

**TRI-CITY HEALTHCARE DISTRICT
AGENDA FOR A REGULAR MEETING
OF THE FINANCE, OPERATION AND PLANNING COMMITTEE
Thursday, February 20, 2020
8:30-11:30 A.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 – January 23, 2020	2 min.	Standard
5.	Old Business		
6.	New Business		
7.	Consideration of Consent Calendar-(All items will be approved with a single motion, unless pulled for discussion)	30 min.	Chair
	a) Rady Children's Specialists Agreement for NICU ROP Testing <ul style="list-style-type: none"> • Rady Children's Specialists of San Diego <i>Motion: Request approval of the agreement with Rady Children's Specialists of San Diego for Retinopathy of Prematurity (ROP) Testing for a term of 12 months, beginning March 1, 2020, and ending February 28, 2021, for a cost of \$3,376 per month, for a total cost for the term of \$40,512.</i>		Cynthia Kranz
	b) Naval Hospital Camp Pendleton – Resident Agreement <ul style="list-style-type: none"> • The Department of the Navy / Camp Pendleton <i>Motion: Request approval of the agreement with The Department of the Navy to provide medical resident trainees for a term of 60 months, beginning February 1, 2020 and ending January 31, 2025, at no cost to TCMC.</i>		Sherry Miller
	c) Physician Agreement for ED On-Call Coverage – Interventional Radiology (IR) <ul style="list-style-type: none"> • Ankaj Khosla, M.D. <i>Motion: Request approval of the addition of Ankaj Khosla, M.D. to the Interventional Radiology (IR) ED on-call physician coverage panel for a term of 16 months, beginning March 1, 2019 and ending June 30, 2021.</i>		Sherry Miller
8.	Financials	15 min.	Ray Rivas
9.	Work Plan	5 min.	Chair
	a) Dashboard		Ray Rivas

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
10.	Comments by committee members:	2 min.	Chair
11.	Date of next meeting: March 19, 2020	2 min.	Chair
12.	Community Member Openings (0)	1 min.	Chair
13.	Adjournment		
	Total Budget Time for Meeting	1 hr. 2 min.	

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**Tri-City Medical Center
Finance, Operations and Planning Committee Minutes
January 23, 2020**

Members Present	Director Julie Nygaard, Director Leigh Anne Grass, Director Tracy Younger, Dr. Marcus Contardo, Dr. Jeffrey Ferber, Dr. Cary Mells, Mr. Jack Cumming, Ms. Kathryn Fitzwilliam
Non-Voting Members Present:	Steve Dietlin, CEO, Ray Rivas, CFO, Scott Livingstone, COO, Dr. Gene Ma, CMO, Roger Cortez, CCO, Susan Bond, General Counsel
Others:	Kristy Larkin, Jeremy Raimo, Maria Carapia, Mark Albright, Candice Parras, Debra Feller, Barbara Hainsworth
Members Absent:	Dr. Javaid Shad, Barbara Vogelsang, CNE

Topic	Discussions, Conclusions Recommendations	Action Recommendations/ Conclusions	Person(s) Responsible
1. Call to Order	Director Nygaard called the meeting to order at 8:33 a.m.		Chair
2. Approval of Agenda		<p><u>MOTION</u> It was moved by Director Grass, Dr. Mells seconded, and it was unanimously approved to accept the agenda of January 23, 2020.</p> <p><u>Members:</u> AYES: Nygaard, Grass, Younger, Contardo, Ferber, Mells, Cumming, Fitzwilliam NOES: None ABSTAIN: None ABSENT: Shad</p>	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 October 24, 2019		<p>Minutes were ratified.</p> <p><u>MOTION</u> It was moved by Director Grass, Dr. Contardo seconded, and the minutes of October 24, 2019 were unanimously approved, with</p>	Chair

