

# AGENDA

## FINANCE COMMITTEE OF THE EL CAMINO HOSPITAL BOARD OF DIRECTORS

**Monday, March 31, 2025 – 5:30 pm**  
El Camino Health | 2500 Grant Road Mountain View, CA 94040

*Bill Hooper will be participating via teleconference from 2939 West Gulf Dr., Sanibel, FL 33957*

THE PUBLIC IS INVITED TO JOIN THE OPEN SESSION PORTION OF THE MEETING LIVE AT THE ADDRESS ABOVE OR VIA TELECONFERENCE AT: **1-669-900-9128, MEETING CODE: 978 9010 5847#**. **No participant code.**  
**Just press #**

To watch the meeting, please visit: [Finance Committee Meeting Link](#)

Please note that the livestream is for meeting viewing only and there is a slight delay; to provide public comment, please use the phone number listed above.

**NOTE:** In the event that there are technical problems or disruptions that prevent remote public participation, the Chair has the discretion to continue the meeting without remote public participation options, provided that no Board member is participating in the meeting via teleconference.

A copy of the agenda for the Regular Board Meeting will be posted and distributed at least seventy-two (72) hours prior to the meeting. In observance of the Americans with Disabilities Act, please notify us at **(650)-988-7609** prior to the meeting so that we may provide the agenda in alternative formats or make disability-related modifications and accommodations.

	AGENDA ITEM	PRESENTED BY	ACTION	ESTIMATED TIMES
1.	<b>CALL TO ORDER / ROLL CALL</b>	Don Watters, Chair	Information	5:30 pm
2.	<b>CONSIDER APPROVAL OF AB 2449 REQUEST</b>	Don Watters, Chair	<b>Possible Motion</b>	5:30 pm
3.	<b>POTENTIAL CONFLICT OF INTEREST DISCLOSURES</b>	Don Watters, Chair	Information	5:30 pm
4.	<b>PUBLIC COMMUNICATION</b> a. Oral Comments <i>This opportunity is provided for persons to address the Committee on any matter within the subject matter jurisdiction of the Committee that is not on this agenda. Speakers are limited to three (3) minutes each.</i> b. Written Correspondence <i>Comments may be submitted by mail to the Finance Committee of the El Camino Hospital Board of Directors at 2500 Grant Avenue, Mountain View, CA 94040. Written comments will be distributed to the Board as quickly as possible. Please note it may take up to 24 hours for documents to be posted on the agenda.</i>	Don Watters, Chair	Information	5:30 pm
5.	<b>CONSENT CALENDAR</b> <i>Items removed from the consent calendar will be considered separately.</i> a. <a href="#">Approve Minutes of the Open Session of the Finance Committee Meeting (01/27/2025)</a> b. <a href="#">Approve Minutes of the Open Session of the Joint Finance &amp; Investment Committee Meeting (02/24/2025)</a> c. <a href="#">Approve Minutes of the Open Session of the Special Finance Committee Meeting (02/27/2025)</a>	Don Watters, Chair	<b>Motion Required</b>	5:30 - 5:41

	AGENDA ITEM	PRESENTED BY	ACTION	ESTIMATED TIMES
	<ul style="list-style-type: none"> <li>d. <a href="#">Approve FY2025 Period 7 Financial Report</a></li> <li>e. <a href="#">Receive progress against FY2025 FC Committee Goals</a></li> <li>f. <a href="#">Receive FY2025 Pacing Plan</a></li> <li>g. <a href="#">Receive Article(s) of Interest</a></li> </ul>			
6.	<b><a href="#">FY2026 COMMITTEE PLANNING ITEMS</a></b> <ul style="list-style-type: none"> <li>a. <a href="#">Proposed FY2026 Committee Meeting Dates</a></li> <li>b. <a href="#">Proposed FY2026 Committee Goals</a></li> <li>c. <a href="#">Proposed FY2026 Committee Pacing Plan</a></li> </ul>	Don Watters, Chair	Discussion	5:41 - 5:51
7.	<b><a href="#">FY2025 PERIOD 8 FINANCIAL REPORT</a></b>	Carlos Bohorquez, CFO	<b>Motion Required</b>	5:51 – 6:01
8.	<b><a href="#">AD HOC COMMITTEE UPDATE</a></b>	Wayne Doiguchi, Director	Information	6:01 – 6:06
9.	<b><a href="#">FY2025 COMMUNITY BENEFIT GRANT PROGRAM &amp; MIDYEAR GRANT PERFORMANCE UPDATE</a></b>	Jon Cowan, Executive Director, Government Relations and Community Partnerships	Information	6:06 – 6:16
10.	<b><a href="#">REAL PROPERTY PURCHASE</a></b> - Recommend for Board Approval: Purchase of real property located at 19400 Stevens Creek Blvd, Cupertino, CA	Ken King, CASO	<b>Motion Required</b>	6:16 – 6:26
11.	<b>RECESS TO CLOSED SESSION</b>	Don Watters, Chair	<b>Motion Required</b>	6:26 – 6:27
12.	<b>APPROVE MINUTES OF THE CLOSED SESSION OF THE FINANCE COMMITTEE</b> <ul style="list-style-type: none"> <li>a. 01/27/2025</li> <li>b. 02/24/2025 – Joint Finance and Investment Committee Meeting</li> <li>c. 02/27/2025 – Special Finance Committee Meeting</li> </ul> <i>Report involving Gov't Code Section 54957.2 for closed session minutes</i>	Don Watters, Chair	<b>Motion Required</b>	6:27 – 6:30
13.	<b>SERIES 2025 FINANCING UPDATE</b> <i>Health and Safety Code Section 32106(b) – for a report and discussion involving healthcare facility trade secrets.</i>	Carlos Bohorquez, CFO	Discussion	6:30 – 6:40
14.	<b>SUMMARY OF PHYSICIAN FINANCIAL ARRANGEMENTS (YEAR-END)</b> <i>Health and Safety Code Section 32106(b) – for a report and discussion involving healthcare facility trade secrets.</i>	Diane Wigglesworth, VP, Corporate Compliance Mark Adams, MD, CMO	Discussion	6:40 – 6:50
15.	<b>STRATEGIC OPTIONS RE SERVICES AND PROGRAMS AT HOSPITALS INCLUDING LOS GATOS REDEVELOPMENT</b> <i>Health and Safety Code Section 32106(b) – for a report and discussion involving healthcare facility trade secrets regarding new services or programs</i>	Carlos Bohorquez, CFO	Discussion	6:50 – 7:05

	AGENDA ITEM	PRESENTED BY	ACTION	ESTIMATED TIMES
16.	<b>FY2026 BUDGET PREVIEW PART 1: KEY OPERATIONAL &amp; CAPITAL BUDGET ASSUMPTIONS / TARGETS</b> <i>Health and Safety Code Section 32106(b) – for a report and discussion involving healthcare facility trade secrets.</i>	Carlos Bohorquez, CFO	Discussion	7:05 – 7:25
17.	<b>RECONVENE TO OPEN SESSION</b>	Don Watters, Chair	<b>Motion Required</b>	7:25 – 7:26
18.	<b>CLOSED SESSION REPORT OUT</b> To report any required disclosures regarding permissible actions taken during Closed Session.	Gabe Fernandez, Governance Services Coordinator	Information	7:26 – 7:27
19.	<b>CLOSING COMMENTS</b>	Don Watters, Chair	Information	7:27 – 7:29
20.	<b>ADJOURNMENT</b>	Don Watters, Chair	<b>Motion Required</b>	7:30 pm

**Upcoming Meetings:** May 27, 2025



Minutes of the Open Session of the  
Finance Committee of the  
El Camino Hospital Board of Directors  
Monday, January 27, 2025

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**

None

\*\*via teleconference

**Staff Present**

Mark Adams, MD, Chief Medical Officer  
Carlos Bohorquez, Chief Financial Officer  
Omar Chughtai, Chief Growth Officer  
Theresa Fuentes, Chief Legal Officer  
Tracey Lewis Taylor, Chief Operating Officer  
Dan Woods, Chief Executive Officer  
A.J. Reall, VP of Strategy  
Michael Walsh, Controller  
Victor Cabrera, Sr. Dir. Decision Supp & Business Analytics  
Anne Yang, Executive Director, Governance Services  
Tracy Fowler, Director, Governance Services\*\*  
Gabriel Fernandez, Coordinator, Governance Services

Agenda Item	Comments/Discussion	Approvals/ Action
1. <b>AGENDA ITEM 1: CALL TO ORDER/ ROLL CALL</b>	The open session meeting of the Finance Committee of El Camino Hospital (the "Committee") was called to order at 5:31 pm by Chair Don Watters. A verbal roll call was taken. Director Fung was absent at roll call and a quorum was present. Dr. Fung joined at 5:33 p.m. Mr. Bohorquez introduced Ms. Yang as a new staff member.	<b><i>The meeting was called to order at 5:31 p.m.</i></b>
2. <b>AGENDA ITEM 2: CONSIDER APPROVAL OF AB- 2449 REQUEST</b>	All members participated in person—no consideration of AB-2449 requests was needed.	
3. <b>AGENDA ITEM 3: POTENTIAL CONFLICT OF INTEREST</b>	Chair Watters asked if any Committee members had a conflict of interest with any of the items on the agenda. No conflicts were reported.	
4. <b>AGENDA ITEM 4: PUBLIC COMMUNICATION</b>	No public members joined the session, and no written correspondence was received from the public.	
5. <b>AGENDA ITEM 5: CONSENT CALENDAR</b>	<b>Motion:</b> To approve the consent calendar. <b>For Approval:</b> (a) Minutes of the Open Session of the 12/05/2024 Finance Committee meeting, (b) Minutes of the Open Session of the 01/16/2025 Special Finance Committee meeting, and (c) FY2025 Period 5 Financial Report. <b>For Information:</b> (d) Receive FY2025 Pacing Plan, (e) Receive Article(s) of Interest. <b>Movant:</b> Doiguchi <b>Second:</b> Hooper	<b><i>Consent Calendar Approved</i></b>

	<p><b>Ayes:</b> Doiguchi, Fung, Hooper, Stewart, Watters  <b>Noes:</b> None  <b>Abstentions:</b> None  <b>Absent:</b> None  <b>Recused:</b> None</p>	
<p><b>6. AGENDA ITEM 6: APPROVE FY2025 PERIOD 6 FINANCIAL REPORT</b></p>	<p>Mr. Bohorquez presented the FY2025 Period 6 Financial Report and highlighted the following:</p> <p><b><u>Period 6 – December 2024 Results</u></b></p> <ul style="list-style-type: none"> <li>• <b>Average Daily Census:</b> 322, which is 4 / 1.3% favorable to budget and 24 / 8.1% lower than the same period last year.</li> <li>• <b>Adjusted Discharges:</b> 3,898, which are 11 / 0.3% unfavorable to budget and 343 / 9.7% higher than the same period last year.</li> <li>• <b>Emergency Room Visits:</b> 7,626, which are 126 / 1.7% favorable to budget and 278 / 3.5% lower than the same period last fiscal year.</li> <li>• <b>Outpatient Visits / Procedures:</b> 12,583, which are 1,418 / 12.7% favorable to budget and 1,633 / 14.9% higher than the same period last fiscal year.</li> <li>• <b>Total operating revenue</b> of \$148.1M is favorable to budget by \$8.4M / 6% and \$17.2M / 13.1% higher than the same period last fiscal year.</li> <li>• <b>Operating EBIDA</b> of \$31.9M is \$10.5M / 48.9% favorable to budget and \$5.5M / 20.6% higher than the same period last fiscal year.</li> <li>• <b>Net income</b> of \$18.1M is unfavorable to budget by \$0.5M / 2.4% and \$51.1M / 73.8% lower than the same period last fiscal year.</li> </ul> <p><b>Motion:</b> To approve the FY2025 Period 6 Financial Report.</p> <p><b>Movant:</b> Hooper  <b>Second:</b> Doiguchi  <b>Ayes:</b> Doiguchi, Fung, Hooper, Stewart, Watters  <b>Noes:</b> None  <b>Abstentions:</b> None  <b>Absent:</b> None  <b>Recused:</b> None</p>	<p><b><i>FY2025 Period 6 Financial Report Approved</i></b></p>

<p><b>7. AGENDA ITEM 7: RECESS TO CLOSED SESSION</b></p>	<p><b>Motion:</b> To adjourn to closed session at 5:39 pm. <b>Movant:</b> Doiguchi <b>Second:</b> Stewart <b>Ayes:</b> Doiguchi, Fung, Hooper, Stewart, Watters <b>Noes:</b> None <b>Abstentions:</b> None <b>Absent:</b> None <b>Recused:</b> None</p>	<p><b><i>Adjourned to closed session at 5:39 pm</i></b></p>
<p><b>8. AGENDA ITEM 15: RECONVENE OPEN SESSION/ REPORT OUT</b></p>	<p>Mr. Fernandez reported that during the closed session, the Finance Committee approved the closed session minutes of the December 5<sup>th</sup>, 2024 and January 16<sup>th</sup>, 2025 meetings.</p>	<p><b><i>Reconvened to Open Session at 7:12 pm</i></b></p>
<p><b>9. AGENDA ITEM 16: APPROVE ENTERPRISE OB HOSPITALIST SERVICES AGREEMENT</b></p>	<p><b>Motion:</b> To recommend Board approval of the Enterprise OB Hospitalist Professional Services Agreement. <b>Movant:</b> Hooper <b>Second:</b> Doiguchi <b>Ayes:</b> Doiguchi, Fung, Hooper, Stewart, Watters <b>Noes:</b> None <b>Abstentions:</b> None <b>Absent:</b> None <b>Recused:</b> None</p>	<p><b><i>Enterprise OB Hospitalist Services Agreement Recommended for Board Approval.</i></b></p>
<p><b>10. AGENDA ITEM 17: APPROVE OB/GYN CALL PANEL SERVICES</b></p>	<p><b>Motion:</b> To approve the CEO's execution of the OB/GYN Call Panel Services Agreement. <b>Movant:</b> Stewart <b>Second:</b> Hooper <b>Ayes:</b> Doiguchi, Fung, Hooper, Stewart, Watters <b>Noes:</b> None <b>Abstentions:</b> None <b>Absent:</b> None <b>Recused:</b> None</p>	<p><b><i>CEO Execution of OB/GYN Call Panel Services Agreement Approved</i></b></p>
<p><b>11. AGENDA ITEM 18: CLOSING COMMENTS</b></p>	<p>The Committee did not have any closing comments.</p>	
<p><b>12. AGENDA ITEM 19: ADJOURNMENT</b></p>	<p><b>Motion:</b> To adjourn at 7:13 pm. <b>Movant:</b> Hooper <b>Second:</b> Stewart <b>Ayes:</b> Doiguchi, Fung, Hooper, Stewart, Watters <b>Noes:</b> None <b>Abstentions:</b> None <b>Absent:</b> None <b>Recused:</b> None</p>	<p><b><i>Meeting adjourned at 7:13 pm.</i></b></p>

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

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**Don Watters**  
**Chair, Finance Committee**

Prepared by: Gabriel Fernandez, Coordinator, Governance Services  
Reviewed by: Carlos A. Bohorquez, Chief Financial Officer





Minutes of the Open Session of the  
Joint Finance and Investment Committees of the  
El Camino Hospital Board of Directors

Monday, February 24, 2025

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

**Finance Committee Members**

**Present**

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

**Investment Committee**

**Members Present**

Brooks Nelson, Chair  
Nicola Boone  
Robin Driscoll  
Ken Frier \*\*  
Peter Fung, MD  
John Zoglin

**Staff Present**

Carlos Bohorquez, Chief  
Financial Officer  
Anne Yang, Executive  
Director, Governance Services  
Gabriel Fernandez,  
Coordinator, Governance  
Services  
Michael Walsh, Controller  
Victor Cabrera, Sr. Dir.  
Decision Supp & Business  
Analytics  
Pierre Zamorano, Managing  
Partner, Veloz Partners  
Ellen Riley, Kaufman Hall  
Matt Jakobovits, Kaufman  
Hall  
Mika Malone, Meketa  
Larry Witt, Meketa

**Members Absent**

None

\*\*via teleconference

Agenda Item	Comments/Discussion	Approvals/ Action
1. <b>AGENDA ITEM 1: CALL TO ORDER/ ROLL CALL</b>	Chair Don Watters called the open session joint meeting of the Finance and Investment Committees of El Camino Hospital (the "Committees") to order at 5:31 p.m. A verbal roll call was taken for both Committees.	<b><i>The meeting was called to order at 5:31 p.m.</i></b>
2. <b>AGENDA ITEM 2: CONSIDER APPROVAL OF AB- 2449 REQUEST</b>	Mr. Frier attended via teleconference under regular Brown Act teleconferencing requirements. No consideration for approval of AB-2449 was needed.	
3. <b>AGENDA ITEM 3: POTENTIAL CONFLICT OF INTEREST</b>	Chair Watters asked if any Committee members had a conflict of interest with any of the items on the agenda. No conflicts were reported.	
4. <b>AGENDA ITEM 4: PUBLIC COMMUNICATION</b>	No public members joined the session, and no written correspondence was received from the public.	



