



**Minutes of the Open Session of the
Finance Committee of the
El Camino Hospital Board of Directors
Wednesday, May 31, 2023**

El Camino Hospital | 2500 Grant Road, Mountain View, CA 94040

Members Present

Don Watters, Chair**
Wayne Doiguchi
Peter Fung, MD
Bill Hooper
Cynthia Stewart**

Members Absent

**via teleconference

Staff Present

Carlos Bohorquez, Chief Financial Officer
Dan Woods, Chief Executive Officer
Mark Adams, MD, Chief Medical Officer
Ken King, Chief Administrative Services Officer
Omar Chughtai, Chief Growth Officer
Victor Cabrera, Dir, Decision Support & Business Analytics
Jon Cowan, Sr. Dir. Government Relations & Community Partnerships
Samreen Salehi, Executive Assistant II


Agenda Item	Comments/Discussion	Approvals/ Action
1. CALL TO ORDER/ ROLL CALL	The open session meeting of the Finance Committee of El Camino Hospital (the “Committee”) was called to order at 5:30 pm by Chair Don Watters. A verbal roll call was taken and all members were present at roll call and attended in person except for Chair Watters and Cynthia Stewart joined telephonically under the AB2449 guidelines. A quorum was present pursuant to State of California Executive Orders N-25-20 dated March 12, 2020, and N-29-20 dated March 18, 2020.	
2. CONSIDER APPROVAL OF AB 2449 REQUEST	Chair Watters and Cynthia Stewart participated in this session via Zoom under the “Just Cause” guidelines of the AB2449 request therefore a motion is not required.	
3. POTENTIAL CONFLICT OF INTEREST	Chair Watters asked if any Committee members had a conflict of interest with any of the items on the agenda. No conflicts reported.	
4. CONSENT CALENDAR	Motion: To approve the consent calendar: (a) Minutes of the Open Session of the Finance Committee meeting (03/27/2023) (b) FY2024 Committee Planning: Goals, Pacing Plan and Meeting Dates (c) FY2023 Period 9 Financial Report and for information: (d) Progress Against FY2023 Pacing Plan (e) Article(s) of Interest. Movant: Fung Second: Doiguchi Ayes: Doiguchi, Fung, Hooper, Stewart, Watters Noes: None Abstentions: None Absent: None Recused: None	Consent Calendar approved.
5. REPORT ON BOARD ACTIONS	Chair Watters asked the Committee for any questions or feedback on the Report on Board Actions, as further detailed in the packet.	
6. FY2023 PERIOD 10 FINANCIAL REPORT	Carlos Bohorquez, Chief Financial Officer presented the FY2023 Period 10 Operational/ Financial results as of April 30 th , 2023, and highlighted the following:	

	<ul style="list-style-type: none"> • Mr. Bohorquez began the discussion by stating that April is a unique month as it had only twenty working days, leading to lower activity across the organization as demonstrated by total discharges. • Adjusted discharges for April is 3,414 versus budget of 3,568 which were unfavorable to budget by 4.3%. <p><u>Overall Financial Performance</u></p> <ul style="list-style-type: none"> • Strong total operating revenue of \$120.6 million. • Operating EBIDA of \$19.4 million favorable to budget by \$0.8 million • Days cash on hand (DCOH) is one area that we are below target which is attributed to the following indicators: <ol style="list-style-type: none"> 1) The slowdown of payments by the payors 2) We fully repaid the Medicare advanced payments made by the Federal Government at the onset of Covid. 3) We continue to invest in significant capital projects throughout the enterprise. 4) Last calendar year our investment portfolio decreased by more than 10%. • From an operations standpoint, net days in AR are higher than target which is attributed to ongoing challenges with private payors. • Total operating revenue of \$1.191B which is 2.2% better than budget and 6.6% better than last fiscal year. • Operating EBIDA is favorable to budget by \$508,000. However, compared to the same period last fiscal year is lower by almost \$24M. This is the result of funding of additional FTEs across the organization to support growth / quality and the impact of higher utilization of contract labor / premium pay. <p>Motion: To approve the FY2023 Period 10 Financial Report</p> <p>Movant: Doiguchi Second: Fung Ayes: Doiguchi, Fung, Hooper, Stewart, Watters Noes: None Abstentions: None Absent: None Recused: None</p>	
<p>7. FY2024 EL CAMINO HEALTH IMPLEMENTATION STRATEGY REPORT AND COMMUNITY BENEFIT PLAN</p>	<p>Jon Cowan, Senior Director of Government Relations & Community Partnerships presented the FY2024 El Camino Health Implementation Strategy Report and Community Benefits Plan and highlighted the following:</p> <p>Mr. Cowan stated the FY2024 El Camino Health Implementation Strategy Report and Community Benefits Plan reflects a total request of \$6,342,431 and includes funding recommendations for grants, sponsorships, and placeholders.</p> <p><u>Grant Proposals:</u> 44 recommended at \$3,310,000</p> <ul style="list-style-type: none"> • Total Proposals: 71 (18% increase over prior year) • Total Requested: \$6,342,431 (17% increase over prior year) • Total Funded: \$3,310,000 (0% increase over prior year) 	