Topic	Discussions, Conclusions Recommendations	Action Recommendations/ Conclusions	Person(s) Responsible
		Director Younger and Mr. Cumming abstaining from the vote.	
5. Old Business	None		
6. New Business			
a. 2020 – Meeting Schedule <ul style="list-style-type: none"> • Finance, Operations & Planning Committee 	<p>Chair Nygaard encouraged the committee members retain the 2020 meeting schedule for future reference.</p> <p>In addition, she welcomed Director Tracy Younger to the Finance, Operations & Planning Committee. Director Younger has assumed the committee seat previously held by Director Chavez.</p>		Chair
7. Consideration of Consent Calendar:	<p>It has been requested that the following items be pulled for discussion:</p> <p><u>Director Nygaard requested:</u></p> <p>7.a. Physician Recruitment Proposal – Cardiovascular Surgeon</p> <ul style="list-style-type: none"> • Darrell Wu, M.D. <p>7.c. Patient Accounting System & Interfaces</p> <ul style="list-style-type: none"> • QuadraMed-Affinity 	<p><u>MOTION</u> It was moved by Director Grass, Dr. Contardo seconded, and it was unanimously approved to accept the Consent Calendar for January 23, 2020. <u>Members:</u> AYES: Nygaard, Grass, Younger, Contardo, Ferber, Mells, Cumming, Fitzwilliam NOES: None ABSTAIN: None ABSENT: Shad</p>	Chair
a. Physician Recruitment Proposal – Cardiovascular Surgeon <ul style="list-style-type: none"> • Darrell Wu, M.D. 	<p>Jeremy Raimo gave a brief overview for this write-up, citing the service enhancements in the recruitment of Dr. Darrell Wu as a new cardiovascular surgeon at Tri-City Medical Center. Brief discussion ensued.</p>	<p><u>MOTION</u> It was moved by Director Grass, Dr. Contardo seconded, to authorize the agreement with Darrell Wu, M.D., Cardiovascular / Cardiothoracic Surgeon for the expenditure, not to exceed \$2,010,000 in order to facilitate, practicing medicine in the communities served by the District.</p>	Jeremy Raimo

Topic	Discussions, Conclusions Recommendations	Action Recommendations/ Conclusions	Person(s) Responsible
		<p>This will be accomplished through a Group Physician Recruitment Agreement (not to exceed a 36 month income guarantee with a three-year forgiveness period).</p> <p>Members: AYES: Nygaard, Grass, Younger, Contardo, Ferber, Mells, Cumming, Fitzwilliam NOES: None ABSTAIN: None ABSENT: Shad</p>	
<p>b. Physician Agreement for ED On-Call Coverage - Ophthalmology</p> <ul style="list-style-type: none"> Alexander Foster, M.D. 		<p>Approved via Consent Calendar</p>	<p>Sherry Miller / Scott Livingstone</p>
<p>c. Patient Accounting System & Interfaces</p> <ul style="list-style-type: none"> QuadraMed-Affinity Corp. 	<p>Mark Albright conveyed that this write-up was for renewal of QuadraMed software support. This agreement provides software support 7-days a week, 24-hours a day and covers break / fix issues, software enhancements and software upgrades. He further conveyed that the need for this software support will cease, once the Cerner Community Works upgrade has been fully integrated. Brief discussion ensued.</p>	<p><u>MOTION</u> It was moved by Director Grass, Dr. Contardo seconded, to approve the agreement with QuadraMed-Affinity Corporation for software support for a term of 12 months, beginning January 1, 2020 and ending December 31, 2020 for an annual and total term cost of \$360,679.28.</p> <p>Members: AYES: Nygaard, Grass, Younger, Contardo, Ferber, Mells, Cumming, Fitzwilliam NOES: None ABSTAIN: None ABSENT: Shad</p>	<p>Mark Albright</p>
<p>d. Service Contract Agreement – Video / Power</p> <ul style="list-style-type: none"> Stryker ProCare 		<p>Approved via Consent Calendar</p>	<p>Debra Feller</p>
<p>8. Financials:</p>	<p>Ray Rivas presented the financials ending December 31, 2019 (dollars in thousands)</p>		<p>Ray Rivas</p>