5. <b>AGENDA ITEM 5: RECESS TO CLOSED SESSION</b>	<b>Motion:</b> To adjourn to closed session at 5:33 pm. <b>Movant:</b> Hooper <b>Second:</b> Fung <b>Ayes:</b> Boone, Conover, Doiguchi, Driscoll, Frier, Fung, Hooper, Nelson, Stewart, Watters, Zoglin <b>Noes:</b> None <b>Abstentions:</b> None <b>Absent:</b> None <b>Recused:</b> None	<b><i>Adjourned to closed session at 5:33 pm</i></b>
6. <b>AGENDA ITEM 8: RECONVENE OPEN SESSION/ REPORT OUT</b>	Gabriel Fernandez reported that the Finance and Investment Committees did not take any reportable actions during the closed session.	<b><i>Reconvened to Open Session at 6:31 pm</i></b>
7. <b>AGENDA ITEM 9: CLOSING COMMENTS</b>	The Committee did not have any closing comments.	
8. <b>AGENDA ITEM 10: ADJOURNMENT</b>	<b>Motion:</b> To adjourn at 7:32 pm. <b>Movant:</b> Zoglin <b>Second:</b> Hooper <b>Ayes:</b> Boone, Conover, Doiguchi, Driscoll, Frier, Fung, Hooper, Nelson, Stewart, Watters, Zoglin <b>Noes:</b> None <b>Abstentions:</b> None <b>Absent:</b> None <b>Recused:</b> None	<b><i>Meeting adjourned at 7:32 pm.</i></b>

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

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**Don Watters**  
**Chair, Finance Committee**

Prepared by: Gabriel Fernandez, Coordinator, Governance Services  
Reviewed by: Carlos A. Bohorquez, Chief Financial Officer



Minutes of the Open Session of the  
Special Finance Committee of the  
El Camino Hospital Board of Directors  
Thursday, February 27, 2025

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

**Members Present**

Don Watters, Chair  
Wayne Doiguchi  
Peter Fung, MD  
Cynthia Stewart

**Members Absent**

Bill Hooper

**Staff Present**

Carlos Bohorquez, Chief Financial Officer  
Dan Woods, Chief Executive Officer  
Omar Chughtai, Chief Growth Officer  
Theresa Fuentes, Chief Legal Officer  
Ken King, Chief Administrative Services Officer  
Tracy Lewis Taylor, Chief Operating Officer  
Andreu Reall, VP, Strategy  
Anne Yang, Executive Director, Governance Services  
Michael Walsh, Controller  
Victor Cabrera, Sr. Dir. Decision Supp & Business Analytics  
Tracy Fowler, Director, Governance Services \*\*  
Gabriel Fernandez, Governance Services Coordinator

\*\*via teleconference

Agenda Item	Comments/Discussion	Approvals/ Action
1. <b>AGENDA ITEM 1: CALL TO ORDER/ ROLL CALL</b>	The open session meeting of the Special Finance Committee of El Camino Hospital (the "Committee") was called to order at 4:03 p.m. by Chair Don Watters. A verbal roll call was taken. Committee members Watters, Doiguchi, and Stewart were present at roll call and attended in person, constituting a quorum. Mr. Hooper was absent.	<b><i>The meeting was called to order at 4:03 p.m.</i></b>
2. <b>AGENDA ITEM 2: CONSIDER APPROVAL OF AB- 2449 REQUEST</b>	All members participated in person—no consideration of AB-2449 requests was needed.	
3. <b>AGENDA ITEM 3: POTENTIAL CONFLICT OF INTEREST</b>	Chair Watters asked if any Committee members had a conflict of interest with any of the items on the agenda. No conflicts were reported.	
4. <b>AGENDA ITEM 4: PUBLIC COMMUNICATION</b>	No public members joined the session, and no written correspondence was received from the public.	
5. <b>AGENDA ITEM 5: RECESS TO CLOSED SESSION</b>	<b>Motion:</b> To adjourn to closed session at 4:05 p.m. <b>Movant:</b> Fung <b>Second:</b> Hooper <b>Ayes:</b> Doiguchi, Fung, Stewart, Watters <b>Noes:</b> None <b>Abstentions:</b> None <b>Absent:</b> Hooper <b>Recused:</b> None	<b><i>Adjourned to closed session at 4:05 p.m.</i></b>

6. <b>AGENDA ITEM 11: RECONVENE OPEN SESSION/ REPORT OUT</b>	<p>Chair Watters noted that this report was being taken out of agenda order.</p> <p>Mr. Fernandez reported that the Finance Committee did not take any reportable actions during the closed session.</p>	<b>Reconvened to Open Session at 6:33 pm</b>
7. <b>AGENDA ITEM 9: LOS GATOS HOSPITAL REDEVELOPMENT PROJECT</b>	<p><b>Motion:</b> To recommend Board approval of \$5.0 million to fund the initial Design Development phase for the Los Gatos Campus Redevelopment Project.</p> <p><b>Movant:</b> Fung <b>Second:</b> Doiguchi <b>Ayes:</b> Doiguchi, Fung, Stewart, Watters <b>Noes:</b> None <b>Abstentions:</b> None <b>Absent:</b> Hooper <b>Recused:</b> None</p>	
8. <b>AGENDA ITEM 10: PLAN OF FINANCE FOR SERIES 2025 BONDS (REFUND SERIES 2015A, SERIES 2009A AND NEW DEBT ISSUANCE)</b>	<p><b>Motion:</b> To recommend Board approval of the Plan of Finance Resolution (2025-01).</p> <p><b>Movant:</b> Stewart <b>Second:</b> Fung <b>Ayes:</b> Doiguchi, Fung, Stewart, Watters <b>Noes:</b> None <b>Abstentions:</b> None <b>Absent:</b> Hooper <b>Recused:</b> None</p>	
9. <b>AGENDA ITEM 12: CLOSING COMMENTS</b>	<p>Chair Watters thanked the team for their outstanding work in preparing the materials.</p>	
10. <b>AGENDA ITEM 13: ADJOURNMENT</b>	<p><b>Motion:</b> To adjourn at 6:36 pm.</p> <p><b>Movant:</b> Doiguchi <b>Second:</b> Fung <b>Ayes:</b> Doiguchi, Fung, Hooper, Stewart, Watters <b>Noes:</b> None <b>Abstentions:</b> None <b>Absent:</b> None <b>Recused:</b> None</p>	<b>Meeting adjourned at 6:36 pm.</b>

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

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**Don Watters**  
**Chair, Finance Committee**

Prepared by: Gabriel Fernandez, Coordinator, Governance Services  
Reviewed by: Carlos A. Bohorquez, Chief Financial Officer

## EL CAMINO HOSPITAL BOARD OF DIRECTORS FINANCE COMMITTEE MEETING MEMO

**To:** El Camino Hospital Finance Committee  
**From:** Carlos A. Bohorquez, Chief Financial Officer  
**Date:** March 31, 2025  
**Subject:** Financials: FY2025 – Period 7 & YTD (as of 1/31/2025) - Consent Calendar

### Purpose:

To provide the Finance Committee an update on financial results for FY2025 - Period 7 (January 2025) and YTD.

### Executive Summary – Period 7 (January 2025):

Patient activity / volumes remain consistent across the enterprise.

- **Average Daily Census:** 326 is 17 / 5.6% favorable to budget and 11 / 3.3% lower than the same period last year.
- **Adjusted Discharges:** 3,744 are 43 / 1.2% favorable to budget and 95 / 2.6% higher than the same period last year.
- **Emergency Room Visits:** 7,590 are 926 / 13.9% favorable to budget and 1,071 / 16.4% higher than the same period last fiscal year.
- **Outpatient Visits / Procedures:** 13,163 are 2,298 / 21.2% favorable to budget and 1,406 / 12.0% higher than the same period last fiscal year.

Financial performance for Period 7 was favorable to budget. This is attributed to stable inpatient patient activity, strong outpatient volume and favorable management of variable expenses across the enterprise.

**Total Operating Revenue (\$):** \$143.9M is \$3.2M / 2.3% favorable to budget and \$4.4M / 3.1% higher than the same period last fiscal year.

**Operating EBIDA (\$):** \$24.7M is \$4.0M / 19.2% favorable to budget and consistent with the same period last fiscal year.

**Net Income (\$):** \$30.4M is \$14.4M / 90.7% favorable to budget and \$1.1M / 3.5% lower than the same period last fiscal year.

**Operating Margin (%):** 10.9% (actual) vs. 8.8% (budget)

**Operating EBIDA Margin (%):** 17.1% (actual) vs. 14.7% (budget)

**Net Days in A/R (days):** 48.9 days are favorable to budget by 5.1 days / 9.4% and 4.4 days / 8.3% lower than the same period last year.

### Executive Summary – YTD FY2025 (as of 1/31/2025):

With the exception of outpatient visits / procedures and surgeries, year-over-year patient activity is flat.

- **Average Daily Census:** 310 is 3 / 1.0% favorable to budget and 2 / 0.6% higher than the same period last year.
- **Adjusted Discharges:** 25,982 are (19) / (0.1%) unfavorable to budget and 399 / 1.6% higher than the same period last year.
- **Emergency Room Visits:** 47,648 are 637 / 1.4% favorable to budget and 730 / 1.6% higher than the same period last fiscal year.

- **Outpatient Visits / Procedures:** 88,684 are 8,167 / 10.1% favorable to budget and 9,717 / 12.3% higher than the same period last fiscal year.

**Total Operating Revenue (\$):** \$990.8M is \$33.0M / 3.5% favorable to budget and \$94.2M / 10.5% higher than the same period last fiscal year.

**Operating EBIDA (\$):** \$160.0M is \$20.8M / 15.0% favorable to budget and \$11.7M / 7.9% higher than the same period last fiscal year.

**Net Income (\$):** \$187.8M is \$74.2M / 65.3% favorable to budget and \$32.5M / 20.9% higher than the same period last fiscal year. Favorable net income is attributed to stable financial performance and unrealized gains on investment portfolio.

**Operating Margin (%):** 10.2% (actual) vs. 8.3% (budget)

**Operating EBIDA Margin (%):** 16.1% (actual) vs. 14.5% (budget)

**Recommendation:**

- FC recommend approval of FY2025 – Period 7 & YTD financials

**List of Attachments:**

- Financial Report: FY2025 Period 7

**Suggested Finance Committee Discussion Questions:**

- None



# El Camino Health

## Summary of Financial Operations

*Fiscal Year 2025 – Period 7  
7/1/2024 to 01/31/2025*

# Executive Summary - Overall Commentary for Period 7

- **Results for Period 7:**

- Net Patient Revenue was favorable to budget by \$3.4M / 2.5%.
- Operating EBIDA Margin was favorable to budget by \$4.0M / 19.2%.
- Gross revenue favorable to budget by \$52.8M / 9.2%.
  - Driven primarily by:
    - Inpatient Charges: \$19.1M / 6.7% favorable to budget.
    - Outpatient Charges: \$27.5M / 10.1% favorable to budget.
    - Professional Charges: \$6.3M / 38.9% favorable to budget.
- Cost Management
  - When adjusted for volume, overall operating expense is 1.4% lower than budget.
- Gross charges were favorable to budget by \$52.8M / 9.2% and \$80.6M / 14.7% higher than the same period last year.
- Net patient revenue was favorable to budget by \$3.4M / 2.5% and \$8.5M / 6.6% higher than the same period last year.
- Operating margin was favorable to budget by \$3.4M / 27.3% and \$712K / 4.3% lower than the same period last year.
- Operating EBIDA was favorable to budget by \$4.0M / 19.2% and \$27K / 0.1% higher than the same period last year.
- Net income was favorable to budget by \$14.4M / 90.7% and \$1.1M / 3.5% lower than same period last year.



# Operational / Financial Results: Period 7 – January 2025 (as of 01/31/2025)

(\$ thousands)		Current Year	Budget	Variance to Budget	Performance to Budget	Prior Year	Year over Year change	YoY % Change	Moody's 'Aa3'	S&P 'AA'	Fitch 'AA'	Performance to Rating Agency Medians
Activity / Volume	ADC	326	309	17	5.6%	337	(11)	(3.3%)	---	---	---	---
	Adjusted Discharges	3,744	3,701	43	1.2%	3,648	95	2.6%	---	---	---	---
	OP Visits / OP Procedural Cases	13,163	10,865	2,298	21.2%	11,757	1,406	12.0%	---	---	---	---
	Percent Government (%)	62.5%	59.4%	3.1%	5.2%	60.8%	1.7%	2.8%	---	---	---	---
	Gross Charges (\$)	627,446	574,650	52,797	9.2%	546,887	80,559	14.7%	---	---	---	---
Operations	Cost Per CMI AD	19,749	20,032	(283)	(1.4%)	20,339	(590)	(2.9%)	---	---	---	---
	Net Days in A/R	48.9	54.0	(5.1)	(9.4%)	53.4	(4.4)	(8.3%)	48.1	49.7	47.5	
Financial Performance	Net Patient Revenue (\$)	137,401	134,006	3,394	2.5%	128,942	8,459	6.6%	297,558	564,735	---	
	Total Operating Revenue (\$)	143,884	140,710	3,174	2.3%	139,531	4,353	3.1%	389,498	610,593	268,739	
	Operating Margin (\$)	15,724	12,348	3,376	27.3%	16,436	(712)	(4.3%)	7,400	11,601	8,331	
	Operating EBIDA (\$)	24,657	20,694	3,963	19.2%	24,630	27	0.1%	26,400	39,689	22,574	
	Net Income (\$)	30,357	15,916	14,440	90.7%	31,456	(1,099)	(3.5%)	19,085	20,150	15,049	
	Operating Margin (%)	10.9%	8.8%	2.2%	24.5%	11.8%	(0.9%)	(7.2%)	1.9%	1.9%	3.1%	
	Operating EBIDA (%)	17.1%	14.7%	2.4%	16.5%	17.7%	(0.5%)	(2.9%)	6.8%	6.5%	8.4%	
	DCOH (days)	274	275	(1)	(0.3%)	265	9	3.4%	258	304	311	

**Moody's Medians:** Not-for-profit and public healthcare annual report; August 2024. Dollar amounts have been adjusted to reflect monthly averages.

**S&P Medians:** U.S. Not-For-Profit Health Care Stand-Alone Hospital Median Financial Ratios; August 2024. Dollar amounts have been adjusted to reflect monthly averages.

**Fitch Ratings:** U.S. Not-For-Profit Health Care Stand-Alone Hospital Median Financial Ratios; July 2024. Dollar amounts have been adjusted to reflect monthly averages.

**Notes:** DCOH total includes cash, short-term and long-term investments.

OP Visits / Procedural Cases includes Covid Vaccinations / Testing.

# Operational / Financial Results: YTD FY2025 (as of 01/31/2025)

(\$ thousands)		Current Year	Budget	Variance to Budget	Performance to Budget	Prior Year	Year over Year change	YoY % Change	Moody's	S&P	Fitch	Performance to Rating Agency Medians
									'Aa3'	'AA'	'AA'	
Activity / Volume	ADC	310	307	3	1.0%	308	2	0.6%	---	---	---	---
	Adjusted Discharges	25,982	26,001	(19)	(0.1%)	25,583	399	1.6%	---	---	---	---
	OP Visits / OP Procedural Cases	88,684	80,517	8,167	10.1%	78,967	9,717	12.3%	---	---	---	---
	Percent Government (%)	59.0%	58.6%	0.4%	0.7%	58.6%	0.4%	0.7%	---	---	---	---
	Gross Charges (\$)	4,246,882	4,008,021	238,861	6.0%	3,663,512	583,370	15.9%	---	---	---	---
Operations	Cost Per CMI AD	19,719	20,032	(313)	(1.6%)	18,621	1,098	5.9%	---	---	---	---
	Net Days in A/R	48.9	54.0	(5.1)	(9.4%)	53.4	(4.4)	(8.3%)	48.1	48.1	47.5	
Financial Performance	Net Patient Revenue (\$)	950,675	916,890	33,785	3.7%	854,741	95,934	11.2%	2,082,908	3,953,142	---	
	Total Operating Revenue (\$)	990,822	957,778	33,044	3.5%	896,574	94,249	10.5%	2,726,487	4,274,150	3,224,864	
	Operating Margin (\$)	100,802	79,138	21,664	27.4%	90,434	10,368	11.5%	51,803	81,209	99,971	
	Operating EBIDA (\$)	159,994	139,150	20,844	15.0%	148,319	11,675	7.9%	184,802	277,820	270,889	
	Net Income (\$)	187,761	113,594	74,167	65.3%	155,287	32,474	20.9%	133,598	243,627	180,592	
	Operating Margin (%)	10.2%	8.3%	1.9%	23.1%	10.1%	0.1%	0.9%	1.9%	1.9%	3.1%	
	Operating EBIDA (%)	16.1%	14.5%	1.6%	11.1%	16.5%	(0.4%)	(2.4%)	6.8%	6.5%	8.4%	
	DCOH (days)	274	275	(1)	(0.3%)	265	9	3.4%	258	304	311	

**Moody's Medians:** Not-for-profit and public healthcare annual report; August 2024. Dollar amounts have been adjusted to reflect monthly averages.

