

**TRI-CITY HEALTHCARE DISTRICT
AGENDA FOR A REGULAR MEETING
OF THE FINANCE, OPERATION AND PLANNING COMMITTEE
Wednesday, August 23, 2023
3:00 – 5:00 P.M.
Assembly Room #1
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 – <i>(no pending FOP minutes)</i>	2 min.	Standard
5.	Old Business		
6.	New Business		
	a) Finance, Operations & Planning Committee Meeting Dates - 2023	1 min.	
	b) Introduction of Miava Sullivan – Coordinator, Finance, Operations and Planning Committee Meeting	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) Healthcare Provider Proctoring Services Agreement – Speech Therapy • Anton Kushnaryov, M.D. <i>Motion: Request approval of the agreement with Anton Kushnaryov, M.D. for proctoring services for Fiberoptic Endoscopic Evaluation of Swallowing, for a term of 3 months, beginning, July 1, 2023 and ending, September 30, 2023, for a total term cost of \$2,000.</i>		Jeremy Raimo
	b) Professional Services Agreement, Addendum #3 • Tri-City Primary Care Medical Group – Jamil Alkhaddo, M.D. <i>Motion: Request approval of the agreement to authorize through a Professional Services Agreement, Addendum #3 with Tri-City Primary Care Medical Group to add Jamil Alkhaddo, M.D. for a term of 24 months to provide professional services at Tri-City Primary Care Medical Group, Inc. starting October 1, 2023 and ending September 30, 2025. Not to exceed a total expenditure of \$681,000 over a 24-month period.</i>		Jeremy Raimo
	c) Pulmonary Lung Nodule Program – Medical Directorship • Marius Viseroi, M.D. <i>Motion: Request approval of the agreement with Marius Viseroi, M.D. for the</i>		Jeremy Raimo

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 760-940-5756 at least 48 hours prior to the meeting so that we may provide reasonable accommodations.

	AGENDA ITEM	TIME ALLOTTED	PERSON RESPONSIBLE
	<i>pulmonary lung nodule program medical directorship for a term of 24 months, beginning, September 1, 2023 through August 31, 2025 for a total term cost not to exceed \$224,400.</i>		
	<p>d) Co-Medical Director Agreement for Utilization Review/DRG Program</p> <ul style="list-style-type: none"> Quoc T. Tran, M.D. & Zhong Zhao, M.D. <p><i>Motion: Request approval of the agreement with Quoc T. Tran, M.D. and Zhong Zhao, M.D. as co-medical directors of the Utilization Review and DRG Oversight program for a term of 12 months, beginning October 1, 2023 and ending September 30, 2024, at an annual and total term cost not to exceed \$102,000.</i></p>		Angela Luttge
	<p>e) Cardiology Abstracting Services Proposal</p> <ul style="list-style-type: none"> Direct Difference <p><i>Motion: Request approval of the agreement with Direct Difference to perform cardiology abstracting services for a term of 24 months, beginning, September 1, 2023 and ending, August 31, 2025 for an annual cost of \$175,000, and a total term cost of \$350,000.</i></p>		Eva England
	<p>f) Commercial Real Estate Listing Agreement Amendment</p> <ul style="list-style-type: none"> Colliers International CA, Inc. <p><i>Motion: Request approval of the agreement to authorize the extension to amendment three and approval of amendment four between TCHD and Colliers International CA, Inc. for a term of 36 months beginning August 1, 2023 through July 31, 2026.</i></p>		Jeremy Raimo
	<p>g) Billing Services Agreement</p> <ul style="list-style-type: none"> BE Development, Inc. (Bloom Energy Corp.) <p><i>Motion: Request approval of the agreement to authorize the agreements (System Order and Master Energy Services Agreement) between TCHD and BE Development, Inc. for a term of 72 months for an anticipated total cost for the term of \$21,569,936, contingent upon final approval from Housing and Urban Development (HUD).</i></p>		Benito Oporto / Jeremy Raimo
	<p>h) Consulting Agreement – Governmental Affairs</p> <ul style="list-style-type: none"> Robert E. Hertzka, M.D. <p><i>Motion: Request approval of the consulting agreement with Robert E. Hertzka, M.D. for Governmental Affairs for a term of 12 months, beginning September 1, 2023, and ending August 31, 2024, for an annual and term cost of \$60,000.</i></p>		Dr. Gene Ma
8.	Financials	15 min.	Ray Rivas
	a) Dashboard	5 min.	Ray Rivas
9.	Comments by committee members:	2 min.	Chair
10.	Date of next meeting: September 20, 2023	2 min.	Chair
11.	Adjournment		
	Total Budget Time for Meeting	1 hr. 4 min.	

