---|-----|-----|----|
| 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: 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 a bulk oxygen supplier agreement for approximately \$286,560 (based on consumption), with Matheson Tri-Gas, Inc., for a term of 3-years.

FINANCE, OPERATIONS & PLANNING COMMITTEE
DATE OF MEETING: October 24, 2019
REGULATED MEDICAL WASTE DISPOSAL & SHARPS DISPOSAL MANAGEMENT PROPOSAL

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

Vendor's Name: Stericycle

Area of Service: Entire Hospital

Term of Agreement: 60 months, Beginning, October 1, 2019 – Ending, September 30, 2024

Maximum Totals:

| Monthly Cost | Annual Cost | Total Term Cost |
|--------------|-------------|-----------------|
| \$6,890 | \$82,680 | \$413,400 |

Description of Services/Supplies:

- Sharps disposal management
- Disposal service with reusable containers

| | | | | |
|---|---|-----|-----|----|
| Document Submitted to Legal for Review: | 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: Jeff Surowiec, Manager of EOC/Security/Safety Officer, Building Engineering / Scott Livingstone, Chief Operating Officer

Motion:

I move that Finance Operations and Planning Committee recommend that TCHD Board of Directors authorize the agreement with Stericycle for regulated medical waste disposal & sharps disposal management for a term of 60 months, beginning October 1, 2019 and ending September 30, 2024 for an annual cost of \$82,680, and a total cost for the term of \$413,400.

FINANCE, OPERATIONS & PLANNING COMMITTEE
DATE OF MEETING: October 24, 2019
Laundry & Linen Service Agreement Proposal

| | | | | | | |
|----------------------------|--|-------------------|---|--|---|-------------------------|
| Type of Agreement | | Medical Directors | | Panel | X | Other: Service Contract |
| Status of Agreement | | New Agreement | X | Renewal – New Rates <i>(reduction)</i> | | Renewal – Same Rates |

Vendor Name: Crothall Laundry Services

Area of Service/Department: Environmental Services

Term of Agreement: 36 months, Beginning, October 1, 2019 – Ending, September 30, 2022

Maximum Annual Total:

| Annual Cost | Total Term Cost |
|--------------------|------------------------|
| \$750,000 | \$2.25M |

Description of Services/Supplies:

- Crothall Laundry Services to provide linen and laundry services for TCHD's customer owned goods (COG), to include all linen and scrubs.
- A formal RFP was conducted between the two linen service vendors holding current VHA/Novation GPO contracts; results concluded that our current vendor Crothall, whom we are very satisfied with, would provide an estimated annual savings of \$140,000, over linen / laundry vendor Angelica.
- Retaining Crothall would also avoid significant conversion costs, man hours and risk of linen loss/damage or service interruption during new vendor transition.

| | | | | |
|---|---|-----|-----|----|
| Document Submitted to Legal for Review: | 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: Hope Chaney, Manager - Environmental Services / Scott Livingstone, Chief Operating Officer

Motion:

I move that Finance Operations and Planning Committee Recommend that TCHD Board of Directors authorize the Agreement with Crothall Laundry Services for all of TCHD's linen / laundry services for a term of 36 months starting October 1, 2019 and ending on September 30, 2022 for an annual cost of \$750,000 and a total cost for the initial 36 month term, not to exceed \$2.25M.

Finance, Operations and Planning Work Plan
Program Tracking Schedule
FY2020
October 24, 2019

| | July | Aug | Sept | Oct 2019 | Nov | Dec | Jan | Feb | Mar | Apr | May | June | Responsible Party |
|---|------|-----|------|-------------|-----|-----|-----|-----|-----|-----------|-----|------|----------------------|
| Wellness Center, (Quarterly): (Since 2009) (Changed from quarterly to bi-monthly, January 2018); back to quarterly, September 2019 | | | • | | | • | | | • | | | • | 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): (Quarterly until Oct. 2015, then annual) | | | | • | | | | | | | | | Barbara Vogelsang |
| ED Throughput, (Quarterly) (Changed from bi-monthly to quarterly, January 2018) | • | | | • | | | • | | | • | | | Candice Parras |
| Medical Director – Surgery, (Semi-Annual): (Began reporting in July 2015; changed to semi-annual December 2017) | | | | • | | | | | | • | | | Debra Feller |
| IT Physician Liaison, (Semi-Annual): (Began reporting in July 2016) | • | | | | | | • | | | | | | Mark Albright |
| Institute Update, (Annual): Cardiovascular (Added August 2016, began reporting August 2017) | | • | | | | | | | | | | | Eva England |
| PRIME Update, (Annual): (Began reporting in January 2019) | | | | | | | • | | | | | | Scott Livingstone |
| Dashboard | | • | • | • | • | • | • | • | • | • | • | • | Ray Rivas |