**S&P Medians:** U.S. Not-For-Profit Health Care Stand-Alone Hospital Median Financial Ratios; August 2024. Dollar amounts have been adjusted to reflect monthly averages.

**Fitch Ratings:** U.S. Not-For-Profit Health Care Stand-Alone Hospital Median Financial Ratios; July 2024. Dollar amounts have been adjusted to reflect monthly averages.

**Notes:** DCOH total includes cash, short-term and long-term investments.

OP Visits / Procedural Cases includes Covid Vaccinations / Testing.

# Consolidated Balance Sheet (as of 01/31/2025)

(\$000s)

## ASSETS

	January 31, 2025	Audited June 30, 2024
<b>CURRENT ASSETS</b>		
Cash	255,170	202,980
Short Term Investments	93,124	100,316
Patient Accounts Receivable, net	225,717	211,960
Other Accounts and Notes Receivable	24,224	25,065
Intercompany Receivables	24,249	17,770
Inventories and Prepaids	53,263	55,556
<b>Total Current Assets</b>	<b>675,747</b>	<b>613,647</b>
<b>BOARD DESIGNATED ASSETS</b>		
Foundation Board Designated	18,427	23,309
Plant & Equipment Fund	541,387	503,081
Women's Hospital Expansion	46,174	31,740
Operational Reserve Fund	210,693	210,693
Community Benefit Fund	18,304	17,561
Workers Compensation Reserve Fund	12,811	12,811
Postretirement Health/Life Reserve Fund	23,009	22,737
PTO Liability Fund	38,512	37,646
Malpractice Reserve Fund	1,713	1,713
Catastrophic Reserves Fund	41,964	33,030
<b>Total Board Designated Assets</b>	<b>952,994</b>	<b>894,322</b>
<b>FUNDS HELD BY TRUSTEE</b>	<b>18</b>	<b>18</b>
<b>LONG TERM INVESTMENTS</b>	<b>702,900</b>	<b>665,759</b>
<b>CHARITABLE GIFT ANNUITY INVESTMENTS</b>	<b>1,147</b>	<b>965</b>
<b>INVESTMENTS IN AFFILIATES</b>	<b>46,710</b>	<b>36,663</b>
<b>PROPERTY AND EQUIPMENT</b>		
Fixed Assets at Cost	2,032,262	2,016,992
Less: Accumulated Depreciation	(924,033)	(874,767)
Construction in Progress	212,669	173,449
<b>Property, Plant &amp; Equipment - Net</b>	<b>1,320,897</b>	<b>1,315,675</b>
<b>DEFERRED OUTFLOWS</b>	<b>47,041</b>	<b>41,550</b>
<b>RESTRICTED ASSETS</b>	<b>36,783</b>	<b>32,166</b>
<b>OTHER ASSETS</b>	<b>208,141</b>	<b>195,447</b>
<b>TOTAL ASSETS</b>	<b>3,992,378</b>	<b>3,796,213</b>

## LIABILITIES AND FUND BALANCE

	January 31, 2025	Audited June 30, 2024
<b>CURRENT LIABILITIES</b>		
Accounts Payable	54,542	71,017
Salaries and Related Liabilities	40,668	35,693
Accrued PTO	39,529	38,634
Worker's Comp Reserve	2,300	2,300
Third Party Settlements	11,647	13,419
Intercompany Payables	17,432	13,907
Malpractice Reserves	1,830	1,830
Bonds Payable - Current	-	10,820
Bond Interest Payable	-	7,673
Other Liabilities	16,757	12,261
<b>Total Current Liabilities</b>	<b>184,705</b>	<b>207,554</b>
<b>LONG TERM LIABILITIES</b>		
Post Retirement Benefits	23,009	22,737
Worker's Comp Reserve	12,811	12,811
Other L/T Obligation (Asbestos)	30,542	27,707
Bond Payable	438,877	441,105
<b>Total Long Term Liabilities</b>	<b>505,238</b>	<b>504,360</b>
<b>DEFERRED REVENUE-UNRESTRICTED</b>	<b>1,827</b>	<b>1,038</b>
<b>DEFERRED INFLOW OF RESOURCES</b>	<b>99,431</b>	<b>92,261</b>
<b>FUND BALANCE/CAPITAL ACCOUNTS</b>		
Unrestricted	2,920,806	2,731,120
Minority Interest	(1,159)	(1,114)
Board Designated	226,389	216,378
Restricted	55,142	44,616
<b>Total Fund Bal &amp; Capital Accts</b>	<b>3,201,178</b>	<b>2,991,001</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>3,992,378</b>	<b>3,796,213</b>

## FY2025 COMMITTEE GOALS

### Finance Committee

#### **PURPOSE:**

The purpose of the Finance Committee is to provide oversight, information sharing, and financial reviews related to budgeting, capital budgeting, long-range financial planning and forecasting, and monthly financial reporting for the El Camino Hospital (ECH) Hospital Board of Directors (“Board”). In carrying out its review, advisory, and oversight responsibilities, the Finance Committee shall remain flexible in order to best define financial strategies that react to changing conditions.

**STAFF:** Carlos Bohorquez, Chief Financial Officer (Executive Sponsor)

The CFO shall serve as the primary staff to support the Committee and is responsible for drafting the Committee meeting agenda for the Committee Chair’s consideration. Additional members of the Executive Team may participate in the meetings upon the recommendation of the Executive Sponsor and at the discretion of the Committee Chair.

GOALS	TIMELINE	METRICS	STATUS
1. Summary of Physician Financial Agreements	Q3	March 2025	Completed
2. Review Progress on Opportunities / Risks identified by Management for FY2025 and Managed Care Update	Q2, Q3	Progress on Opportunities / Risks (December 2024), Managed Care update (January 2025)	Completed
3. Review Strategy, Goals and Performance of ECHMN, Joint Ventures / Business Affiliates, Impact of Strategic Initiatives on Market Share and progress on Implementation of 2027 Strategic Plan	Q1	Overview & Financial Performance JVs / Business Affiliates (August 2024)	Completed
	Q2	Progress on 2027 Strategic Plan (December 2024), Foundation – Strategic Update (December 2024)	Completed
	Q3	Impact of Strategic Initiatives – Market Share Update (January 2025), ECHMN (January 2025), Hospital Community Benefits Program (March 2025),	Completed
	Q4	Progress on 2027 Strategic Plan (May 2025)	In progress
4. Fiscal Year End Performance Review	Q1	FYE 2024 Review of Operating, Financial and Balance Sheet Performance and KPIs (August 2024)	Completed

#### **SUBMITTED BY:**

**Chair:** Don Watters

**Executive Sponsor:** Carlos Bohorquez, CFO

FY2025 Finance Committee Pacing Plan												
AGENDA ITEM	Q1			Q2			Q3			Q4		
	JUL	8/26	SEPT	10/14	NOV	12/5	1/27	2/24	3/31	APR	5/26	JUN
STANDING AGENDA ITEMS												
Standing Consent Agenda Items		✓		✓		✓	✓		✓		✓	
Minutes		✓		✓		✓	✓		✓		✓	
Period Financials Report (Approval)		✓		✓		✓	✓		✓		✓	
Board Actions		✓		✓		✓	✓		✓		✓	
APPROVAL ITEMS												
Candidate Interviews & Recommendation to Appoint (If required to add/replace committee member)												
Financial Report Year-End Results		✓										
Next FY Committee Goals, Dates, Plan									✓		✓	
Next FY Org. Goals											✓	
Next FY Community Benefit Grant Program											✓	
Physician Contracts		✓		✓		✓	✓		✓		✓	
DISCUSSION ITEMS												
Financial Report (Pre-Audit Year-End Results)		✓										
Financial Performance JVs/ Business Affiliates		✓										
Progress on Opportunities/ Risks						✓						
Medical Staff Development Plan (every 2 years)									✓			

FY2025 Finance Committee Pacing Plan												
AGENDA ITEM	Q1			Q2			Q3			Q4		
	JUL	8/26	SEPT	10/14	NOV	12/5	1/27	2/24	3/31	APR	5/26	JUN
Impact of Strategic Initiatives/Market Share Update							✓					
Progress Against Committee Goals & Pacing Plan (Quarterly)						✓			✓		✓	
Foundation Strategic Update						✓						
ECHMN Update									✓			
Community Benefit Grant Application Process						✓			✓			
Progress Against 2027 Strategic Plan						✓					✓	
Managed Care Update							✓					
Long-Range Financial Forecast (Joint FC / IC Meeting)								✓				
Next FY Budget and Preliminary Assumptions Review									✓			
Review FY Operational / Capital Budget for Recommendation to Board									✓		✓	
Summary Physician Financial Arrangements									✓			
Post Implementation (as needed)												
Other Updates <sup>1</sup> (as needed)												
1. Includes updates on special projects/joint ventures/real estate, ad-hoc updates												

**EL CAMINO HOSPITAL BOARD OF DIRECTORS  
FINANCE COMMITTEE MEETING MEMO**

**To:** El Camino Hospital Finance Committee  
**From:** Carlos A. Bohorquez, Chief Financial Officer  
**Date:** March 31, 2025  
**Subject:** Articles of Interest

**Purpose:**

To share with the Finance Committee relevant article(s) of interest related to current healthcare trends or issues which may impact El Camino Health.

**Articles of Interest:**

Given the anticipated refunding and new money issuance, included are recent not-for-profit healthcare newsletters from Barclays & Wells Fargo which include industry trends and details / pricing of recent healthcare transactions.

**Recommendation:**

- None

**List of Attachments:**

- Not-for-Profit Healthcare Finance Newsletters: Barclays & Wells Fargo

**Suggested Finance Committee Discussion Questions:**

- None



# Not-For-Profit Healthcare Finance Newsletter

March 19, 2025

The views and recommendations in this commentary are the short-term views of the Barclays Public Finance Healthcare Group. This commentary has not been produced by Barclays' Research Department, does not constitute research and is not subject to any prohibition on dealing ahead of the dissemination of research. Readers should not consider the information contained in this communication to be objective or independent of the interests of the Public Finance Healthcare Group, and should assume that the authors of this commentary are active participants in the markets, investments or strategies contained herein.



## MARKET UPDATE

Last week, the primary market saw \$220 million of fixed rate tax-exempt healthcare supply from one issue and no taxable supply. Jackson Health System (FL) (Aa2/NR/AA+) came to market with \$220 million of tax-exempt fixed rate bonds. The 2055 final maturity was sold with a 5.50% coupon to yield 4.52% (MMD + 0.45%)<sup>1</sup>. In the short-term market, the SIFMA index reset at 3.28% today, 34 basis points tighter than last week's reading.

Today, UPMC (PA) (A2/A/A) came to market with \$713 million tax-exempt bonds, consisting of \$372 million term rate bonds (Series 2025A), on which Barclays served as senior manager, and \$341 million fixed rate bonds (Series 2025B), on which Barclays served as co-senior manager. Series 2025A was comprised of \$85 million 5-year mandatory tender bonds, \$139 million 7-year mandatory tender bonds, and \$149 million 10-year mandatory tender bonds. Collectively, proceeds will be used to finance capital projects, refinance a portion of UPMC's Series 2020D-1 notes and refund UPMC's Series 2014A bonds. UPMC's management undertook a significant marketing process as part of the financing, which included an investor presentation with live Q&A and 1x1 calls. Following the order period, the 2025A bonds were 1.1x oversubscribed and the underwriting team elected to shift a portion of the 7-year mandatory tender bonds to the 5-year mandatory tender bonds to better fit investor demand, while leaving yields unchanged. UPMC received 2.6x oversubscription on the 2025B bonds, allowing the underwriting team to tighten yields by 2 bps on certain parts of the curve. Ultimately, the Series 2025A bonds were sold with 5.00% coupons to yield 3.40% (MMD + 0.57%)<sup>1</sup> for the 5-year, 3.57% (MMD + 0.65%)<sup>1</sup> for the 7-year, and 3.87% (MMD + 0.71%)<sup>1</sup> for the 10-year mandatory tender bonds. The 2050 final maturity of Series 2025B was sold with a 5.00% coupon to yield 4.72% (MMD + 0.52%)<sup>1</sup>.

Moody's Ratings ("Moody's") published a report discussing the credit risk implications of federal policy proposals for public finance sectors. As discussed in last week's newsletter, federal spending cuts to Medicaid are expected to have a severe negative impact on healthcare, with cuts in the federal share of Medicaid pushing costs to the states, which would likely necessitate significant benefit cuts at the state level. Consequently, Moody's notes that healthcare providers would struggle to absorb reductions where Medicaid is a substantial component of their payor mix. Moody's also discusses the potential loss of tax exemption for municipal issuers, which would result in higher borrowing costs, particularly for smaller issuers and issuers with substantial future borrowing needs. Furthermore, tax-exempt bonds allow for long-term, fixed rate, amortizing debt structures, which are less risky than the bullet maturities typically seen in the taxable market. Moody's comments that issuers may need to adapt by selling single-maturity bonds without call options and employing more pooled borrowings if exemption is repealed.

1. Yield quoted represents yield to call on premium callable bond, yield to maturity would be higher.

## MARKET INDICATORS

	Current	Prior Week	1-Year Avg.	10-Year Avg. <sup>3</sup>
MMD (30-YR)	4.20	4.19	3.78	2.77
US Treasury (30-YR)	4.56	4.63	4.49	2.98
SIFMA Swap (30-YR) <sup>2</sup>	3.41	3.46	3.30	2.35
75% of SOFR Swap (30-YR) <sup>2</sup>	2.97	3.01	2.88	1.89
7-Day SIFMA Index	3.28	3.62	3.20	1.33
SOFR	4.31	4.31	4.93	1.87

2. These rates are indicative and represent where the client can enter into a new 30-year interest rate swap.

3. Represents the 10-year average or maximum data available. 30-year SOFR swap rates are available from May 2019.

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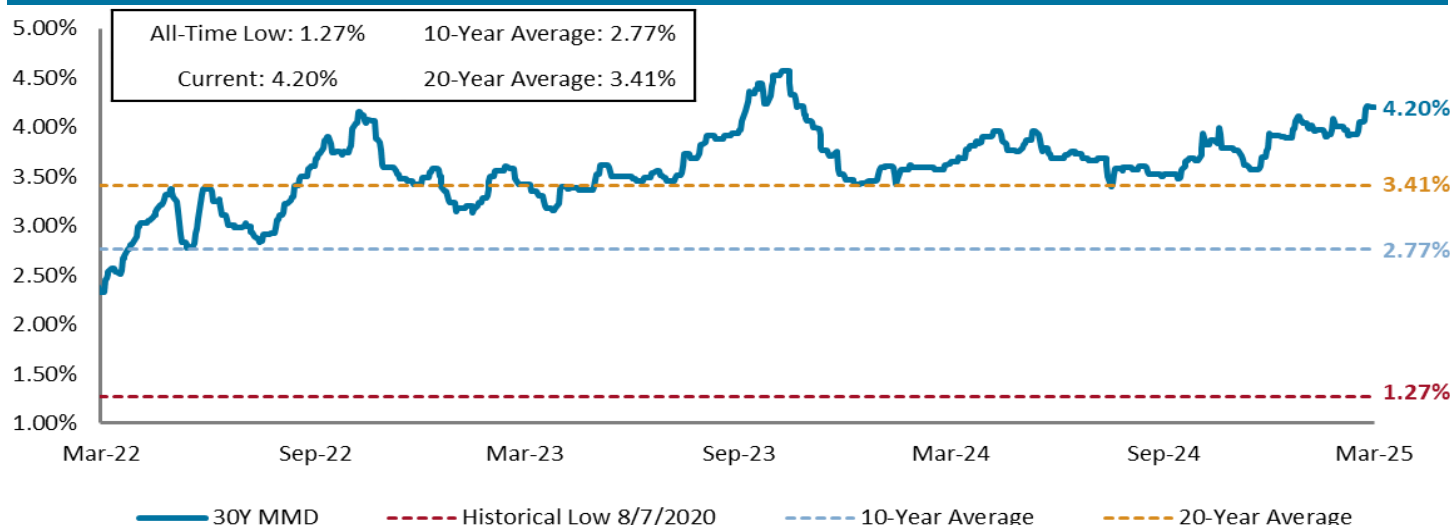
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## 30-Year MMD



## BARCLAYS ECONOMIC OUTLOOK

	Current	Q1 2025E	Q2 2025E	Q3 2025E
<b>Federal Funds (%)</b>	<b>4.25-4.50</b>	<b>4.25-4.50</b>	<b>4.00-4.25</b>	<b>3.75-4.00</b>
<b>2-yr Treasury (%)</b>	<b>3.99</b>	<b>4.00</b>	<b>3.70</b>	<b>3.60</b>
<b>5-yr Treasury (%)</b>	<b>4.03</b>	<b>4.10</b>	<b>3.80</b>	<b>3.70</b>
<b>10-yr Treasury (%)</b>	<b>4.25</b>	<b>4.30</b>	<b>4.00</b>	<b>4.00</b>
<b>30-yr Treasury (%)</b>	<b>4.56</b>	<b>4.50</b>	<b>4.30</b>	<b>4.30</b>

## MARKET UPDATE

The Barclays Municipal Research Team published a report discussing recent supply and demand trends in the municipal market, as well as their outlook going forward. The municipal market saw \$11 billion of supply last week, lower than the \$15 billion of issuance seen the previous week. This brings 2025 year-to-date supply to approximately \$95 billion. Issuance is expected to be lower this week, with about \$8 billion of supply on the forward calendar. The 30-day visible supply was around \$11 billion, slightly lower than its one-year average of \$12 billion, while the 30-day visible municipal taxable supply was \$0.2 billion, lower than its one-year average of \$0.8 billion. Municipal mutual funds that report weekly recorded outflows of about \$373 million last week, compared with the \$872 million of inflows seen the previous week. This brings net 2025 year-to-date inflows for funds reporting weekly and monthly to about \$12 billion.

