



**Minutes of the Open Session of the
Finance Committee of the
El Camino Hospital Board of Directors
Monday, March 27, 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
Omar Chughtai, Chief Growth Officer
Markettea Beneke, Sr. Dir. Oncology Service Line
Victor Cabrera, Dir, Decision Support & Business Analytics
Samreen Salehi, Executive Assistant II

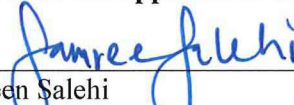
Agenda Item	Comments/Discussion	Approvals/ Action
1. CALL TO ORDER/ ROLL CALL	The open session meeting of the Finance Committee of El Camino Hospital (the "Committee") was called to order at 5:30 pm by Chair Don Watters. A verbal roll call was taken and all members were present at roll call and attended in person except for Peter Fung, MD joined at 5:36 pm telephonically. 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. 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 were reported.	
3. PUBLIC COMMUNICATION	There were no comments from the public.	
4. CONSENT CALENDAR	<p>Motion: To approve the consent calendar: (a) Minutes of the Open Session of the Finance Committee meeting (1/30/2023) (b) Minutes of the Open Session of the Joint Finance and Investment Committee meeting (2/27/2023) (c) FY2023 Period 7 Financial Report and for information: (d) FY2023 Pacing Plan (e) Article(s) of Interest.</p> <p>Movant: Doiguchi Second: Hooper Ayes: Doiguchi, Fung, Hooper, Stewart, Watters Noes: None Abstentions: None Absent: None Recused: None</p>	<p><i>Consent Calendar was approved.</i></p>
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. FY2024 COMMITTEE PLANNING (a) proposed FY2024 Meeting Dates (b) proposed FY2024 Committee Goals (c) FY2024 Pacing Plan	Carlos Bohorquez, Chief Financial Officer presented the proposed FY2024 Committee Meeting Dates, Committee Goals, and Pacing Plan and highlighted the following: <ul style="list-style-type: none"> • Six meetings throughout the fiscal year, including a joint session with the investment committee in February 2024 to review the updated 5-year financial capital plan. 	

	<ul style="list-style-type: none"> • Mr. Bohorquez stated as far as the goals for the committee one of the things that we've identified is ensuring that the Finance Committee is consistent with its charter of reviewing financials and the performance of the organization, but also ensuring that we are spending time assessing how the organization is progressing towards the implementation of the 2027 strategic plan. • Also, Mr. Bohorquez stated to ensure we are reviewing the overall performance of the Medical Network and other entities. • The FY2024 Committee Planning will be approved in the May 22nd Finance Committee meeting. 	
<p>7. FY2023 PERIOD 8 FINANCIAL REPORT</p>	<p>Carlos Bohorquez, Chief Financial Officer presented the Period 8 Operational/ Financial results as of February 28, 2023, and highlighted the following:</p> <p>Overall patient activity for February is strong as indicated by the following:</p> <ul style="list-style-type: none"> • Gross charges of \$449.2M is 4.9% favorable to budget and an 11.6% increase compared to the same period last fiscal year. • ADC (Average Daily Census) is 315 which is 13.8% favorable to budget and a 4.9% increase compared to the same period last fiscal year. • ED visits are 5,447 which is 1.4% favorable to budget and a 14.2% increase to the same period last fiscal year. • Outpatient procedural cases unfavorable to budget by 19% and 16.5 % lower than the same period last fiscal year. This is not an area of concern as the unfavorable variance to budget is less than expected in Covid vaccinations and testing. • <p><u>Financial Performance KPIs</u></p> <ul style="list-style-type: none"> • Total operating revenue is \$114M, which is favorable to budget by 2.4%. and a 4.6% increase compared to the same period last fiscal year. • Operating EBIDA is \$17.3M, which is favorable to budget by \$289K and a \$583K decrease compared to the same period last fiscal year. This is attributed to the following: <ul style="list-style-type: none"> • Overtime / premium pay, higher use of contract labor, and deterioration of commercial payor mix. • Net Income is (\$960K) unfavorable to budget by \$13.6M, but better than the same period last fiscal year by \$21.6M. This is attributed to negative non-operating revenue. • Liquidity as represented in Days Cash on Hand (DCOH): 252 DCOH which is 73 days unfavorable to budget and a 51 day decrease compared to the same period last fiscal year. <p><u>Operational / Financial Results: YTD FY2023 (as of 02/28/2023)</u></p> <ul style="list-style-type: none"> • Total Operating Revenue \$939.6M which is 1.4% favorable to budget and a 6.5% increase compared to the same period last fiscal year. 	