Tri-City Medical Center

ADVANCED HEALTH CARE
FOR **YOU**

Construction Report
As of September 2019

| 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 |
|------------------------------------|----------------------------|-------------------------|--|--|----------------------------------|-----------------|------------------------|---------------------|-------------------|
| No Pending Projects | | | | | | | | | |
| Total Construction Projects | | | | | | \$ - | \$ - | \$ - | |

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

Oncology Infusion Center

| | <u>FY 2019</u> |
|---------------------|---------------------------|
| Net Revenue | \$13,882,516 |
| Operating Expenses | <u>10,106,755</u> |
| Contribution Margin | <u><u>\$3,775,761</u></u> |
| Visits | 4,007 |



ED Throughput – Fall 2019

Candice Parras

9.c.



Tri-City Medical Center

Aim Statement

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

Changes Implemented

1. PA's providing MSE on all patients presenting to Triage from **8AM to 2AM**
2. **MD & PA in Triage**
 - MD added to Triage at 12 noon - 12 midnight
3. **Decrease LWBS**
 - 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**
 - Direct result of immediate contact with Provider
 - All patients registering at Triage

Run Charts / Data

Left Without Being Seen (LWBS)

National Best Practice

< 3%

Current: 2019 YTD = 2.3%

2019 ED Arrival to Discharge

Decreased by 10 minutes!



Station D Triage Area

- Opened 6/14/19
- 8 treatment areas
- Internal waiting area
- Results pending area- 8 chairs
- Open 12 noon - 12mn
- 1 MD, 3 RN's
- PA continues to triage in front lobby screening minor patient concerns.
- **POSITIVE Patient comments.**

InQuicker Update

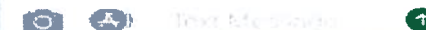
- Available 9am – 5 pm 7 days per week
- Every 15 min. appointments available.

• Patient Reviews:

- 92% rated appointment, hospital, & personnel @ 10
- 50% new patients to TCMC
- 37% had NO PCP

Today 8:54 AM

Tri-City Medical Center Emergency Department you have a new InQuicker Patient Registration. A M P scheduled for 12:30pm on 2019/10/9.



- Charge Nurse & Registration are notified prior to patient's arrival.

Team Members

Candice Parras: Leader
Rick Sanchez, 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 SURGICAL SERVICES

Outcome Performance Report
July, August, September 2019 (FY20Q1)