The Research Team also discussed trends in MMD and Treasury rates, as well as credit spreads. With heavy supply, low redemptions, and tax-related selling of muni holdings so far in March, market conditions have been challenged and tax-exempt rates have sold off. The Research Team highlights that the 10-year MMD-UST ratio reached 73% and the 30-year ratio reached 92% last week as a result. Looking ahead, the Research Team expects Treasury yields to trend down over the next two or three quarters. The Research Team also comments that it sees further rate volatility in the near-term in addition to heavy supply.

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# Not-For-Profit Healthcare Newsletter

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Week of March 14<sup>th</sup>, 2025

# Week of March 14, 2025 – Wells Fargo Market & Sector Update

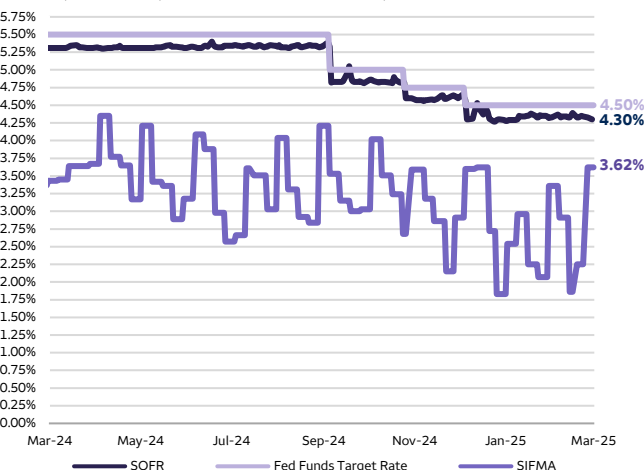
## Market Overview

Benchmarks	Current 3/14	Prior Week	WoW Change	Prior Month
<b>Equity Markets</b>				
DJIA	41,488	42,802	-3.07%	44,546
S&P 500	5,639	5,762	-2.13%	6,115
NASDAQ	17,754	18,196	-2.43%	20,027
<b>Short-Term Rates</b>				
SIFMA Index	3.62%	2.25%	+1.37%	3.36%
SOFR	4.30%	4.34%	-0.04%	4.33%
SIFMA/SOFR	84.19%	51.84%	+32.34%	77.60%
<b>Long-Term Rates</b>				
"AAA" MMD (10Yr)	3.12%	2.96%	+0.16%	3.02%
"AAA" MMD (30Yr)	4.21%	4.05%	+0.16%	4.01%
UST (10Yr)	4.62%	4.32%	+0.30%	4.47%
UST (30Yr)	4.62%	4.31%	+0.31%	4.69%
<b>Derivatives</b>				
SIFMA Swap Rate (10Yr)	3.15%	3.11%	+0.04%	3.26%
SOFR Swap Rate (10Yr)	3.90%	3.87%	+0.03%	4.08%
SIFMA Swap Rate (30Yr)	3.48%	3.42%	+0.06%	3.54%
SOFR Swap Rate (30Yr)	3.88%	3.82%	+0.06%	3.98%

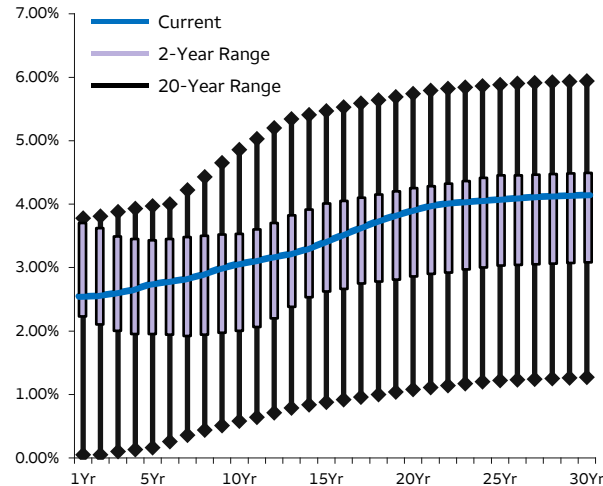
Source: Bloomberg, Thomson Reuters Municipal Market Monitor ("TM3") and Wells Fargo Rates Library as of March 14, 2025.

## Short-Term Interest Rates

### SOFR, 1M LIBOR, Fed Funds and 1W SIFMA, Last 12 Months

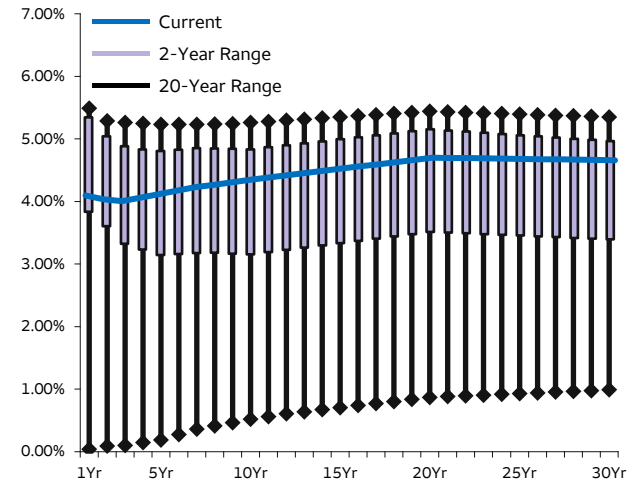


## Tax-Exempt Fixed Rates



Source: TM3 as of March 14, 2025. MMD rates shown.

## Taxable Fixed Rates

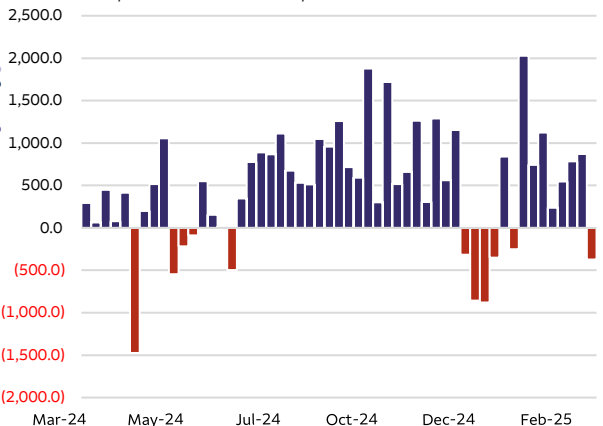


Source: Bloomberg as of March 14, 2025. I-UST rates shown.

## Weekly Municipal Bond Fund Flows (\$Mn)

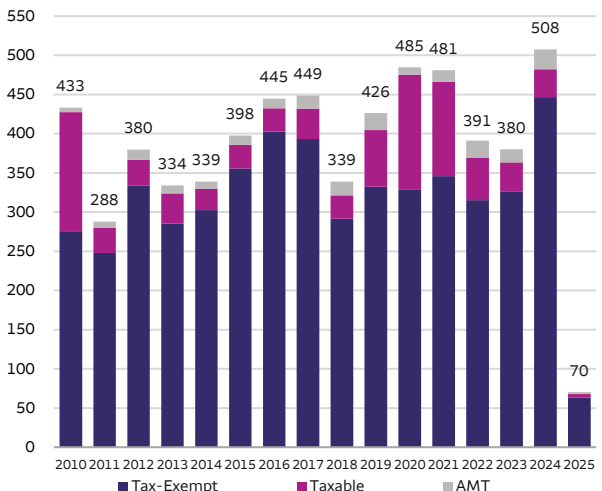
### Last 12 Months by Week<sup>1</sup>

Municipal funds posted net outflows of \$373 Mn for the week ended March 12, 2025.  
- YTD 2025 flows are +\$11.1 Bn. 2024 flows were +\$40.2 Bn<sup>2</sup>.



Source: Lipper, A Thomson Reuters Company, as of 3/12/2025  
Note: (1) Only represents data for funds that report weekly; (2) Includes monthly reports.

## Municipal Issuance (\$Bn)



Source: Bond Buyer through 2/28/2025, data reports monthly.

# Week of March 14, 2025 – New Issue Healthcare Transactions

Borrower	State	Sale Date	Underlying Ratings (M/SP/F)	Insured Ratings (M/SP/F)	Structure	Par Amount (\$MM)	Coupon (%)	Benchmark <sup>1</sup> (%)	Spread <sup>2</sup> (bps)	Yield <sup>3</sup> (%)	Final Maturity
Jackson Health System	FL	3/11/2025	Aa2/NR/AA+	-	Tax-Exempt Fixed	219.615	5.500	4.070	45	4.520	2055
BJC Health System	MO	3/4/2025	Aa2/AA/NR	-	Tax-Exempt Fixed	454.625	4.250	3.930	62	4.550	2055
BJC Health System	MO	3/4/2025	Aa2/AA/NR	-	Puts (7-Year)	50.000	5.000	2.690	36	3.050	2059
BJC Health System	MO	3/4/2025	Aa2/AA/NR	-	Puts (10-Year)	92.935	5.000	2.870	45	3.320	2059
Tanner Medical Center	GA	2/26/2025	Aa2/AA/NR	-	Tax-Exempt Fixed	170.535	5.000	3.920	40	4.320	2055
Aspirus Health	WI	2/20/2025	A1/AA-/NR	-	Tax-Exempt Fixed	231.435	5.250	4.010	50	4.510	2055
Cook Children's Medical Center	TX	2/5/2025	Aa2/AA/NR	-	Tax-Exempt Fixed	373.475	4.125	3.890	48	4.370	2054
Baptist Healthcare System	KY	2/4/2025	A1/NR/A+	-	Puts (10-Year)	78.090	5.000	2.950	62	3.570	2055
Baptist Healthcare System	KY	2/4/2025	A1/NR/A+	A1/AA/NR	Puts (10-Year)	48.720	5.000	2.950	53	3.480	2055
UMass Memorial Health Care	MA	1/23/2025	NR/BBB+/A-	-	Tax-Exempt Fixed	100.000	5.000	3.070	57	3.640	2035
UMass Memorial Health Care	MA	1/23/2025	NR/BBB+/A-	-	Tax-Exempt Fixed	242.195	4.500	4.010	66	4.670	2054
University of Maryland Medical Center	MD	1/22/2025	A2/A/NR	-	Puts (6-Year)	72.630	5.000	2.870	50	3.370	2045
University of Maryland Medical Center	MD	1/22/2025	A2/A/NR	-	Tax-Exempt Fixed	234.725	5.250	3.950	42	4.370	2052
Fred Hutchinson Cancer Center	WA	1/22/2025	A2/NR/A+	-	Tax-Exempt Fixed	172.745	4.250	3.790	66	4.450	2045
St. Luke's Health System	ID	1/21/2025	NR/A/A+	-	Puts (10-Year)	91.405	5.000	3.110	61	3.720	2060
St. Luke's Health System	ID	1/21/2025	NR/A/A+	-	Puts (7-Year)	92.510	5.000	2.930	54	3.470	2060
St. Luke's Health System	ID	1/21/2025	NR/A/A+	-	Tax-Exempt Fixed	395.170	5.250	3.980	50	4.480	2053
Memorial Hospital at Gulfport	MS	1/16/2025	Baa2/NR/BBB	-	Tax-Exempt Fixed	71.285	5.500	4.070	70	4.770	2055
Children's Health Care	MN	1/15/2025	NR/AA-/AA	-	Tax-Exempt Fixed	182.620	5.000	3.820	37	4.190	2044
University of Iowa Hospitals & Clinics	IA	1/15/2025	Aa2/AA/NR	-	Tax-Exempt Fixed	241.665	4.750	4.000	63	4.625	2050

Taxable

Intermediate-Term Bonds<sup>(4)</sup>

1) Benchmark index for tax-exempt transactions is MMD and for taxable transactions is UST; 2) For tax-exempt transactions, spread calculated assuming 3PM MMD as of sale date for each transaction; 3) Yield to Maturity for taxable bonds and Yield to Worst for tax-exempt bonds; 4) Includes tax-exempt put bonds and intermediate-term bullet structures. Sources: TM3 and Wells Fargo Securities, as of 3/14/2025. Not all transactions underwritten by Wells Fargo Securities. Only includes public fixed rate transactions with aggregate size greater than \$30 million.

# Week of March 14, 2025 – Rating Agency Actions and Sector News

## Recent Rating Agency Publications

### Moody's

- [Federal policy proposals skew to credit risk for public finance sectors](#) (03/06/2025)
- [Self-Liquidity Report: Third quarter 2024](#) (01/23/2025)
- [Developments to watch: 2025](#) (01/16/2025)

### S&P

- [U.S. Not-For-Profit Acute Health Care 2025 Outlook: Stable But Shaky For Many Amid Uneven Recovery And Regulatory Challenges](#) (12/04/2024)

### Fitch

- [Potential Medicaid Cuts Could Impact U.S. NFP Hospital and Health Insurer Margins](#) (03/13/2025)
- [Fitch Ratings: Potential Medicaid Cuts Could Threaten Not-for-Profit Hospital Margins](#) (03/04/2025)
- [U.S. NFP Hospitals Balancing 2025 Neutral Outlook with Adverse Outliers](#) (01/08/2025)

## Healthcare Headlines

- Becker's Hospital Review: [Senate passes bill with key healthcare extensions, no Medicare physician pay fix](#) (03/15/2025)
- Becker's Hospital Review: [White House pulls CDC director pick; HHS office consolidates – 9 updates](#) (03/13/2025)
- Becker's Hospital Review: [Medicaid cuts would cost hospitals billions, spike uncompensated care costs: Report](#) (03/11/2025)

Note: Access to some articles may require subscription or separate payment.