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Tri-City Medical Center

6.a.

FINANCE, OPERATIONS AND PLANNING

MEETING DATES / TIME:

2023

Time: 3:00 – 5:00 p.m.

Location: Assembly Room # 1

- January 2023 – **CANCELLED**
- February 2023 - **CANCELLED**
- March 2023 - **CANCELLED**
- April 2023 - **CANCELLED**
- May 2023 - **CANCELLED**
- Wednesday, June 21, 2023 – **CANCELLED**
- Wednesday, July 19, 2023 – **NO MEETING**
- Wednesday, August 23, 2023
- Wednesday, September 20, 2023
- Wednesday, October 18, 2023
- Wednesday, November 22, 2023 – **NO MEETING**
- Wednesday, December 6, 2023



Tri-City Medical Center

6.b.

Finance, Operations and Planning Committee

Date of Meeting: August 23rd, 2023

Introduction:

Miava Sullivan

FOP Meeting Coordinator



Tri-City Medical Center

7.a.

FINANCE, OPERATIONS & PLANNING COMMITTEE

DATE OF MEETING: August 23, 2023

HEALTHCARE PROVIDER PROCTORING SERVICES AGREEMENT-SPEECH THERAPY

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

Physician’s Name: Anton Kushnaryov, M.D.

Area of Service: Speech Therapy

Term of Agreement: 3 Months, Beginning, July 1, 2023 - Ending, September 30, 2023

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

Rate/Day	Term	Total Term Cost
\$200 / per hour	Up to 10 sessions	\$2,000

Description of Services/Supplies:

- Proctoring services for Fiberoptic Endoscopic Evaluation of Swallowing

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:		Yes	X	No

Person responsible for oversight of agreement: Jeremy Raimo, Chief Operating Officer

Motion:

I move that the Finance, Operations & Planning Committee recommend that the TCHD Board of Directors authorize a Healthcare Proctoring Services Agreement with Anton Kushnaryov, M.D. for proctoring services for Fiberoptic Endoscopic Evaluation of Swallowing, for a term of 3 months, beginning, July 1, 2023 and ending, September 30, 2023, for a total term cost of \$2,000.



Tri-City Medical Center

7.b.

FINANCE, OPERATIONS & PLANNING COMMITTEE
DATE OF MEETING: August 23, 2023
PROFESSIONAL SERVICES AGREEMENT - ADDENDUM #3

Type of Agreement		Medical Directors		Panel	X	Other: Addendum #3
Status of Agreement		New Agreement		Renewal – New Rates		Renewal – Same Rates

Physician’s Name: Tri-City Primary Care Medical Group - Jamil Alkhaddo, M.D.

Area of Service: Endocrinology

Term of Agreement: 24 months, Beginning October 1, 2023 through September 30, 2025

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

Terms of the Engagement:	Proposal Costs:
Monthly Professional Stipend	\$24,166 per month for 2 years (\$290,000 annually - \$580,000 total)
Monthly Benefit Stipend	\$1,583.33 per month for 2 years (\$38,000 total)
Sign-on Advance	\$48,000 - 1/2 upon start date & 1/2 after 90 days
Relocation Assistance	\$15,000 with receipts
Total Amount of Request:	\$681,000

Description of Services/Supplies:

- Physician to provide professional endocrinology services through Tri-City Primary Care Medical Group

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:		Yes	X	No

Person responsible for oversight of agreement: Jeremy Raimo, Chief Operating Officer

Motion:

I move that the Finance Operations and Planning Committee authorize through a Professional Services Agreement Addendum #3 with Tri-City Primary Care Medical Group to add Jamil Alkhaddo, M.D. for a term of 24 months to provide professional services at Tri-City Primary Care Medical Group, Inc. starting October 1, 2023 and ending September 30, 2025. Not to exceed a total expenditure of \$681,000 over a 24-month period.



Tri-City Medical Center

7.c.

FINANCE, OPERATIONS & PLANNING COMMITTEE

DATE OF MEETING: August 23, 2023

PULMONARY LUNG NODULE PROGRAM - MEDICAL DIRECTORSHIP

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

Physician’s Name: Marius Viseroi, M.D.

Area of Service: Pulmonary Lung Nodule Program

Term of Agreement: 24 months, Beginning, September 1, 2023 and Ending, August 31, 2025

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

Rate	Term	Total Cost
\$3,750 per month, Medical Director	24 months	\$90,000
\$350 / Encounter Up to 16 Encounters / per month	24 months	\$134,400
	Total Term Cost	\$224,400

Description of Services/Supplies:

- Medical Direction of new Pulmonary Lung Nodule Program
- Planning, preparation, mapping, referral coordination of each patient encounter undergoing endobronchial ultrasound (EBUS) and/or Ion Procedures for nodule biopsy and excision

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, Chief Operating Officer

Motion:

I move that the Finance, Operations & Planning Committee recommend that the TCHD Board of Directors authorize an agreement with Marius Viseroi, M.D. for the pulmonary lung nodule program medical directorship for a term of 24 months, beginning, September 1, 2023 through August 31, 2025 for a total term cost not to exceed \$224,400.