PROCESS IMPROVEMENTS

➤ **Equipment Purchase**

Stryker Video & Power Upgrade (October 2019)
CV and Orthopedic Retractors

➤ **Patient Care**

Warming Device Upgrade

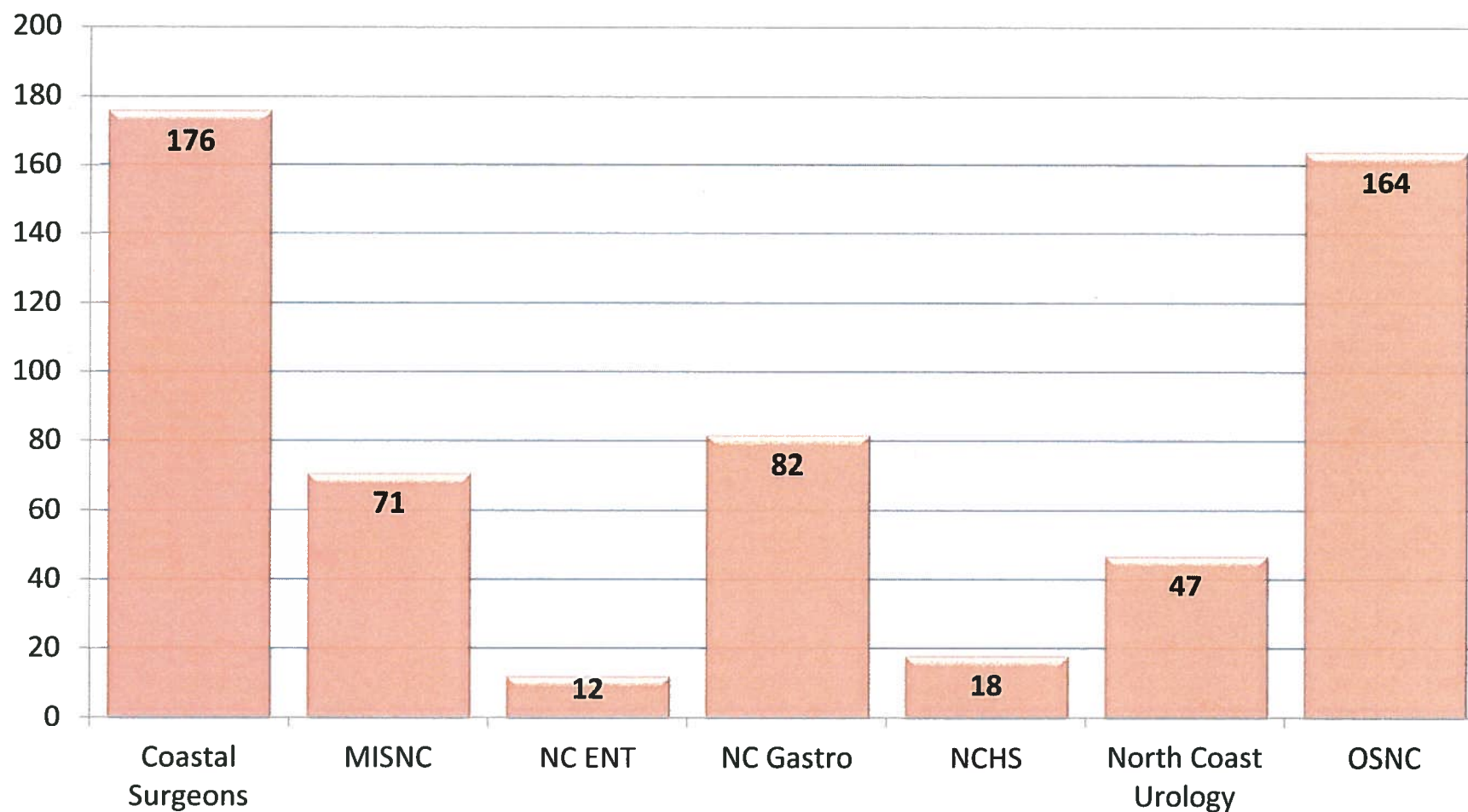
➤ **Customer Satisfaction**

Charging Stations
Patient Garment Bags
Outpatient Survey Development



SURGERY BLOCK CASE VOLUME FY20Q1

Case Volume by Group: July-September 2019

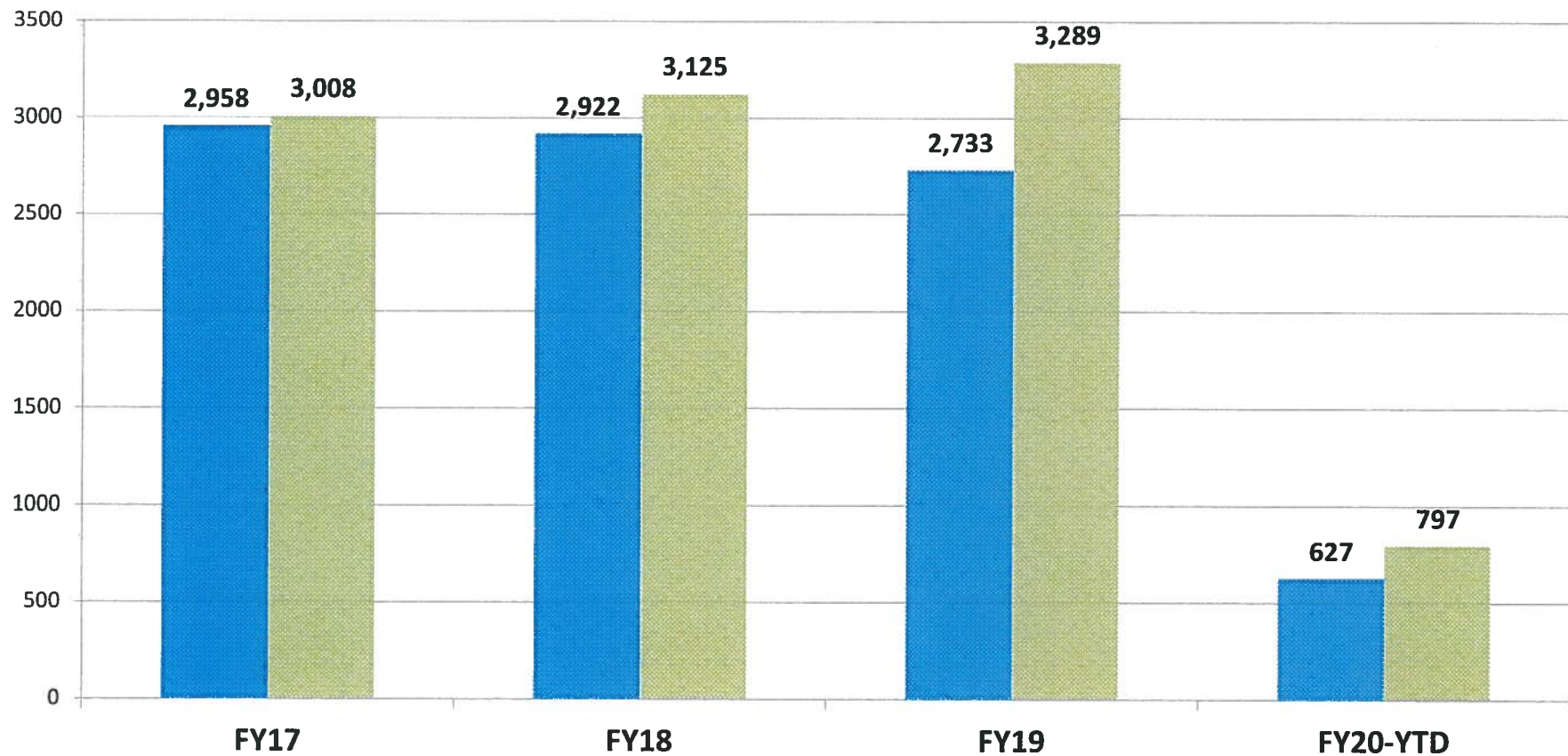




Annual Volume

Non-Robotic

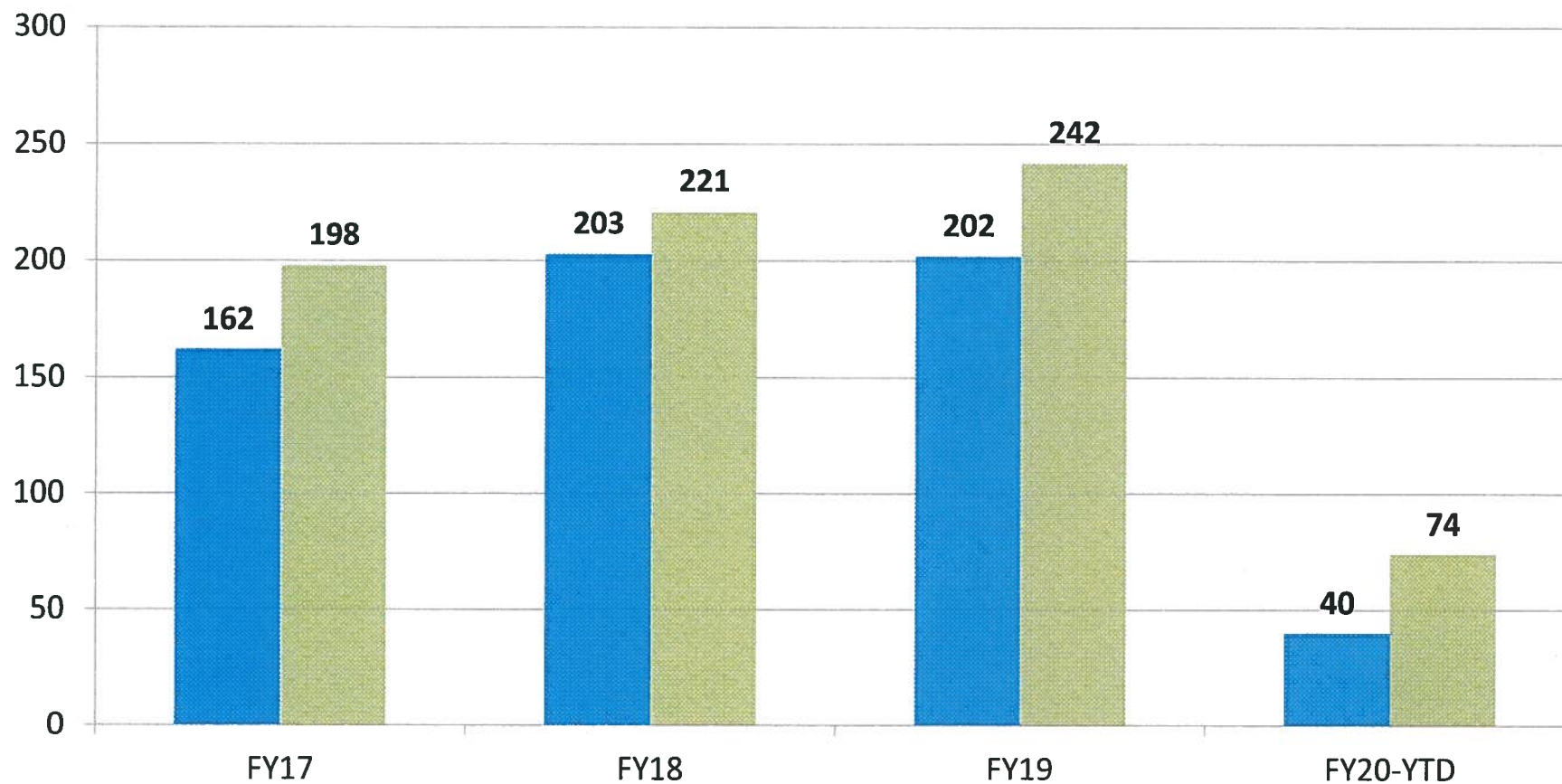
■ Inpatient ■ Outpatient



Annual Volume

Robotic

■ Inpatient ■ Outpatient

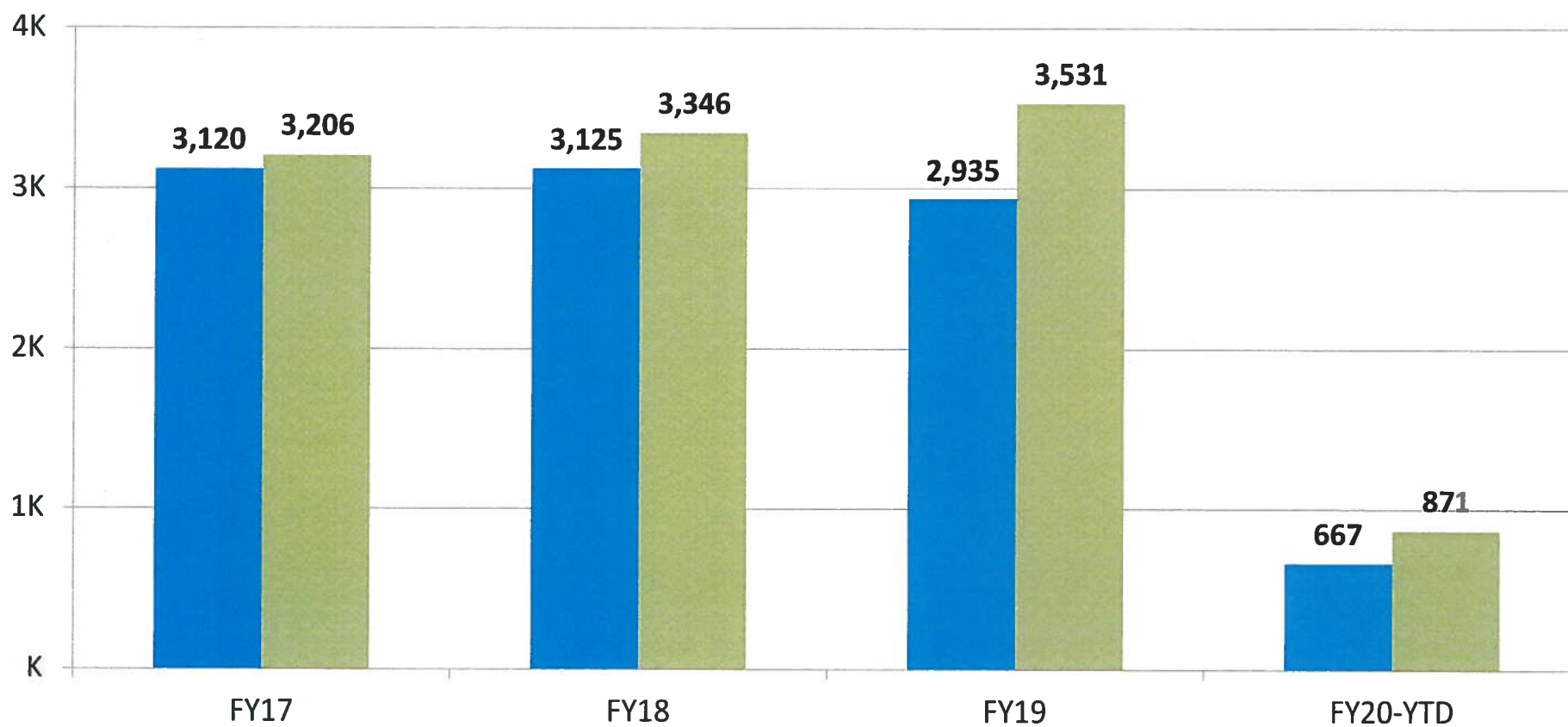




Annual Volume

All Cases

Inpatient Outpatient





Future

- OR Lights/Booms 5-10
- Growth in Heart Program
- Expansion of PSH to Urology Service



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 |
|------|------|------|------|------|------|------|------|------|------|------|------|------|----------------|---------------|