Topic	Discussions, Conclusions Recommendations	Action Recommendations/ Conclusions	Person(s) Responsible
	<p><u>TCHD – Financial Summary</u> <u>Fiscal Year to Date</u> Operating Revenue \$ 169,607 Operating Expense \$ 178,846 EBITDA \$ 2,653 EROE \$ (4,115)</p> <p><u>TCMC – Key Indicators</u> <u>Fiscal Year to Date</u> Avg. Daily Census 147 Adjusted Patient Days 50,514 Surgery Cases 3,160 ED Visits 28,231</p> <p><u>TCHD – Financial Summary</u> <u>Current Month</u> Operating Revenue \$ 27,742 Operating Expense \$ 29,375 EBITDA \$ 128 EROE \$ (1,040)</p> <p><u>TCMC – Key Indicators</u> <u>Current Month</u> Avg. Daily Census 160 Adjusted Patient Days 8,906 Surgery Cases 494 ED Visits 4,695</p> <p><u>TCMC - Net Patient A/R & Days in</u> <u>Net A/R By Fiscal Year</u> Net Patient A/R Avg. (in millions) \$ 46.8 Days in Net A/R Avg. 59.0</p> <p><u>Graphs:</u></p> <ul style="list-style-type: none"> • TCMC-Net Days in Patient Accounts Receivable • TCMC – Adjusted Patient Days • TCMC-Acute Average Length of Stay 		
9. Work Plan:			Chair

Topic	Discussions, Conclusions Recommendations	Action Recommendations/ Conclusions	Person(s) Responsible
a. Wellness Center <i>(quarterly)</i>	Scott Livingstone gave a brief PowerPoint presentation detailing the financial performance for FY 2019 for both the Fitness Center alone and Fitness Center & Rehab collectively.		Scott Livingstone
b. Construction Report <i>(quarterly)</i>	No Report		Chris Miechowski / Scott Livingstone
c. ED Throughput <i>(quarterly)</i>	Candice Parras gave a single PowerPoint slide presentation for the ED Throughput update. She emphasized the "In Quicker" online appointment scheduling continues to be successful, with 86% of those using the program conveying they would recommend it to others. The "left without being seen" (LWBS) patient population was 2.6% for 2019.		Candice Parras
d. I.T. Physician Liaison <i>(semi-annual)</i>	Scott Livingstone conveyed that this Work Plan item is no longer necessary, as the physician education piece will be included as part of the Cerner Community Works system upgrade.	Barbara Hainsworth will remove this item from future Work Plan updates.	Scott Livingstone
e. PRIME Update <i>(annual)</i>	Scott Livingstone conveyed that the current PRIME program will be replaced by a revised program known as QIP, (Quality Incentive Program), following the final PRIME reporting period in March 2020.		Scott Livingstone
f. Dashboard	No discussion		Ray Rivas
10. Comments by committee members	None		Chair
11. Date of next meeting	Thursday, February 20, 2020		Chair
12. Community Openings (0)			
13. Adjournment	Meeting adjourned 9:22 a.m.		Chair

FINANCE, OPERATIONS & PLANNING COMMITTEE
DATE OF MEETING: February 20, 2020
Rady Children's Specialists Agreement for NICU ROP Testing

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

Vendor's Name: Rady Children's Specialists of San Diego
Area of Service: NICU - Retinopathy of Prematurity (ROP) Testing
Term of Agreement: 12 months, Beginning, March 1, 2020 - Ending, February 28, 2021
Maximum Totals:

	Monthly Cost	Annual Cost	Total Term Cost
ROP Services	\$3,376	\$40,512	\$40,512
		Total:	\$40,512

Description of Services/Supplies:

- Ophthalmic Consultation Services for NICU - Retinopathy of Prematurity (ROP) Testing
- Requested increase of \$176 per month, \$2,112 for the term
- Negotiations took place during January - February 2020, extension in place with existing contract

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: Cynthia Kranz, Director-Nursing, Women & Newborn Services / Barbara Vogelsang, Chief Nurse Executive

Motion:

I move that Finance Operations and Planning Committee recommend that TCHD Board of Directors authorize the agreement with Rady Children's Specialists of San Diego for Retinopathy of Prematurity (ROP) Testing for a term of 12 months, beginning March 1, 2020, and ending February 28, 2021 for a cost of \$3,376 per month, for a total cost for the term of \$40,512.