Tri-City Medical Center

7.d.

FINANCE, OPERATIONS & PLANNING COMMITTEE

DATE OF MEETING: August 23, 2023

CO-MEDICAL DIRECTOR AGREEMENT FOR UTILIZATION REVIEW/DRG PROGRAM

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

Vendor’s Name: Quoc T. Tran, M.D. & Zhong Zhao, M.D.

Area of Service: Utilization Review/DRG Program

Term of Agreement: 12 months, Beginning October 1, 2023 – Ending, September 30, 2024

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

Rate/Hour	Maximum Hours per Month per Medical Director	Hours per Year Not to Exceed per Director	Total Monthly Cost Not to Exceed	Total Annual/Term Cost Not to Exceed
\$170	25	300	\$8,500	\$102,000

Position Responsibilities:

- CMS “Conditions of Participation” and California Title XXII require the Utilization Review (UR) Committee Ensures DRG program compliance.
- Provide Co-Medical direction of the UR Committee
- Physician consultation for peer to peer reviews, denial reviews, and utilization review
- Works directly with the Director of Case Management/Social Services in overseeing multidisciplinary Rounds, physician education and provider feedback.

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: Angela Luttge, Director-Case Management-Social Services / Dr. Gene Ma, Chief Executive Officer

Motion:

I move that the Finance, Operations & Planning Committee recommend that the TCHD Board of Directors authorize the agreement with Quoc T. Tran, M.D. and Zhong Zhao, M.D. as co-medical directors of the Utilization Review and DRG Oversight program for a term of 12 months, beginning October 1, 2023 and ending September 30, 2024, at an annual and total term cost not to exceed \$102,000.



Tri-City Medical Center

7.e.

FINANCE, OPERATIONS & PLANNING COMMITTEE

DATE OF MEETING: August 23, 2023

ABSTRACTING SERVICES PROPOSAL

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

Vendor's Name: Direct Difference

Area of Service: Abstracting Service / Quality

Term of Agreement: 24 months, Beginning, September 1, 2023 – Ending, August 31, 2025

Maximum Totals:

Monthly Cost	Annual Cost	Total Term Cost
\$14,583.33	\$175,000	\$350,000

Description of Services/Supplies:

- Abstraction of STEMI, CAD, TAVR, Watchman cases
- Abstraction of CABG cases for CCORP and STS (mandatory abstraction for the State)
- Abstraction of sepsis and Quality data for Leap

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: Eva England, Sr. Director Ancillary Services & Operations / Dr. Gene Ma, Chief Executive Officer

Motion:

I move that Finance Operations and Planning Committee recommend that the TCHD Board of Directors authorize the agreement with Direct Difference to perform abstracting services for a term of 24 months, beginning, September 1, 2023 and ending, August 31, 2025 for an annual cost of \$175,000, and a total term cost of \$350,000.



Tri-City Medical Center

7.f.

FINANCE, OPERATIONS & PLANNING COMMITTEE

DATE OF MEETING: August 23, 2023

COMMERCIAL REAL ESTATE LISTING AGREEMENT AMENDMENT

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

Company Name: Colliers International CA, Inc.

Area of Service: Administration, Medical Office Space

Term of Agreement: Extension from March 24, 2022 through July 31, 2023 to Amendment #3 and Amendment #4, from, August 1, 2023 through, July 31, 2026 (3 years)

Maximum Totals:

(Term) Cost (% by lease term duration)
6% for years 1 - 5
4% for years 6 - 10
2.5% for years 11 - 30

Responsibilities:

- Market TCHD vacant space to prospective tenants
- Recommend and negotiate lease terms with District Leadership and outside parties for best interest of District
- Provide Fair Market Value Analyses on an as needed basis

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:		Yes	X	No

Person responsible for oversight of agreement: Jeremy Raimo, Chief Operating Officer

Motion:

I move that Finance Operations and Planning Committee recommend that TCHD Board of Directors authorize the extension to amendment three and approval of amendment four between TCHD and Colliers International CA, Inc. for a term of 36 months beginning August 1, 2023 through July 31, 2026.



Tri-City Medical Center

7.g.