| FY20 | 52.8 | 56.4 | 59.2 | | | | | | | | | | 56.1 | 48-52 |
| FY19 | 51.0 | 48.5 | 50.3 | 49.5 | 52.3 | 56.5 | 58.9 | 56.7 | 57.0 | 50.5 | 48.9 | 53.2 | 49.9 | |

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 |
|------|------|------|------|------|------|------|------|------|------|------|------|------|----------------|---------------|
| FY20 | 93.0 | 89.9 | 90.8 | | | | | | | | | | 91.2 | 75-100 |
| FY19 | 84.9 | 86.5 | 90.2 | 91.4 | 92.5 | 87.8 | 93.1 | 92.2 | 83.6 | 84.1 | 91.4 | 87.6 | 87.2 | |

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 |
|------|---------|---------|---------|-------|-------|-------|---------|------|-------|-------|-------|-----------|------------|-------------------|
| FY20 | (\$476) | (\$494) | (\$759) | | | | | | | | | | (\$1,728) | \$ (5,054) |
| FY19 | (\$478) | (\$121) | \$119 | \$254 | \$342 | \$236 | (\$527) | \$99 | \$206 | \$885 | \$904 | (\$6,138) | (\$479) | |

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 |
|------|--------|--------|--------|-------|-------|-------|--------|-------|-------|-------|-------|---------|------------|-------------------|
| FY20 | -1.65% | -1.66% | -2.71% | | | | | | | | | | -2.00% | -6.14% |
| FY19 | -1.64% | -0.39% | 0.41% | 0.86% | 1.19% | 0.79% | -1.76% | 0.34% | 0.67% | 2.89% | 2.88% | -21.60% | -0.54% | |



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 |
|------|-------|---------|---------|---------|---------|---------|-------|---------|---------|---------|---------|-----------|------------|-------------------|
| FY20 | \$686 | \$681 | \$412 | | | | | | | | | | \$1,779 | \$ (1,563) |
| FY19 | \$796 | \$1,168 | \$1,417 | \$1,561 | \$1,618 | \$1,544 | \$826 | \$1,468 | \$1,548 | \$2,219 | \$2,221 | (\$4,712) | \$3,381 | |

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 |
|------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|---------|------------|-------------------|
| FY20 | 2.38% | 2.30% | 1.47% | | | | | | | | | | 2.06% | -1.90% |
| FY19 | 2.73% | 3.81% | 4.90% | 5.28% | 5.65% | 5.20% | 2.76% | 5.07% | 5.00% | 7.25% | 7.07% | -16.58% | 3.81% | |

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 |
|------|------|------|------|------|------|------|------|------|------|------|------|------|------------|-------------------|
| FY20 | 7.04 | 6.80 | 6.21 | | | | | | | | | | 6.68 | 6.93 |
| FY19 | 6.73 | 6.70 | 6.75 | 6.98 | 7.82 | 6.50 | 6.68 | 6.52 | 6.71 | 7.27 | 7.29 | 6.79 | 6.73 | |

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

| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | | |
|------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--|--|
| FY20 | \$52.4 | \$44.8 | \$43.7 | | | | | | | | | | | |
| FY19 | \$50.0 | \$49.5 | \$49.3 | \$48.1 | \$37.5 | \$29.5 | \$36.3 | \$32.9 | \$20.6 | \$40.7 | \$57.1 | \$54.5 | | |