



**Minutes of the Open Session of the
Finance Committee of the
El Camino Hospital Board of Directors
Monday, November 25, 2019
El Camino Hospital | Conference Room A&B
2500 Grant Road, Mountain View, CA 94040**

Members Present

Joseph Chow
Boyd Faust
William Hobbs**
Richard Juelis
Gary Kalbach
Don Watters**
John Zoglin, Chair

Members Absent

**via teleconference

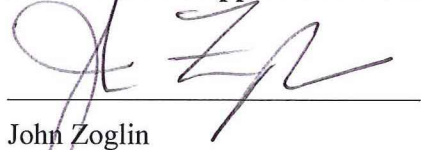
Agenda Item	Comments/Discussion	Approvals/ Action
1. CALL TO ORDER/ ROLL CALL	The open session meeting of the Finance Committee of El Camino Hospital (the "Committee") was called to order at 5:30pm by Chair Zoglin. Roll call was taken. William Hobbs and Don Watters participated via teleconference. All other members were present.	
2. POTENTIAL CONFLICT OF INTEREST	Chair Zoglin asked if any Committee members had a conflict of interest with any of the items on the agenda. No conflicts were reported.	
3. PUBLIC COMMUNICATION	There were no comments from the public.	
4. CONSENT CALENDAR	<p>Chair Zoglin asked if any member of the Committee wished to remove an item from the consent calendar.</p> <p>Motion: To approve the consent calendar: Minutes of the Open Session of the Joint Meeting of the Finance and Investment Committees (10/21/2019), FY20 Period 3 Financials, and for information: Progress Against Goals, Committee Pacing Plan, Article(s) of Interest, and Report on Major Capital Projects in Progress.</p> <p>Movant: Juelis Second: Faust Ayes: Chow, Faust, Hobbs, Juelis, Kalbach, Watters, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	Consent Calendar was approved.
5. REPORT ON BOARD ACTIONS	Chair Zoglin commented that the ribbon cutting ceremonies for the Taube Pavilion and the Sobrato Pavilion were held.	
6. FY20 PERIOD 4 FINANCIALS	<p>Iftikhar Hussain, CFO, provided highlights of FY20 Period 4 Financials as further detailed in the materials submitted. Mr. Hussain noted that Period 4 is the first monthly close in ECH's new ERP Workday and the reporting side is working well now. He also reported the following:</p> <ul style="list-style-type: none">• Net income is \$15.6 million (45%) ahead of target and being driven by growth in volume.• Mountain View adjusted discharges are 8% higher than budget.• Los Gatos adjusted discharges are 17% higher than budget.	Financials recommended for approval

	<ul style="list-style-type: none"> • Payor mix is unfavorable YTD due to high Medicare in the growth. The combined impact of growth is positive despite the payor mix deterioration. • Lab and Imaging services have increased. <p>The Committee requested the following:</p> <ul style="list-style-type: none"> • Reporting errors (incorrect grouping) for some of the reserves be corrected. • Better discipline on quarterly capital cash flow projections. • Information about types of patients and payor mix in the ED. <p>Motion: To recommend that the Board approve the FY20 Period 4 Financials.</p> <p>Movant: Juelis Second: Kalbach Ayes: Chow, Faust, Hobbs, Juelis, Kalbach, Watters, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	
7. REVIEW OF PATIENT BILLINGS	<p>Terri Manifesto, Sr. Director, Revenue Cycle, and Brian Fong, Director, Revenue Integrity, joined the meeting.</p> <p>Ms. Manifesto reported that staff had a discovery call with EPIC to discuss the potential for providing an integrated bill for ECH and SVMD services and obtained information from another health system that is doing this. The next step is for EPIC to provide information to ECH about effort and timeline.</p> <p>Mr. Fong reported that members of the finance staff met with the Patient and Family Advisory Council (PFAC) on October 15th and are working on several improvements recommended by the PFAC.</p> <ul style="list-style-type: none"> • Payment link in text message notifications to patients • Evaluate providing a customized after visit summary listing all providers (and contact information) who pat may receive a bill from • Redesign of website and billing statements to (1) emphasize possibility that patients may receive bills from outside providers and (2) simplify technical terminology 	
8. REVISED RESOLUTION 2019-12	<p>Mr. Hussain explained the proposed revisions to Resolution 2019-12:</p> <ul style="list-style-type: none"> • Updating the 2015 bond amount from par value (165 million) to the estimated balance at the time of refunding (\$125 million) • Changing the term “net fixed interest” to “fixed swap rate” since the net fixed interest has some elements that may change when the debt is issued. <p>In response to Mr. Faust’s question, Mr. Hussain explained that the 2.00% swap rate did not change.</p> <p>Motion: To recommend that the Board approve revised Resolution 2019-12.</p> <p>Movant: Kalbach</p>	Resolution recommended for approval

	Second: Faust Ayes: Chow, Faust, Hobbs, Juelis, Kalbach, Watters, Zoglin Noes: None Abstentions: None Absent: None Recused: None	
9. ADJOURN TO CLOSED SESSION	Motion: To adjourn to closed session at 6:17pm. Movant: Faust Second: Kalbach Ayes: Chow, Faust, Hobbs, Juelis, Kalbach, Zoglin Noes: None Abstentions: None Absent: Watters Recused: None	<i>Adjourned to closed session at 6:17pm</i>
10. AGENDA ITEM 18: RECONVENE OPEN SESSION/ REPORT OUT	The open session reconvened at 8:17pm. Agenda Items 9-17 were covered in closed session. During the closed session, the Committee approved the Minutes of the Closed Session of the Finance Committee (10/21/2019); and by a unanimous vote of all members present or participating by teleconference (Chow, Faust, Hobbs, Juelis, Kalbach and Watters, Zoglin).	
11. AGENDA ITEM 19: PHYSICIAN CONTRACTS	Motion: To approve the (a) LPCH NICU PT/OT Services Renewal, (b) LPCH NICU Professional Services Renewal. Movant: Faust Second: Juelis Ayes: Chow, Faust, Hobbs, Juelis, Kalbach, Watters, Zoglin Noes: None Abstentions: None Absent: None Recused: None Motion: To recommend that the Board approve the (c) Exclusive Neurosurgery On-Call Agreement, and (d) Telepsychiatry Services Agreement. Movant: Kalbach Second: Juelis Ayes: Chow, Faust, Hobbs, Juelis, Kalbach, Watters, Zoglin Noes: None Abstentions: None Absent: None Recused: None	<i>Physician Contracts approved/ recommended for approval</i>
12. AGENDA ITEM 20: CLOSING COMMENTS	None.	
13. AGENDA ITEM 21: ADJOURNMENT	Motion: To adjourn at 8:19pm. Movant: Kalbach Second: Chow Ayes: Chow, Faust, Hobbs, Juelis, Kalbach, Watters, Zoglin Noes: None Abstentions: None Absent: None	<i>Meeting adjourned at 8:19pm</i>

	Recused: None	
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Attest as/to the approval of the foregoing minutes by the Finance Committee of El Camino Hospital:



John Zoglin
Chair, Finance Committee