FINANCE, OPERATIONS & PLANNING COMMITTEE

DATE OF MEETING: August 23, 2023

BILLING SERVICES AGREEMENT

Type of Agreement	Medical Directors	Panel	X	Other: Microgrid installation & energy purchase
Status of Agreement	New Agreement	Renewal – New Rates		Renewal – Same Rates

Vendor Name: BE Development, Inc. (Bloom Energy Corp.)

Area of Service: Electricity Provision Microgrid Installation

Term of Agreement: 6 years, commencing with system installation and activation (2 agreements): System Order and Master Energy Services Agreement

Maximum Totals:

Yearly Cost	72 Month (Term) Cost
\$3,594,989	\$21,569,936

Responsibilities:

- Company to install microgrid energy delivery system at no cost to District
- District to be exclusive purchaser of electricity derived from microgrid system
- Average annual cost savings to District over 6-year term \$331,513
- Total cost for the term is dependent electricity usage

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: Benito Oporto-Director of Engineering / Jeremy Raimo, Chief Operating Officer

Motion:

I move that Finance Operations and Planning Committee recommend that TCHD Board of Directors authorize the agreements (System Order and Master Energy Services Agreement) between TCHD and BE Development, Inc. for a term of 72 months for an anticipated total cost for the term of \$21,569,936, contingent upon final approval from Housing and Urban Development (HUD).



Tri-City Medical Center

7.h.

FINANCE, OPERATIONS & PLANNING COMMITTEE
DATE OF MEETING: August 23, 2023
CONSULTING AGREEMENT – GOVERNMENTAL AFFAIRS

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

Vendor’s Name: Robert E. Hertzka, M.D.

Area of Service: Governmental Affairs

Term of Agreement: 12 months, Beginning, September 1, 2023 – Ending, August 31, 2024

Maximum Totals:

Monthly Fee	Total Term Cost
\$5,000	\$60,000

Description of Services/Supplies:

- Consulting services in the pursuit of legislative, regulatory, or financing objectives that support the interests of Tri-City Healthcare District
- Collaborate in close partnership with administration and Board to develop a strategic roadmap for governmental and legislative priorities
- Provide guidance and recommendations with respect to legislative advocacy on behalf of the District
- Be available as a resource to the Board and Hospital with respect to governmental affairs

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:		Yes	X	No

Person responsible for oversight of agreement: Dr. Gene Ma, Chief Executive Officer

Motion:

I move that Finance Operations and Planning Committee recommend that the TCHD Board of Directors authorize the consulting agreement with Robert E. Hertzka, M.D. for Governmental Affairs for a term of 12 months, beginning September 1, 2023, and ending August 31, 2024, for an annual and term cost of \$60,000.



Financial Information

TCHD Days in Accounts Receivable (A/R)

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	C/M YTD Avg	Goal Range
FY24	69.7												69.7	48-52
FY23	74.3	72.0	67.7	69.8	71.5	71.0	71.3	72.7	70.6	74.6	71.6		74.3	

TCHD Days in Accounts Payable (A/P)

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	C/M YTD Avg	Goal Range
FY24	140.9												140.9	75-100
FY23	105.3	105.6	106.4	115.2	119.0	128.8	142.0	153.4	168.0	158.4	144.5		105.3	

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
FY24	(\$3,585)												(\$3,585)	(\$3,834)
FY23	(\$1,651)	(\$1,599)	(\$2,185)	(\$1,358)	(\$1,812)	(\$2,028)	(\$532)	(\$1,051)	(\$2,982)	(\$6,274)	(\$3,739)		(\$1,651)	

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
FY24	-14.11%												-14.11%	-14.61%
FY23	-5.96%	-5.83%	-8.19%	-4.89%	-6.83%	-7.33%	-1.83%	3.94%	-10.69%	-25.56%	-13.62%		-5.96%	



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
FY24	(\$2,442)												(\$2,442)	(\$2,631)
FY23	(\$686)	(\$205)	(\$987)	(\$175)	(\$594)	(\$781)	\$605	\$75	(\$1,648)	(\$5,086)	(\$2,549)		(\$686)	

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
FY24	-9.61%												-9.61%	-10.03%
FY23	-2.48%	-0.75%	-3.70%	-0.63%	-2.24%	-2.82%	2.08%	0.28%	-5.90%	20.72%	-9.28%		-2.48%	

TCHD 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
FY24	6.12												6.12	6.69
FY23	6.53	5.91	5.93	6.48	7.13	7.14	6.35	5.96	6.12	6.30	7.10		6.53	

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

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	C/M YTD	C/M YTD Budget
FY24	\$18.3													
FY23	\$43.9	\$38.1	\$29.6	\$25.3	\$20.7	\$22.5	\$25.4	\$11.4	\$6.9	\$27.7	\$23.8			