Healthcare Entity	State	Action	Publication Date	Prior	New	Current Ratings (M/SP/F)
<b>Moody's</b>						
Community Health Network	IN	Rating Affirmed	3/13/2025	A2 (Stable)	A2 (Stable)	A2 (Stable) / A+ (Stable) / NR
UPMC Health System	PA	Rating Affirmed	3/10/2025	A2 (Stable)	A2 (Stable)	A2 (Stable) / A (Stable) / A (Negative)
Calvert Health System	MD	Downward Outlook Revision	3/7/2025	Baa1 (Stable)	Baa1 (Negative)	Baa1 (Negative) / NR / NR
Tarrant County Hospital District	TX	Rating Affirmed	3/5/2025	Aa3 (Stable)	Aa3 (Stable)	Aa3 (Stable) / AA (Stable) / AA (Stable)
Rady Children's Health	CA	Rating Affirmed	3/5/2025	Aa3 (Stable)	Aa3 (Stable)	Aa3 (Stable) / NR / AA (Stable)
Self Regional Healthcare	SC	Rating Affirmed	3/5/2025	A1 (Stable)	A1 (Stable)	A1 (Stable) / A+ (Stable) / NR
Kettering Health Network	OH	Upward Outlook Revision	3/4/2025	A2 (Stable)	A2 (Positive)	A2 (Positive) / A+ (Stable) / NR

### S&P

Good Shepherd Rehab. Network	PA	Rating Downgrade	3/12/2025	BBB+ (Negative)	BBB (Stable)	NR / BBB (Stable) / BBB+ (Negative)
University of Colorado Health	CO	Rating Affirmed	3/11/2025	AA (Stable)	AA (Stable)	Aa2 (Stable) / AA (Stable) / AA (Stable)
NorthBay Healthcare System	CA	Rating Affirmed	3/11/2025	BBB- (Stable)	BBB- (Stable)	NR / BBB- (Stable) / NR
INTEGRIS Health	OK	Rating Downgrade	3/11/2025	A (Negative)	A- (Stable)	A3 (Stable) / A- (Stable) / NR
UPMC Health System	PA	Rating Affirmed	3/7/2025	A (Stable)	A (Stable)	A2 (Stable) / A (Stable) / A (Negative)
UC Health	OH	Upward Outlook Revision	3/6/2025	BBB- (Negative)	BBB- (Stable)	Baa3 (Positive) / BBB- (Stable) / NR
Rogers Memorial Hospital	WI	Rating Affirmed	3/6/2025	A (Stable)	A (Stable)	NR / A (Stable) / NR
Infirmary Health System	AL	Rating Affirmed	3/5/2025	A- (Negative)	A- (Negative)	NR / A- (Negative) / NR

### Fitch

Palomar Health	CA	Rating Downgrade	3/14/2025	B (Watch Negative)	B- (Negative)	Ba1 (Negative) / B (Negative) / B- (Negative)
Sky Lakes Medical Center	OR	Rating Affirmed	3/13/2025	A (Stable)	A (Stable)	NR / A- (Negative) / A (Stable)
Oaklawn Hospital	MI	Rating Affirmed	3/13/2025	BBB- (Stable)	BBB- (Stable)	Ba2 (Stable) / NR / BBB- (Stable)
McLaren Healthcare	MI	Rating Affirmed	3/7/2025	AA- (Stable)	AA- (Stable)	A1 (Stable) / NR / AA- (Stable)
UPMC Health System	PA	Downward Outlook Revision	3/6/2025	A (Stable)	A (Negative)	A2 (Stable) / A (Stable) / A (Negative)
SSM Health Care	MO	Downward Outlook Revision	3/5/2025	AA- (Stable)	AA- (Negative)	NR / A+ (Negative) / AA- (Negative)
Providence Health	WA	Upward Outlook Revision	3/5/2025	A (Negative)	A (Stable)	A2 (Negative) / A (Negative) / A (Stable)
Murray-Calloway County Public Hosp Corp	KY	Rating Affirmed	3/5/2025	BBB (Positive)	BBB (Positive)	NR / NR / BBB (Positive)
Baystate Medical Center	MA	Rating Affirmed	3/3/2025	A+ (Negative)	A+ (Negative)	NR / A (Negative) / A+ (Negative)

Favorable (+)

Unfavorable (-)

Sources: Moody's, S&P, and Fitch as of 3/14/2025; Becker's Hospital Review website.

# Week of March 14, 2025 - Market & Sector Update

## Links to Wells Fargo Commentary and Other Reports

Monthly Economic Outlook:  
[Web Page](#)

Weekly Economic & Financial Commentary:  
[Web Page](#)

US Economic Forecast:  
[Full Report \(PDF\)](#)

Economic Indicator Reports:  
[Web Page](#)

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[PublicFinanceHealthcare@wellsfargo.com](mailto:PublicFinanceHealthcare@wellsfargo.com)

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2023



**EL CAMINO HOSPITAL BOARD OF DIRECTORS  
FINANCE COMMITTEE MEETING MEMO**

**To:** El Camino Hospital Finance Committee  
**From:** Don Watters, Chair, Finance Committee  
Carlos A. Bohorquez, Chief Financial Officer  
**Date:** March 31, 2025  
**Subject:** FY2026 Finance Committee Goals, Pacing Plan and Meeting Dates

**Purpose:**

To provide the Finance Committee with draft FY2026 Goals, Pacing Plan and Meeting Dates to receive feedback from the committee. The goal will be to incorporate feedback to finalize for the May meeting.

**Recommendation:**

- None

**List of Attachments:**

- FY2026 Committee Goals
- FY2026 Pacing Plan
- FY2026 Committee Meeting Dates

**Suggested Finance Committee Discussion Questions:**

- None

**Finance Committee**  
**Proposed FY2026 Meeting Dates**

<b>RECOMMENDED FC DATES MONDAYS</b>	<b>TENTATIVE CORRESPONDING HOSPITAL BOARD DATE</b>
<b>Monday, August 25, 2025</b>	Wednesday, September 17, 2025
<b>Monday, November 17, 2025</b>	Wednesday, December 10, 2025
<b>Monday, February 2, 2026</b>	Wednesday, February 11, 2026
<b>Monday, March 9, 2026</b> (Joint with IC)	Wednesday, March 18, 2026
<b>Monday, March 23, 2026</b>	Wednesday, April 15, 2026
<b>Tuesday, May 26, 2026</b>	Wednesday, June 17, 2026

## FY2026 FINANCE COMMITTEE GOALS

### **PURPOSE:**

The purpose of the Finance Committee (the “Committee”) is to provide oversight, information sharing, and financial reviews related to budgeting, capital budgeting, long-range financial planning and forecasting, and monthly financial reporting for the El Camino Hospital (ECH) Hospital Board of Directors (“Board”). In carrying out its review, advisory, and oversight responsibilities, the Finance Committee shall remain flexible in order to best define financial strategies that react to changing conditions.

**STAFF:** Carlos Bohorquez, Chief Financial Officer (Executive Sponsor)

The Chief Financial Officer shall serve as the primary staff to support the Committee and is responsible for drafting the Committee meeting agenda for the Committee Chair’s consideration. Additional members of the Executive Team may participate in the meetings upon the recommendation of the Executive Sponsor and at the discretion of the Committee Chair.

GOALS	TIMELINE	METRICS
1. Summary of Physician Financial Agreements	Q3	March 2026
2. Review Progress on Opportunities / Risks identified by Management for FY2026 and Managed Care Update	Q2, Q3	Progress on Opportunities / Risks (November 2025), Managed Care update (February 2026)
3. Review Strategy, Goals and Joint Ventures / Business Affiliates, and Impact of Strategic Initiatives on Market Share	Q1	Overview & Financial Performance JVs / Business Affiliates (August 2025)
	Q3	Foundation – Strategic Update (February 2026)
	Q3	Impact of Strategic Initiatives – Market Share Update (February 2026), Hospital Community Benefits Program (February 2026),
4. Progress on Implementation of 2027 Strategic Plan and Strategic Capital Plan Investments	Q1, Q2, Q3 and Q4	Progress on 2027 Strategic Plan / Strategic Capital Investments
5. Fiscal Year End Performance Review	Q1	FYE 2025 Review of Operating, Financial and Balance Sheet Performance and KPIs (August 2025)

**SUBMITTED BY:** Chair: Don Watters | **Executive Sponsor:** Carlos Bohorquez, Chief Financial Officer

FY2026 Finance Committee Pacing Plan													
AGENDA ITEM	Q1			Q2			Q3				Q4		
	JUL	8/25	SEPT	OCT	11/17	DEC	JAN	2/2	3/9	3/23	APR	5/26	JUN
STANDING AGENDA ITEMS													
Standing Consent Agenda Items		✓			✓			✓		✓		✓	
Minutes		✓			✓			✓		✓		✓	
Period Financials Report (Approval)		✓			✓			✓		✓		✓	
Board Actions		✓			✓			✓		✓		✓	
APPROVAL ITEMS													
Candidate Interviews & Recommendation to Appoint (If required to add/replace committee member)													
Financial Report Year-End Results		✓											
Next FY Committee Goals, Dates, Plan										✓		✓	
Next FY Org. Goals												✓	
Next FY Community Benefit Grant Program												✓	
Physician Contracts		✓			✓			✓		✓		✓	
DISCUSSION ITEMS													
Financial Report (Pre-Audit Year-End Results)		✓											
Financial Performance JVs/ Business Affiliates		✓											

FY2026 Finance Committee Pacing Plan													
AGENDA ITEM	Q1			Q2			Q3				Q4		
	JUL	8/25	SEPT	OCT	11/17	DEC	JAN	2/2	3/9	3/23	APR	5/26	JUN
Progress on Opportunities/ Risks					✓								
Medical Staff Development Plan (every 2 years) <i>Completed May 2025</i>													
Impact of Strategic Initiatives/Market Share Update								✓					
Progress Against Committee Goals & Pacing Plan (Quarterly)		✓			✓			✓		✓		✓	
Foundation Strategic Update								✓					
ECHMN Update								✓		✓			
Community Benefit Grant Application Process								✓		✓			
Progress Against 2027 Strategic Plan								✓				✓	
Managed Care Update								✓					
Long-Range Financial Forecast (Joint FC / IC Meeting)									✓				
Next FY Budget and Preliminary Assumptions Review										✓			
Review FY Operational / Capital Budget for Recommendation to Board										✓		✓	
Summary Physician Financial Arrangements										✓			
Post Implementation (as needed)													
Other Updates <sup>1</sup> (as needed)													
1. Includes updates on special projects/joint ventures/real estate, ad-hoc updates													

## EL CAMINO HOSPITAL BOARD OF DIRECTORS FINANCE COMMITTEE MEETING MEMO

**To:** El Camino Hospital Finance Committee  
**From:** Carlos A. Bohorquez, Chief Financial Officer  
**Date:** March 31, 2025  
**Subject:** Financials: FY2025 – Period 8 & YTD (as of 2/28/2025)

### Purpose:

To provide the Finance Committee an update on financial results for FY2025 - Period 8 (February 2025) and YTD.

### Executive Summary – Period 8 (February 2025):

Patient activity / volumes remain consistent across the enterprise.

- **Average Daily Census:** 330 is 11 / 3.4% favorable to budget and 25 / 8.4% lower than the same period last year.
- **Adjusted Discharges:** 3,571 are 36 / 1.0% favorable to budget and 94 / 2.7% higher than the same period last year.
- **Emergency Room Visits:** 6,735 are 450 / 7.2% favorable to budget and 164 / 2.5% higher than the same period last fiscal year.
- **Outpatient Visits / Procedures:** 12,303 are 1,728 / 16.3% favorable to budget and 969 / 8.5% higher than the same period last fiscal year.

Financial performance for Period 8 was favorable to budget. This is attributed to stable inpatient patient activity, strong outpatient volume and favorable management of variable expenses across the enterprise.

**Total Operating Revenue (\$):** \$136.1M is \$6.1M / 4.7% favorable to budget and \$9.5M / 7.5% higher than the same period last fiscal year.

**Operating EBIDA (\$):** \$21.8M is \$5.4M / 33.1% favorable to budget and \$3.7M / 20.5% higher than the same period last fiscal year.

**Net Income (\$):** \$29.1M is \$15.5M / 114.4% favorable to budget, but \$2.0M / 6.5% lower than the same period last fiscal year.

**Operating Margin (%):** 9.7% (actual) vs. 6.2% (budget)

**Operating EBIDA Margin (%):** 16.0% (actual) vs. 12.6% (budget)

**Net Days in A/R (days):** 50.6 days are favorable to budget by 3.4 days / 6.3% and 0.7 days / 1.4% lower than the same period last year.

### Executive Summary – YTD FY2025 (as of 2/28/2025):

With the exception of outpatient visits / procedures and surgeries, year-over-year patient activity is flat.

- **Average Daily Census:** 313 is 4 / 1.0% favorable to budget and 5 / 1.5% higher than the same period last year.
- **Adjusted Discharges:** 29,553 are 17 / 0.1% favorable to budget and 493 / 1.7% higher than the same period last year.
- **Emergency Room Visits:** 54,383 are 1,088 / 2.0% favorable to budget and 894 / 1.7% higher than the same period last fiscal year.

- **Outpatient Visits / Procedures:** 100,976 are 9,884 / 10.9% favorable to budget and 10,675 / 11.8% higher than the same period last fiscal year.

**Total Operating Revenue (\$):** \$1,126M is \$39.2M / 3.6% favorable to budget and \$103.8M / 10.1% higher than the same period last fiscal year.

**Operating EBIDA (\$):** \$181.7M is \$26.3M / 16.9% favorable to budget and \$15.4M / 9.2% higher than the same period last fiscal year.

**Net Income (\$):** \$216.9M is \$89.7M / 70.5% favorable to budget and \$30.5M / 16.3% higher than the same period last fiscal year. Favorable net income is attributed to stable financial performance and unrealized gains on investment portfolio.

**Operating Margin (%):** 10.1% (actual) vs. 8.0% (budget)

**Operating EBIDA Margin (%):** 16.1% (actual) vs. 14.3% (budget)

**Recommendation:**

- FC recommend approval of FY2025 – Period 8 & YTD financials

**List of Attachments:**

- Financial Report: FY2025 Period 8

**Suggested Finance Committee Discussion Questions:**

- None





# El Camino Health

## Summary of Financial Operations

*Fiscal Year 2025 – Period 8*

*7/1/2024 to 02/28/2025*

# Executive Summary - Overall Commentary for Period 8

- **Results for Period 8:**

- Net Patient Revenue was favorable to budget by \$5.7M / 4.5%.
- Operating EBIDA Margin was favorable to budget by \$5.4M / 33.1%.
- Gross revenue favorable to budget by \$29.2M / 5.3%.
  - Driven primarily by:
    - Inpatient Charges: \$9.6M / 3.6% favorable to budget.
    - Outpatient Charges: \$13.3M / 5.0% favorable to budget.
    - Professional Charges: \$6.3M / 41.0% favorable to budget.
- Cost Management
  - When adjusted for volume, overall operating expense is 3.6% higher than budget.
- Gross charges were favorable to budget by \$29.2M / 5.3% and \$72.6M / 14.4% higher than the same period last year.
- Net patient revenue was favorable to budget by \$5.7M / 4.5% and \$10.6M / 8.9% higher than the same period last year.
- Operating margin was favorable to budget by \$5.1M / 62.9% and \$4.0M / 44.3% higher than the same period last year.
- Operating EBIDA was favorable to budget by \$5.4M / 33.1% and \$3.7M / 20.5% higher than the same period last year.
- Net income was favorable to budget by \$15.5M / 114.4% and \$2.0M / 6.5% lower than same period last year.

# Operational / Financial Results: Period 8 – February 2025 (as of 02/28/2025)

(\$ thousands)

		Current Year	Budget	Variance to Budget	Performance to Budget	Prior Year	Year over Year change	YoY % Change	Moody's 'Aa3'	S&P 'AA'	Fitch 'AA'	Performance to Rating Agency Medians
Activity / Volume	ADC	330	319	11	3.4%	304	25	8.4%	---	---	---	---
	Adjusted Discharges	3,571	3,535	36	1.0%	3,477	94	2.7%	---	---	---	---
	OP Visits / OP Procedural Cases	12,303	10,575	1,728	16.3%	11,334	969	8.5%	---	---	---	---
	Percent Government (%)	61.9%	59.1%	2.8%	4.7%	61.8%	0.1%	0.1%	---	---	---	---
	Gross Charges (\$)	575,945	546,763	29,182	5.3%	503,356	72,589	14.4%	---	---	---	---
Operations	Cost Per CMI AD	20,751	20,032	719	3.6%	19,629	1,122	5.7%	---	---	---	---
	Net Days in A/R	50.6	54.0	(3.4)	(6.3%)	51.3	(0.7)	(1.4%)	48.1	49.7	47.5	
Financial Performance	Net Patient Revenue (\$)	130,295	124,630	5,665	4.5%	119,672	10,623	8.9%	297,558	564,735	---	
	Total Operating Revenue (\$)	136,068	129,929	6,139	4.7%	126,548	9,520	7.5%	389,498	610,593	268,739	
	Operating Margin (\$)	13,144	8,067	5,077	62.9%	9,110	4,034	44.3%	7,400	11,601	8,331	
	Operating EBIDA (\$)	21,753	16,347	5,406	33.1%	18,058	3,695	20.5%	26,400	39,689	22,574	
	Net Income (\$)	29,139	13,591	15,549	114.4%	31,149	(2,010)	(6.5%)	19,085	20,150	15,049	
	Operating Margin (%)	9.7%	6.2%	3.5%	55.6%	7.2%	2.5%	34.2%	1.9%	1.9%	3.1%	
	Operating EBIDA (%)	16.0%	12.6%	3.4%	27.1%	14.3%	1.7%	12.0%	6.8%	6.5%	8.4%	
	DCOH (days)	282	275	7	2.5%	269	12	4.6%	258	304	311	

**Moody's Medians:** Not-for-profit and public healthcare annual report; August 2024. Dollar amounts have been adjusted to reflect monthly averages.