	<ul style="list-style-type: none"> • Operating EBIDA standpoint \$151.3M which is unfavorable to budget by \$867K and an \$18.8 million decrease compared to the same period last fiscal year. • Liquidity as represented in Days Cash on Hand (DCOH): 252 DCOH which is 73 days unfavorable to budget and a 51-day decrease compared to the same period last fiscal year. <p>Motion: To approve the FY2023 Period 8 Financial Report.</p> <p>Movant: Doiguchi Second: Hooper Ayes: Doiguchi, Fung, Hooper, Stewart, Watters Noes: None Abstentions: None Absent: None Recused: None</p>	
<p>8. FY2023 COMMUNITY BENEFIT MIDYEAR GRANT PERFORMANCE & UPDATE</p>	<p>Jon Cowan, Senior Director, Government Relations & Community Partnerships presented the FY2023 Community Benefit Midyear Grant Performance & Update and highlighted the following as further detailed in the materials:</p> <ul style="list-style-type: none"> • Community Partnerships staff review midyear grant reports to assess metric and budget performance against targets as well as review qualitative information on program successes, challenges, and trends. • This analysis is important as it provides data to inform the grant recommendations within the FY2024 Annual Community Benefit Plan and Implementation Strategy which comes to the Finance Committee for approval in the May Finance Committee. • In FY2023, El Camino Health invested \$3.3 million in Community Benefit grants to address unmet local health needs. • The framework for the grant funding priorities is the most recent El Camino Hospital Community Health Needs Assessment (CHNA), which is conducted every three years, as required by state and federal regulations. • Grants Overview: \$3,310,000 for 47 grants: <ul style="list-style-type: none"> ○ 10 Healthcare Access & Delivery grants at \$962,000 ○ 16 Behavioral Health grants at \$1,021,000 ○ 12 Diabetes & Obesity grants at \$992,000 ○ 4 Chronic Conditions treatment and prevention (other than diabetes and obesity) grants at \$165,000 ○ 5 Economic Stability grants at \$170,000 	
<p>9. ADJOURN TO CLOSED SESSION</p>	<p>Motion: To adjourn to closed session at 5:51 pm.</p> <p>Movant: Hooper Second: Doiguchi Ayes: Doiguchi, Fung, Hooper, Stewart, Watters Noes: None Abstentions: None Absent: None Recused: None</p>	<p><i>Adjourned to closed session at 5:51 pm</i></p>

<p>10. AGENDA ITEM 17: RECONVENE OPEN SESSION/REPORT OUT</p>	<p>During the Closed Session, the Finance Committee approved the following items: Closed Session Minutes of the January 30, 2023, Finance Committee Meeting, Closed Session Minutes of the February 27, 2023 Joint Investment & Finance Committee Meeting, and the Summary of Physician Financial Arrangements (Year-End) by a unanimous vote of all Committee Members present (Mr. Doiguchi, Dr. Fung, Mr. Hooper, Ms. Stewart, Mr. Watters).</p>	
<p>11. AGENDA ITEM 18: 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 19: CLOSING COMMENTS</p>	<p>None</p>	
<p>13. AGENDA ITEM 20: ADJOURNMENT</p>	<p>Motion: To adjourn at 7:13 pm. Movant: Fung Second: Watters Ayes: Doiguchi, Fung, Hooper, Stewart, Watters Noes: None Abstentions: None Absent: None Recused: None</p>	<p><i>Meeting adjourned at 7:13 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