	<ul style="list-style-type: none"> • Total Unfunded: \$3,032,431 (43% increase over prior year) • Sponsorships: Recommended = \$85,000 • Placeholder: Recommended = \$15,000 <ul style="list-style-type: none"> • Placeholder process: Designated funds to be used in accordance with the ECH Community Benefit Grants Policy/Placeholder • FY2024 ECH Total Plan Request: \$3,410,000 <p>Motion: To approve the FY2024 ECH Implementation Strategy Report & Community Benefit Plan</p> <p>Movant: Fung Second: Doiguchi Ayes: Doiguchi, Fung, Hooper, Stewart, Watters Noes: None Abstentions: None Absent: None Recused: None</p>	
<p>8. CAPITAL PROJECT APPROVAL (a) Cancer Center Expansion</p>	<p>Ken King, Chief Administrative Officer presented an overview of the Mountain View (MV) Cancer Center Minor Expansion Project and highlighted the following:</p> <ul style="list-style-type: none"> • MV Outpatient Cancer Center continues to increase patient visits and infusion treatments. Patient visits project to grow by 27% over the next five years and another 20% in the following five years. • The challenge is that there is not adequate space to support the projected growth. • This minor expansion requires us to convert existing administrative space into clinical space by constructing three additional exam rooms, three additional scheduling stations, and support spaces for additional oncologists and support staff. • MV Cancer Center Minor Expansion Project, not to exceed \$1,435,000. <p>Motion: To approve the Cancer Center Expansion</p> <p>Movant: Hooper Second: Fung Ayes: Doiguchi, Fung, Hooper, Stewart, Watters Noes: None Abstentions: None Absent: None</p>	
<p>9. ADJOURN TO CLOSED SESSION</p>	<p>Motion: To adjourn to closed session at 6:03 pm.</p> <p>Movant: Fung Second: Doiguchi Ayes: Doiguchi, Fung, Hooper, Stewart, Watters Noes: None Abstentions: None Absent: None Recused: None</p>	<p><i>Adjourned to closed session at 6:03 pm</i></p>
<p>10. AGENDA ITEM 18: RECONVENE OPEN</p>	<p>During the Closed Session, the Finance Committee approved the following items: Closed Session Minutes of the March 27th, 2023 Finance</p>	

<p>SESSION/REPORT OUT</p>	<p>Committee Meeting, the FY2024 Operating and Capital Budget, the Ambulatory Surgery Center Acquisition, the Specialty Medical Group PSA, the Medical Staff Development Plan, and the Anesthesia Services Agreement by a unanimous vote of all Committee Members present (Mr. Doiguchi, Dr. Fung, Mr. Hooper, Ms. Stewart, Mr. Watters).</p>	
<p>11. AGENDA ITEM 19: PHYSICIAN CONTRACTS & AGREEMENTS</p>	<p>Motion: To approve physician contracts. Movant: Fung Second: Doiguchi Ayes: Doiguchi, Fung, Hooper, Stewart, Watters Noes: None Abstentions: None Absent: None Recused: None</p>	
<p>12. AGENDA ITEM 20: CLOSING COMMENTS</p>	<p>None</p>	
<p>13. AGENDA ITEM 21: ADJOURNMENT</p>	<p>Motion: To adjourn at 7:49 pm. Movant: Fung Second: Doiguchi Ayes: Doiguchi, Fung, Hooper, Stewart, Watters Noes: None Abstentions: None Absent: None Recused: None</p>	<p><i>Meeting adjourned at 7:49 pm</i></p>

Attest as to the approval of the foregoing minutes by the Finance Committee of El Camino Hospital:



 Samreen Salehi
 Executive Assistant, II

Prepared by: Samreen Salehi, Executive Assistant II
 Reviewed by: Carlos Bohorquez, Chief Financial Officer