**S&P Medians:** U.S. Not-For-Profit Health Care Stand-Alone Hospital Median Financial Ratios; August 2024. Dollar amounts have been adjusted to reflect monthly averages.

**Fitch Ratings:** U.S. Not-For-Profit Health Care Stand-Alone Hospital Median Financial Ratios; July 2024. Dollar amounts have been adjusted to reflect monthly averages.

**Notes:** DCOH total includes cash, short-term and long-term investments.

OP Visits / Procedural Cases includes Covid Vaccinations / Testing.

# Operational / Financial Results: YTD FY2025 (as of 02/28/2025)

(\$ thousands)		Current Year	Budget	Variance to Budget	Performance to Budget	Prior Year	Year over Year change	YoY % Change	Moody's 'Aa3'	S&P 'AA'	Fitch 'AA'	Performance to Rating Agency Medians
Activity / Volume	ADC	313	309	4	1.3%	308	5	1.5%	---	---	---	---
	Adjusted Discharges	29,553	29,536	17	0.1%	29,060	493	1.7%	---	---	---	---
	OP Visits / OP Procedural Cases	100,976	91,092	9,884	10.9%	90,301	10,675	11.8%	---	---	---	---
	Percent Government (%)	59.3%	58.7%	0.7%	1.2%	58.9%	0.4%	0.7%	---	---	---	---
	Gross Charges (\$)	4,822,827	4,554,784	268,043	5.9%	4,166,868	655,959	15.7%	---	---	---	---
Operations	Cost Per CMI AD	19,838	20,032	(195)	(1.0%)	18,743	1,095	5.8%	---	---	---	---
	Net Days in A/R	50.6	54.0	(3.4)	(6.3%)	51.3	(0.7)	(1.4%)	48.1	48.1	47.5	
Financial Performance	Net Patient Revenue (\$)	1,080,970	1,041,520	39,450	3.8%	974,413	106,557	10.9%	2,380,466	4,517,877	---	
	Total Operating Revenue (\$)	1,126,890	1,087,707	39,184	3.6%	1,023,122	103,769	10.1%	3,115,985	4,884,743	3,224,864	
	Operating Margin (\$)	113,945	87,205	26,740	30.7%	99,544	14,401	14.5%	59,204	92,810	99,971	
	Operating EBIDA (\$)	181,747	155,497	26,250	16.9%	166,377	15,370	9.2%	211,203	317,508	270,889	
	Net Income (\$)	216,900	127,185	89,715	70.5%	186,436	30,464	16.3%	152,683	278,430	180,592	
	Operating Margin (%)	10.1%	8.0%	2.1%	26.1%	9.7%	0.4%	3.9%	1.9%	1.9%	3.1%	
	Operating EBIDA (%)	16.1%	14.3%	1.8%	12.8%	16.3%	(0.1%)	(0.8%)	6.8%	6.5%	8.4%	
	DCOH (days)	282	275	7	2.5%	269	12	4.6%	258	304	311	

**Moody's Medians:** Not-for-profit and public healthcare annual report; August 2024. Dollar amounts have been adjusted to reflect monthly averages.

**S&P Medians:** U.S. Not-For-Profit Health Care Stand-Alone Hospital Median Financial Ratios; August 2024. Dollar amounts have been adjusted to reflect monthly averages.

**Fitch Ratings:** U.S. Not-For-Profit Health Care Stand-Alone Hospital Median Financial Ratios; July 2024. Dollar amounts have been adjusted to reflect monthly averages.

**Notes:** DCOH total includes cash, short-term and long-term investments.

OP Visits / Procedural Cases includes Covid Vaccinations / Testing.

# Consolidated Balance Sheet (as of 02/28/2025)

(\$000s)

## ASSETS

	February 28, 2025	Audited June 30, 2024
<b>CURRENT ASSETS</b>		
Cash	263,600	202,980
Short Term Investments	98,425	100,316
Patient Accounts Receivable, net	230,822	211,960
Other Accounts and Notes Receivable	23,309	25,065
Intercompany Receivables	19,186	17,770
Inventories and Prepays	51,928	55,556
<b>Total Current Assets</b>	<b>687,269</b>	<b>613,647</b>
<b>BOARD DESIGNATED ASSETS</b>		
Foundation Board Designated	18,860	23,309
Plant & Equipment Fund	541,340	503,081
Women's Hospital Expansion	45,003	31,740
Operational Reserve Fund	210,693	210,693
Community Benefit Fund	17,444	17,561
Workers Compensation Reserve Fund	12,811	12,811
Postretirement Health/Life Reserve Fund	23,009	22,737
PTO Liability Fund	39,592	37,646
Malpractice Reserve Fund	1,713	1,713
Catastrophic Reserves Fund	40,912	33,030
<b>Total Board Designated Assets</b>	<b>951,377</b>	<b>894,322</b>
<b>FUNDS HELD BY TRUSTEE</b>	<b>18</b>	<b>18</b>
<b>LONG TERM INVESTMENTS</b>	<b>715,146</b>	<b>665,759</b>
<b>CHARITABLE GIFT ANNUITY INVESTMENTS</b>	<b>1,145</b>	<b>965</b>
<b>INVESTMENTS IN AFFILIATES</b>	<b>46,757</b>	<b>36,663</b>
<b>PROPERTY AND EQUIPMENT</b>		
Fixed Assets at Cost	2,039,956	2,016,992
Less: Accumulated Depreciation	(931,214)	(874,767)
Construction in Progress	213,198	173,449
<b>Property, Plant &amp; Equipment - Net</b>	<b>1,321,939</b>	<b>1,315,675</b>
<b>DEFERRED OUTFLOWS</b>	<b>46,991</b>	<b>41,550</b>
<b>RESTRICTED ASSETS</b>	<b>36,517</b>	<b>32,166</b>
<b>OTHER ASSETS</b>	<b>207,157</b>	<b>195,447</b>
<b>TOTAL ASSETS</b>	<b>4,014,316</b>	<b>3,796,213</b>

## LIABILITIES AND FUND BALANCE

	February 28, 2025	Audited June 30, 2024
<b>CURRENT LIABILITIES</b>		
Accounts Payable	57,574	71,017
Salaries and Related Liabilities	34,628	35,693
Accrued PTO	40,674	38,634
Worker's Comp Reserve	2,300	2,300
Third Party Settlements	8,127	13,419
Intercompany Payables	14,715	13,907
Malpractice Reserves	1,830	1,830
Bonds Payable - Current	11,360	10,820
Bond Interest Payable	1,490	7,673
Other Liabilities	16,088	12,261
<b>Total Current Liabilities</b>	<b>188,786</b>	<b>207,554</b>
<b>LONG TERM LIABILITIES</b>		
Post Retirement Benefits	23,009	22,737
Worker's Comp Reserve	12,811	12,811
Other L/T Obligation (Asbestos)	30,563	27,707
Bond Payable	427,920	441,105
<b>Total Long Term Liabilities</b>	<b>494,303</b>	<b>504,360</b>
<b>DEFERRED REVENUE-UNRESTRICTED</b>	<b>1,365</b>	<b>1,038</b>
<b>DEFERRED INFLOW OF RESOURCES</b>	<b>99,431</b>	<b>92,261</b>
<b>FUND BALANCE/CAPITAL ACCOUNTS</b>		
Unrestricted	2,950,826	2,731,120
Minority Interest	(1,159)	(1,114)
Board Designated	225,999	216,378
Restricted	54,765	44,616
<b>Total Fund Bal &amp; Capital Accts</b>	<b>3,230,431</b>	<b>2,991,001</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>4,014,316</b>	<b>3,796,213</b>

**EL CAMINO HOSPITAL BOARD OF DIRECTORS  
FINANCE COMMITTEE MEETING MEMO**

**To:** El Camino Hospital Finance Committee  
**From:** Wayne Doiguchi, Chair, Ad Hoc Committee  
**Date:** March 31, 2025  
**Subject:** Ad Hoc Committee Update: Finance Committee Community Member Recruitment

**Purpose:**

To provide the Finance Committee (FC) with an update on the outcome of the community member recruitment by the ad hoc committee.

**Executive Summary:**

1. **Situation:** Due to a Committee Position vacancy. Per the Board's Charter, the Finance Committee shall be comprised of two (2) or more Hospital Board members. The Committee may also include 2-4 Community members with knowledge of finance committee practices, large construction project management, assessment & implementation of strategic plans, executive leadership and/or experience with complex financial organizations.
2. **Authority:** FC appointed Wayne Doiguchi (chair) and Bill Hopper to an ad hoc committee to partner with management to conduct the search for qualified community candidates with specific areas of expertise as outlined above.
3. **Outcome:** The ad hoc committee developed and implemented a recruitment plan which yielded a number of strong community applicants.

The ad hoc committee / management interviewed two finalists which have extensive experience and strong qualifications. However, the ad hoc committee decided that neither candidate possessed the specific subject matter expertise which the FC requested be the focus of the recruitment process.

**Recommendation:**

- Conduct another recruitment process in 12 – 18 months

**List of Attachments:**

- None

**Suggested Finance Committee Discussion Questions:**

- None

**EL CAMINO HOSPITAL BOARD OF DIRECTORS  
FINANCE COMMITTEE MEETING MEMO**

**To:** El Camino Hospital Finance Committee  
**From:** Jon Cowan, Executive Director of Government Relations & Community Partnerships  
**Date:** March 31, 2025  
**Subject:** FY2025 Community Benefit Grant Program and Midyear Grant Performance Update

**Purpose:**

To provide information regarding midyear grant performance and Community Benefit updates.

**Summary:**

1. **Situation:** Each fiscal year, Community Partnerships staff reviews midyear grant reports to assess metric and budget performance against targets as well as to review qualitative information on program successes, challenges and trends. This analysis is important as it informs grant recommendations within the FY2026 Implementation Strategy Report and Community Benefit Plan which comes to the Finance Committee for approval in May 2025. Staff prepare a summary (below and Attachment 1) for the Finance Committee in the spring of each fiscal year.
2. **Authority:** The report is prepared by the Community Partnerships staff and approved by the Executive Director of Government Relations and Community Partnerships prior to the presentation to the Finance Committee.
3. **Background:**

In FY2025, El Camino Health invested \$3,310,000 in Community Benefit grants to address unmet local health needs. The foundation for the grant funding priorities is the most recent El Camino Health Community Health Needs Assessment (CHNA), which is conducted every three years, as required by federal regulations.

**A. Grants Overview:** \$3,310,000 for 45 grants:

- 10 Healthcare Access & Delivery grants at \$1,006,000
- 16 Behavioral Health grants at \$1,041,000
- 11 Diabetes & Obesity grants at \$945,000
- 4 Chronic Conditions treatment and prevention (other than diabetes and obesity) grants at \$166,000
- 4 Economic Stability grants at \$152,000

**B. Acknowledgement of Funds:** FY2025 grant agreements include guidelines for acknowledging El Camino Health funds through a variety of channels, including building signage for grants ≥ \$200K and mobile van signage for grants ≥ \$50K.

- Grant partners were required to report on their acknowledgements in midyear reports and will do so again in their yearend reports.



- The majority of eligible agencies have implemented email and building sign acknowledgments at midyear.
- A greater number of agencies reported acknowledging ECH as a funder on their websites than on social media.

**C. Staff Innovation Grants (SIGs):**

- Economic Opportunity Internship Program-** Community Partnerships has implemented the Economic Opportunity Internship program in partnership with Human Resources. It aims to support hiring and economic opportunity for local residents. This program provides career development to local high school, community college, college, and graduate students by placing them in internships at one of the El Camino Health campuses.
- El Camino Health – Women’s & Newborn Services-** This program provides mental health support for parents of Neonatal Intensive Care Unit (NICU) patients. The birth of a premature or medically fragile infant often leads to significant emotional distress for parents. The prolonged hospitalization, uncertainty about the baby’s health, financial burdens, and disrupted family dynamics exacerbate stress and anxiety levels. Parent mental health and healthy processing of a very difficult and traumatic experience is critical to their own health and development of their children. The licensed counselor facilitates mental health support to parents of NICU babies through group therapy sessions, triage and referral, education, and peer support within the ECH service area.

**4. Assessment:**

**A. Grants Performance:**

- Community Health Themes
  - Partners continue to report that the need for mental health services for issues like depression and anxiety remains elevated. This has particularly affected youth, homebound seniors, and individuals living alone.
  - Lack of transportation continues to be mentioned across agencies serving multiple demographics - from elementary school students to seniors - creating a barrier to accessing critical services such as mental health, medical care, including vaccinations, and dental services.
  - The high cost of living in the Bay Area continues to surface as a significant challenge among agencies for the populations they serve. The growing challenge of keeping or securing stable housing increases financial strain and stress, the rate of homelessness, and food insecurity.
  - A notable trend observed by school partners is the increasing challenge students face in accessing immunizations and necessary follow-up care. Many families struggle to meet these basic healthcare needs, resulting in gaps in students’ readiness to attend school and maintain their well-being. This underscores the critical need for partnerships to support equitable access to preventive and ongoing healthcare services for students.

- Other medical issues such as an increase in diabetes among students have emerged as a trend as well.
- The workforce shortage in mental health has been challenging for partners.
- All Programs:
  - 67% of grants met or exceeded 90% across all their metrics (FY2024 = 73%)
  - Over 17,900 community members served (FY2024: over 16,800 served)
- Largest grant programs (\$100k+):
  - 10 grants = \$1,696,000 (51% of total grants approved)
  - 90% of grants met or exceeded 90% across all their metrics (FY2024 = 82%)
  - Over 9,800 community members served (FY2024: over 9,500)

**B. Acknowledgement of Funds:** Staff have worked with grant partners to implement greater acknowledgement of ECH funds, with the following results to date:

- 100% of eligible agencies have implemented building signs acknowledging ECH (5 of 5 agencies with grants ≥\$200,000; 1 of 1 agency implemented a mobile sign with a grant ≥\$50,000).
- 90% of eligible agencies have implemented email signatures for positions funded at 0.75 FTE or more (9 of 10 agencies, the 10<sup>th</sup> agency agreed to create building signage instead).
- 71% of agencies have listed ECH as a funder on their website (29 of 41 agencies)
- 41% of agencies have acknowledged ECH on social media (17 of 41 agencies)

**C. SIG Performance:**

- **Economic Opportunity Internship Program-** To date, the program has had seven summer college interns and anticipates serving 12 interns by yearend. The program made improvements and has increased volume since it began in FY2023. By initiating recruitment for departments earlier, the program expanded to a wider variety of intern host hospital departments resulting in enhanced learning experiences. The program also conducted specific outreach to individuals for intern supervisor roles. The participants reported that through the internship, they have gained insight into their career path and established at least two new healthcare professional contacts they feel comfortable remaining in touch with to help advance their desired career path. Through the intern program, students were able to gain professional experience as well as make meaningful connections. Interns were able to gain work experience and take part in job shadowing opportunities to encourage the pursuit of healthcare careers. The college interns gained professional skills, worked on meaningful projects, attended the executive speaker series and presented their work via final presentations. Feedback from the interns has been very positive, citing that they have benefited from an environment to grow and learn.
- **El Camino Health – Women's & Newborn Services-** The Mental Health Support for Parents of NICU Patients is a new grant for FY2025. NICU

families with NICU stays of over two-weeks are invited to participate in the mental health support program. The group session timing was adjusted, decreasing the number of sessions based on parent feedback. Additionally, the program provided in-person sessions instead of tele-group, based on participant input. They also implemented individual support rounds to reach more people in the time provided. To ensure consistency in delivering services, more staff was incorporated to support the program services. Through the first six months, the program is finding there is a trend toward a need for more personalized, one-on-one support as well as a need for antepartum support.

5. Outcomes: See attachments

**List of Attachments:**

1. FY2025 Community Benefit Grant Program and Midyear Grant Performance Update PPT

**Suggested Finance Committee Discussion Questions:**

1. What additional background information do committee members need to satisfy their fiduciary duty related to approval of the FY2026 Implementation Strategy Report and Community Benefit Plan in May?
2. Are there any other critical items the committee members would like us to consider as management and staff develop the recommended FY2026 Implementation Strategy Report and Community Benefit Plan?