FINANCE, OPERATIONS & PLANNING COMMITTEE
DATE OF MEETING: February 20, 2020
Naval Hospital Camp Pendleton-Resident Agreement

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

Physician's Name: The Department of the Navy / Camp Pendleton
Area of Service: Inpatient Care – Family/Internal Medicine
Term of Agreement: 60 months, Beginning, February 1, 2020 – Ending, January 31, 2025
Maximum Totals: Within Hourly and/or Annualized Fair Market Value: N/A

Rate/Day	Hours per Month	Hours per Year	Annual Cost
\$0	160	1920	\$0
Total Term Cost:			\$0

Agreement Responsibilities:

- Provide Resident(s) trainee per rotation, number and assignment to be mutually agreed upon between Naval Hospital Camp Pendleton (NHCP) and TCMC contracted Hospitalist.
- NHCP Trainee(s) will be supervised by the TCMC contracted Hospitalists.
- There will be no training expense.
- TCMC will not use (NHCP) trainees or faculty in any publicity.
- It is understood that TCMC will generate bills for services rendered by the trainees.

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:		Yes	N/A	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 the agreement with The Department of the Navy to provide medical resident trainees for a term of 60 months, beginning February 1, 2020 and ending January 31, 2025, at no cost to TCMC.

FINANCE, OPERATIONS & PLANNING COMMITTEE
DATE OF MEETING: February 20, 2020
PHYSICIAN AGREEMENT for ED ON-CALL COVERAGE–Interventional Radiology (IR)

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

Physician's Name: Ankaj Khosla, M.D.

Area of Service: Emergency Department On-Call: Interventional Radiology (IR)

Term of Agreement: 16 months, Beginning, March 1, 2020 – Ending, June 30, 2021

Maximum Totals: Within Hourly and/or Annualized Fair Market Value: YES
 For entire Current ED On-Call Area of Service Coverage: IR

Rate/Day	Panel Days per Year	Panel Annual Cost
\$750	365	\$273,750

Position Responsibilities:

- Provide 24/7 patient coverage for all Interventional Radiology 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.

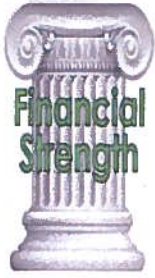
Document Submitted to Legal for Review:	X	Yes		No
Approved by Chief Compliance Officer:	X	Yes		No
Is Agreement a Regulatory Requirement:	X	Yes		No
Budgeted Item:	X	Yes		No

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 authorize the addition of Ankaj Khosla, M.D. to the Interventional Radiology (IR) ED on-call physician coverage panel for a term of 16 months, beginning March 1, 2019 and ending June 30, 2021.

**Finance, Operations and Planning Work Plan
Program Tracking Schedule
FY2020
February 20, 2020**

	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb 2020	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
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



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	61.2	61.9	62.6	61.5						59.4	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	52.4	

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	98.4	92.8	85.5	88.5						91.3	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	89.5	

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)	(\$311)	(\$1,036)	(\$1,040)	(\$860)						(\$4,976)	(\$3,274)
FY19	(\$478)	(\$121)	\$119	\$254	\$342	\$236	(\$527)	\$99	\$206	\$885	\$904	(\$6,138)	(\$175)	

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%	-1.08%	-3.91%	-3.75%	-2.85%						-2.49%	-1.62%
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%	-0.08%	



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	\$683	\$62	\$128	\$367						\$3,020	\$ 4,877
FY19	\$796	\$1,168	\$1,417	\$1,561	\$1,618	\$1,544	\$826	\$1,468	\$1,548	\$2,219	\$2,221	(\$4,712)	\$8,930	

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%	2.36%	0.24%	0.46%	1.22%						1.51%	2.41%
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%	4.32%	

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	6.90	6.58	6.44	6.71						6.67	6.90
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	6.88	

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	\$45.6	\$38.2	\$31.9	\$35.2							
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		