## **FY2025 Community Benefit Grant Program and Midyear Grant Performance Update**

*Finance Committee*

*Jon Cowan, Executive Director, Government Relations and  
Community Partnerships*

*March 31, 2025*

# FY2025 Community Benefit Grant Overview

CHNA Identified Health Need	Funding Amount
Healthcare Access & Delivery	\$1,006,000 (30%)
Behavioral Health	\$1,041,000 (31%)
Diabetes & Obesity	\$945,000 (29%)
Chronic Conditions (other than diabetes & obesity)	\$166,000 (5%)
Economic Stability	\$152,000 (5%)
Total:	\$3,310,000 (100%) – 45 grants

# FY2025 Midyear Grant Performance Metrics

Year-over-year performance comparison	FY2025 Midyear	FY2024 Midyear	3-year Average
Grants that met 90%+ of their metrics (all programs)	67%	73%	66%
Large grants that met 90%+ of their metrics	90%	82%	72%
Grants that met less than 75% of their metrics (all programs)	3	5	7
Number of individuals served (all programs)	17,938	16,800	15,986
Number of new grant partners	5	4	5

# FY2025 School Grants



**In FY2025, Community Partnerships invested \$1,071,000 across 7 school grants**

As of midyear:

- **5,955** students were provided services and **11,298** services were rendered
- School Nurse Programs
  - An average of **81%** of students that were out of compliance with required **immunizations** became compliant, **above the past 3-year average of 56%**
  - Despite this increase in compliance, several school districts noted the **challenge in finding easily accessible vaccination resources for their students**
- **86%** of ECH school grants met their midyear metrics at 90% or above
  - This is **higher than the past 3-year average of 76%**
  - School districts shared that earlier health screenings, additional employee training, and staff outreach efforts contributed to meeting their metrics



# FY2025 Staff Innovation Grants

## NICU Program:

- The Mental Health Support for Parents of NICU Patients is a new grant for FY2025.
  - The program met or exceeded its midyear metrics. NICU volume was higher than projected –75 individuals served by 6 months compared to the target of 25– with more infants meeting criteria for family support.
  - Attendance was also better than expected with multiple family members attending.
- NICU families with NICU stays of over two weeks are invited to participate in the mental health support program.
  - They decreased the number of sessions from 2x weekly to biweekly based on parent feedback, resulting in 38 services provided vs. the target of 50.
  - Additionally, the program provided in-person sessions instead of tele-group, based on participant input.
  - The program also implemented individual support rounds to reach more people in the time provided, and to ensure consistency in delivering services, more staff was incorporated to support the program services.
- Through the first six months, the program is finding there is a trend toward a **need for more personalized, one-on-one support as well as a need for antepartum support.**

# FY2025 Staff Innovation Grants (cont'd)

## Economic Opportunity Internship Program:





The program made improvements and has increased volume since it began in FY2023.

- At FY2023 midyear the program had 1 intern, FY2024 midyear 5 interns, and by FY2025 midyear they had 7 interns; services provided and numbers of hours of training also increased over the years.
- The program met all of its midyear metrics in FY2025.
- By initiating recruitment for departments earlier, the program expanded to a wider variety of intern host hospital departments resulting in enhanced learning experiences.
- The program also conducted specific internal outreach for intern supervisor roles.





The participants reported that through the internship, they have gained insight into their career path and established at least two new healthcare professional contacts they feel comfortable remaining in touch with to help advance their desired career path.

- Interns gained work experience and took part in job shadowing to encourage the pursuit of healthcare careers.
- Interns gained professional skills, worked on meaningful projects, attended the executive speaker series and presented their work for the final presentation.
- **Feedback from the interns has been very positive**, citing that they have benefited from an environment to grow and learn.

# FY2025 Site-Visit Key Themes and Proposed Plan to Support

				
Theme	School health program providers continue to see <b>high vaccination needs</b>	School district nurses challenged with the <b>lack of eyeglasses resources</b> for students	Difficulty finding agencies that administer <b>dental care</b> who accept <b>undocumented individuals or limited insurance</b>	Concern that the current administration may impact organizations' abilities to serve the undocumented by <b>pulling federal funding for Medi-Cal</b>
Plan	Connect school nurses with Asian Americans for Community Involvement (AACI) who can help with vaccination services	Connect school districts to AINAK, a nonprofit that helps underserved students and communities access free eyecare services, including eyeglasses	Connect school districts to AACI and Gardner – both have new/expanded dental programs and accept undocumented individuals/limited insurance	Continue to monitor and serve as a partner vs. just a funder

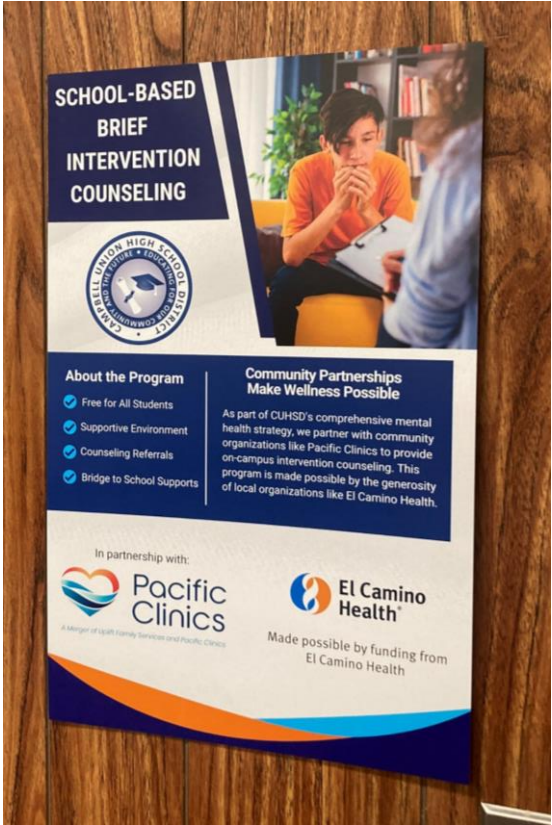
# FY2025 Acknowledgement of Funds

	<p><b>90%</b> of eligible agencies have implemented <b>email signatures</b> for positions funded at 0.75 FTE or more (9 of 10 agencies)</p>
	<p><b>100%</b> of eligible agencies* have implemented <b>building signs</b> acknowledging ECH (5 of 5 agencies with grants <math>\geq</math> \$200,000; 1 of 1 agency implemented a mobile sign with a grant <math>\geq</math> \$50,000)**</p>
	<p><b>71%</b> of agencies have acknowledged ECH as a funder on their <b>website</b> (29 of 41 agencies)</p>
	<p><b>41%</b> of agencies have acknowledged ECH on <b>social media</b> (17 of 41 agencies)</p>

# FY2025 Acknowledgement of Funds (cont'd)

Agency	Building Signage	Mobile Van Signage	Email Signatures
Asian Americans for Community Involvement (AACI)			Declined – opted for building signage instead
Cambrian School District			X
Campbell Union School District	X		X
Chinese Health Initiative, El Camino Health			X
Cupertino Union School District	X		X
Gardner Family Health Network	X		X
Health Mobile		X	
Mt. Pleasant Elementary School District			X
Pacific Clinics	X		X
South Asian Heart Center, El Camino Health			X
West Valley Community Services	X		X

# Acknowledgement of Funds Update: *Building Signage*





# Acknowledgement of Funds Update: *Email Signatures*

**Elvia Mendez**  
Medical Assistant / Health Coach  
**For the Down with Diabetes Program**  
Gardner Health Services | St. James Health Center  
55 East Julian Street  
San Jose, CA 95112  
Office: 408.918.2620 | Mobile: 408.646.5985  
Email: [EMendez@gfhn.org](mailto:EMendez@gfhn.org)  
[www.gardnerhealthservices.org](http://www.gardnerhealthservices.org)

 **GARDNER**  
Health Services


    


The Down with Diabetes Program is

 **El Camino**  
Health<sup>®</sup>

Funded by El Camino Health


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*Mt. Pleasant Elementary School District*  
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 **El Camino**  
Health<sup>®</sup>

Made possible by funding from  
El Camino Health

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 **El Camino**  
Health

Funded by El Camino Health

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Mental Health Counseling Associate  
Cupertino Union School District  
Pronouns (She/Her/Hers)

Dilworth Elementary, (Monday & Wednesdays)  
West Valley Elementary, (Tuesdays & Thursdays)

The CUSD Mental Health Counseling Program made possible by funding from

# FY2025 Progress Update: El Camino Health External Communications Plan

- Community Partnerships e-Newsletter
- Social media posts
- Grant partner acknowledgement of funds management
- Press releases about grants awarded
- Annual Report microsite





# FY2025 Progress Update: El Camino Health External Communications Plan (cont'd)

- **Community Connections Newsletter:**

- 14 issues published to date
- December had the highest open rate at 40% with 545 unique opens\*
- 39% average open rate (above industry standard of good: >20%)
- 25% average click-through rate (above industry standard of good: >3%)

- **Social Media Activity:**

- 6 Community Partnerships posts July 2024 through December 2024
- 22,585 impressions across platforms

- **Annual Report:**

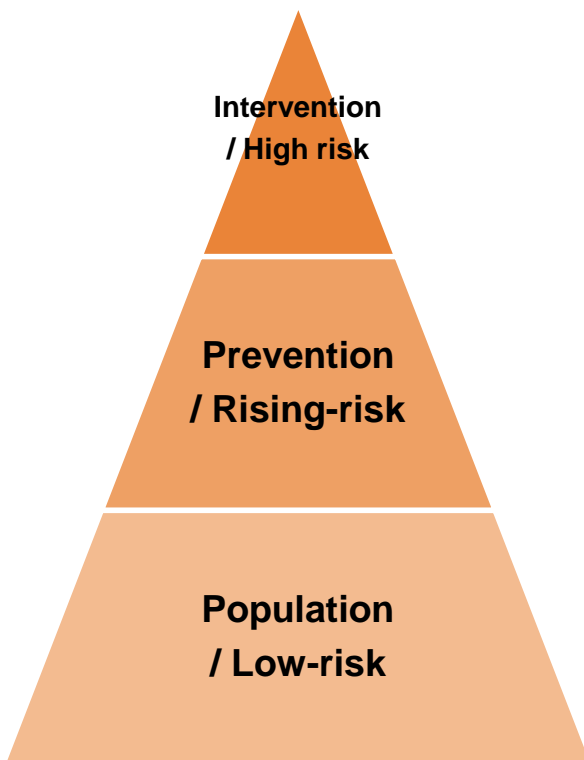
- Audience decreased from 924 to 854
- Open rate increased (36% in 2023 vs. 41% in 2024)
- Clicks slightly decreased (12% in 2023 vs. 11% in 2024)
- *National benchmarks show that any open rate above 25% and click rate about 5% is a good result.*

# Follow-ups from Finance Committee Meeting in December 2024

Request	Status
<b>AACI email signature acknowledgment of funds</b>	<p>AACI declined again, stating organizational policy not to change their email signatures and logistical &amp; operational challenges (they have numerous funded positions and funders, as well as multiple medical assistants)</p> <p>As concession, they offered a higher visibility opportunity to acknowledge ECH on lobby digital monitor (equivalent to Building Signage)</p>
<b>“Bang for the Buck” grants</b>	<p>The team assessed where ECH funds have historically been allocated. “Bang for the buck” grants come from direct services/high touch programs in the intervention and prevention categories</p> <p><i>See slide 15</i></p>
<b>ECH Geography Map</b>	<p>Conducted a heat map analysis showing approximate geographic distribution of ECH funds around ECH service area</p> <p><i>See slide 16-17</i></p>

# “Bang for the Buck” Analysis

Population Health Risk Pyramid

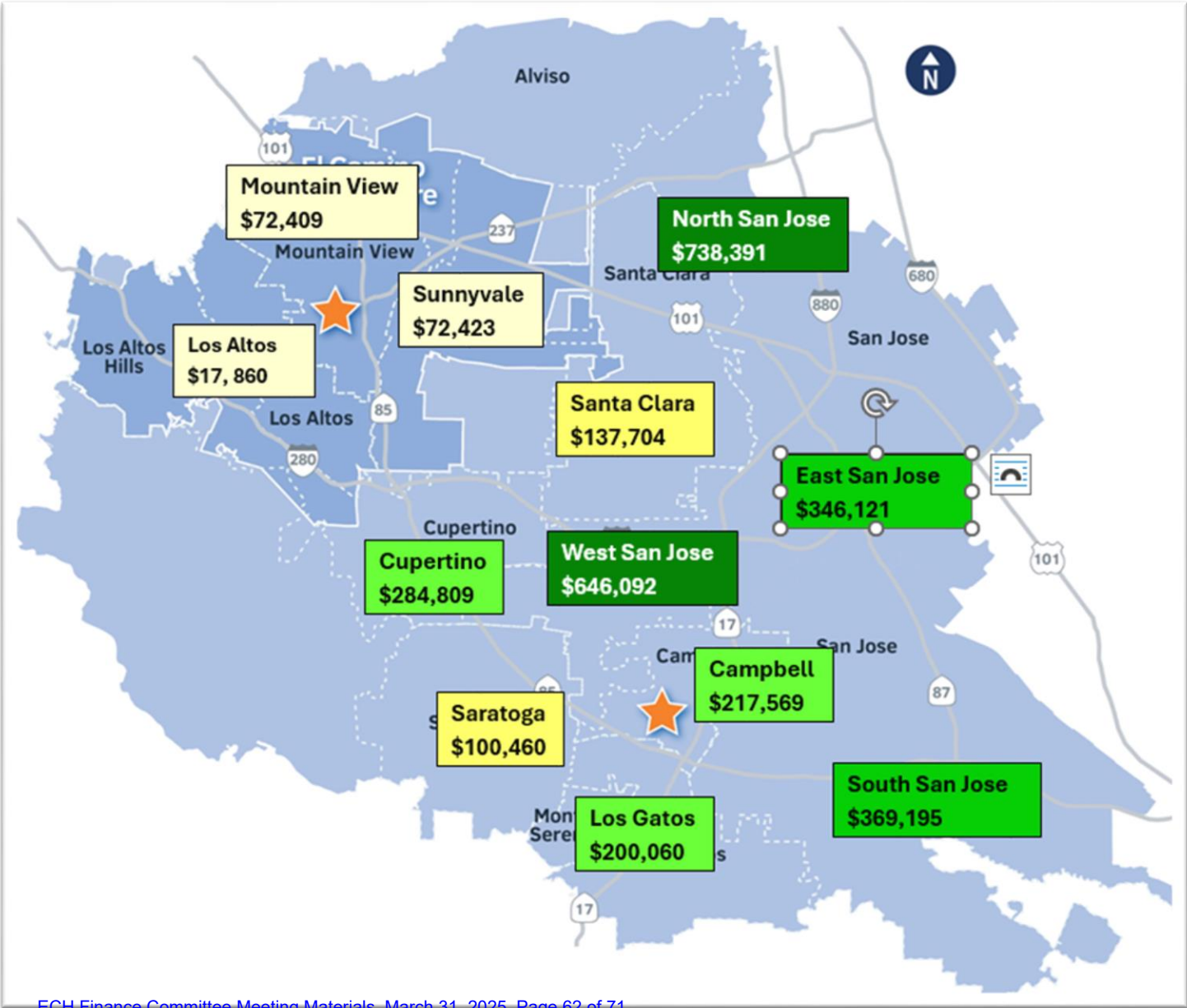


Description	Examples	Impact / So What?
<b>Highest dosage of services with a caseload of individuals</b>	<ul style="list-style-type: none"> <li>Behavioral counseling services including schools</li> <li>Addiction prevention services</li> <li>School nurse programs</li> <li>Services provided by medical professionals</li> <li>Case management</li> </ul>	The Community Benefit program allocates the most funding (94%) and focus on the <b>Intervention/High-risk</b> and <b>Prevention/Rising-Risk categories</b> within the Population Health Risk Pyramid
<b>Moderate dosage of services</b>	<ul style="list-style-type: none"> <li>Health screening services (diabetes, dental, hearing, etc.)</li> <li>Group therapy, group activity &amp; support group programs</li> <li>Disease prevention classes</li> <li>Educational workshops to providers or individuals</li> <li>Basic needs assistance/service navigation, minimal follow-up or pre/post evaluation of outcomes</li> </ul>	This aligns with our Guiding Principles to focus primarily on increasing access to healthcare services, behavioral health, and management of rising risk chronic health conditions. This also aligns with ECH's orientation as a provider.
<b>Widest area of coverage and lightest touch or dosage</b>	<ul style="list-style-type: none"> <li>Outreach events</li> <li>Educational campaigns</li> <li>Food distribution organizations</li> <li>Train-the-trainer programs</li> </ul>	We spend the least on the Population/Low-risk programs. These are the lowest touch types of programs and are not considered direct services

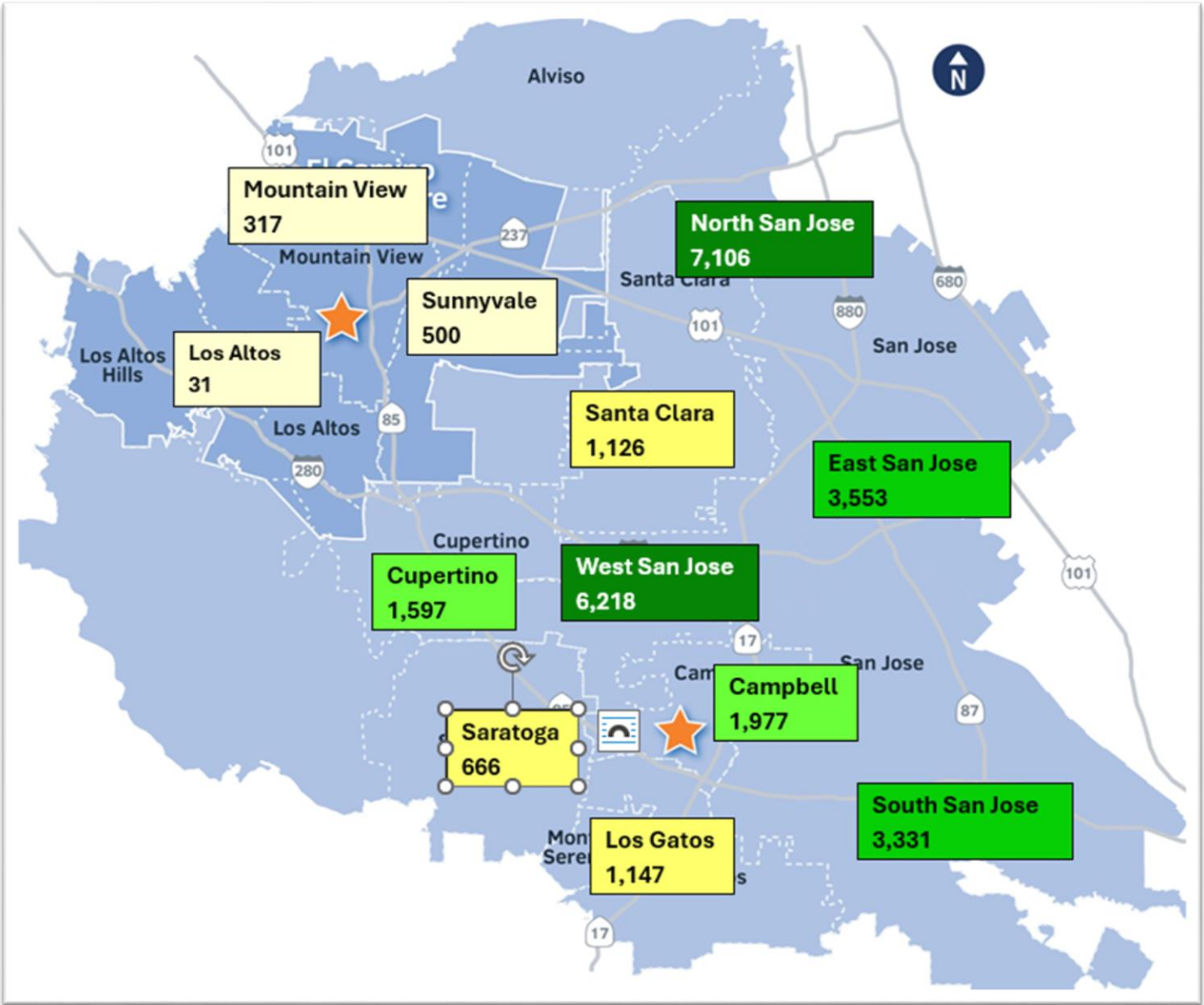
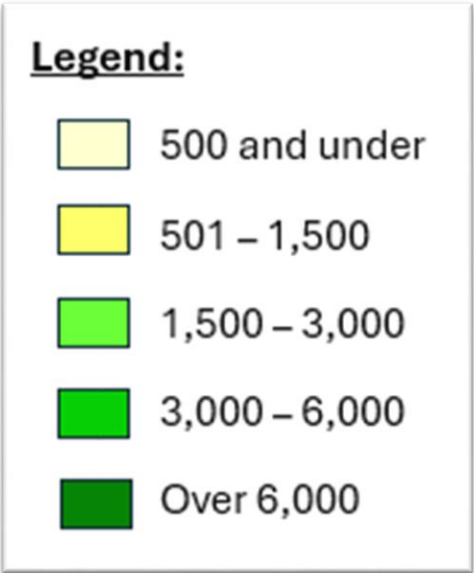
## Takeaways / Why it matters?

- We will continue to monitor trends in the space and can consider adjusting strategy as appropriate
- For example, we have observed some shifts toward population/low-risk programs, such as train-the-trainer models, and we could consider allocating more funds in that direction in the future as our grant partners and the space evolve.

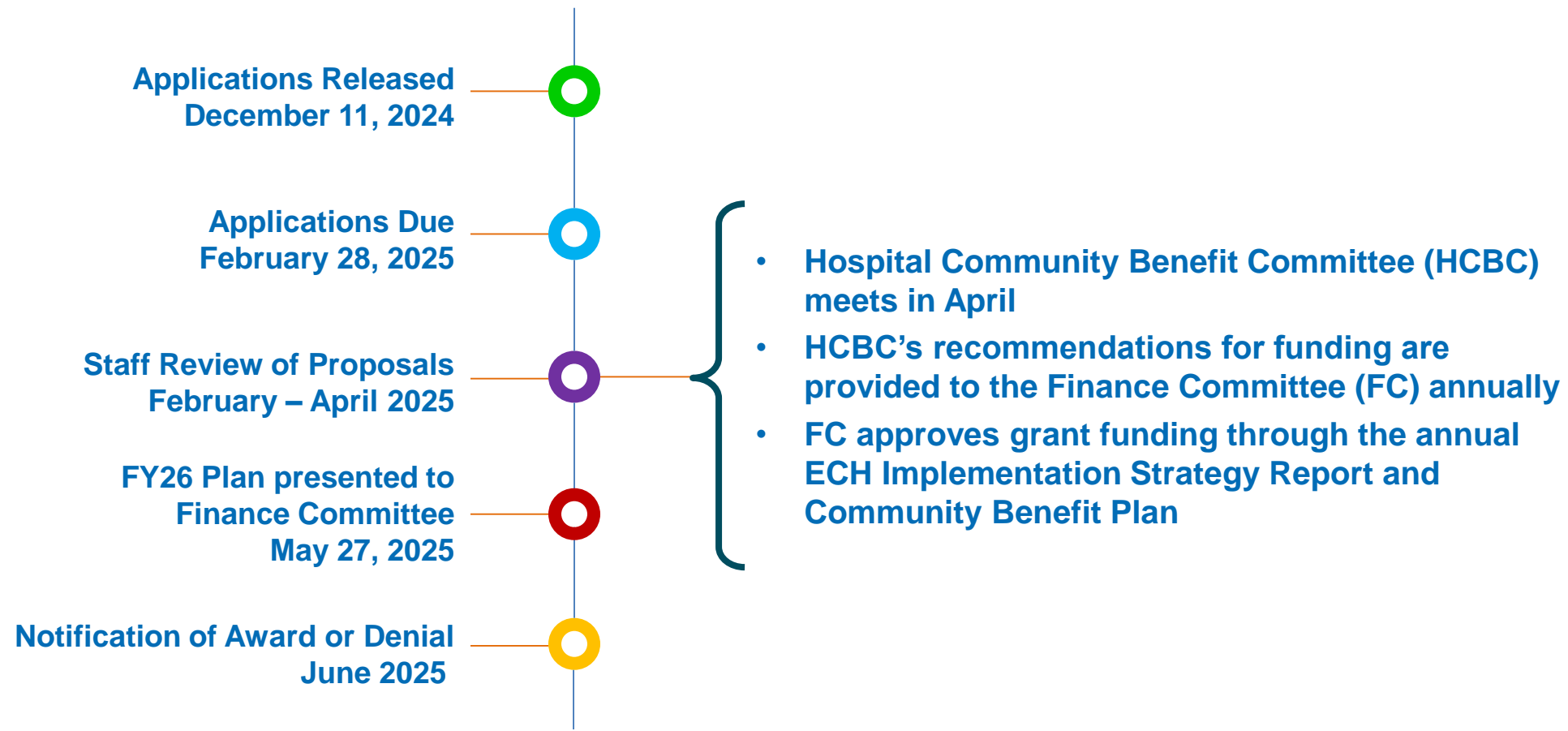
# ECH Geography Map – Grant Funding



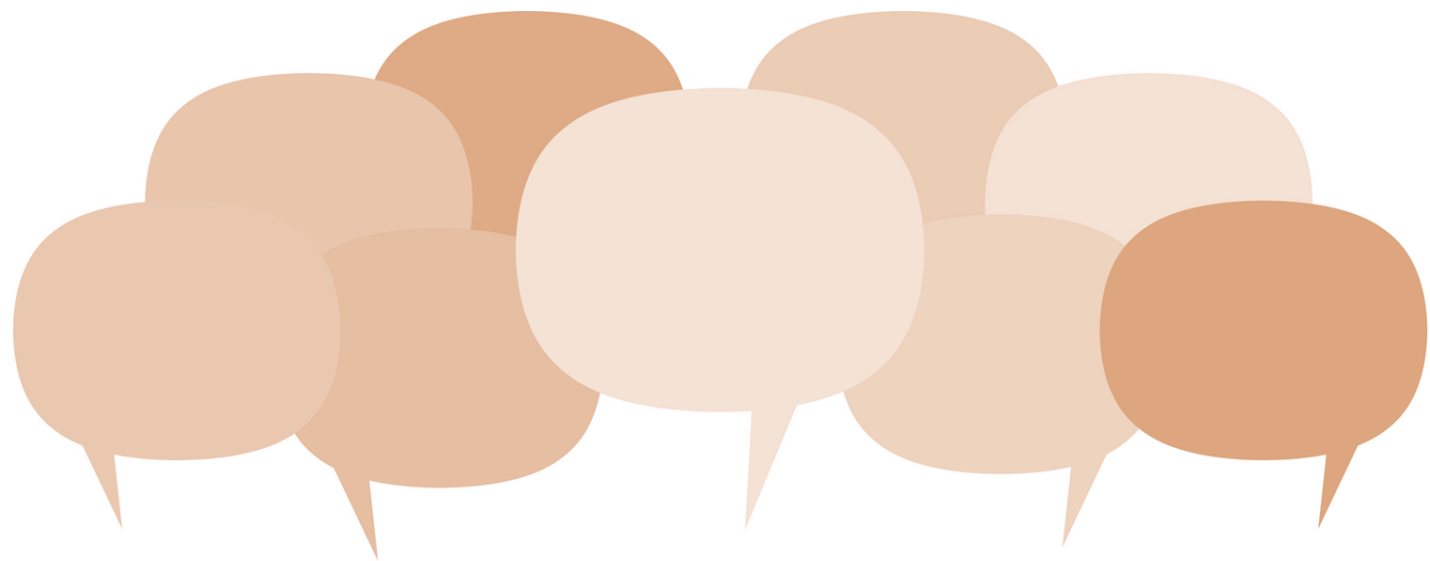
# ECH Geography Map – Individuals Served



# FY2026 Grant Review Timeline & Process



# Discussion





## EL CAMINO HOSPITAL BOARD OF DIRECTORS FINANCE COMMITTEE MEETING MEMO

**To:** El Camino Hospital Finance Committee  
**From:** Ken King, CAO  
**Date:** March 31, 2025  
**Subject:** Property Acquisition – 19400 Steven’s Creek Blvd. Cupertino

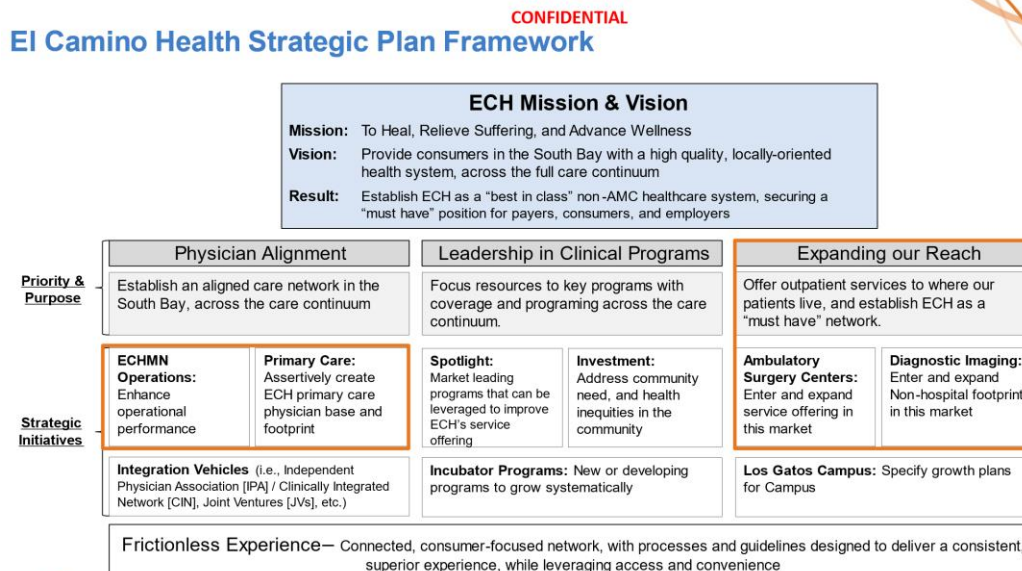
### Recommendation:

Management recommends the Finance Committee recommend Board Approval to purchase the property located at 19400 Steven’s Creek Boulevard in Cupertino at a cost not to exceed \$10.7 million.

### Summary:

- Situation:** Within the 2027 Strategic Plan, El Camino Health’s has established a framework (Figure 1) that has prioritized “**Physician Alignment**” and “**Expanding our Reach**” as key priorities. “**Physician Alignment**” purpose includes establishing a care network in the South Bay, across the care continuum. It further defines strategic initiatives that include to assertively create an ECH primary care physician base and footprint. The second priority, “**Expanding our Reach**” states a purpose to offer outpatient services where our patients live and establish ECH as a ‘must have’ network. It further highlights the strategic initiative of expanding into non-hospital diagnostic imaging.

**Figure 1: El Camino Health Strategic Plan Framework**

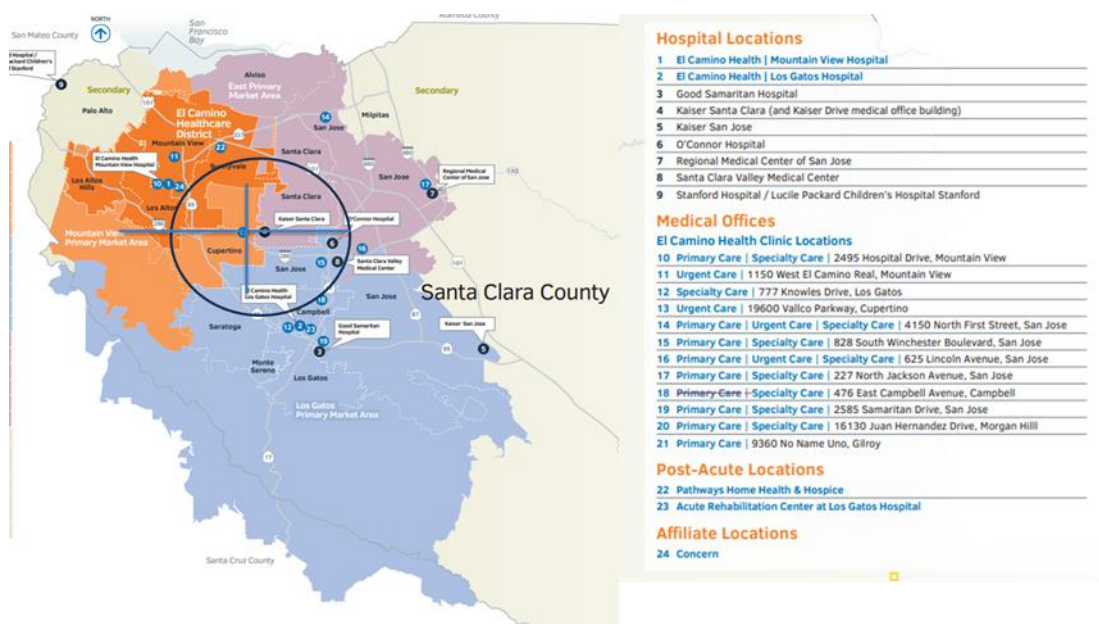


- Authority:** The Finance Committee recommends Board Approval of real estate transactions exceeding \$5 million.



3. **Background:** ECHMN has maxed out its current medical office space, limiting its ability to expand. ECHMN achieved 237 aligned providers in Q1FY25, an +80% improvement from the Q1FY24 as reported in the November 20, 2024, ECH Board Meeting. This rapid expansion supports ECHMN's ability to attract aligned providers to the physician network. The successful expansion of ECHMN has led to a wide variation of infrastructure. While there is opportunity to consolidate existing practices and optimize care sites, there is also a need to support future growth. There are key geographies that ECH has identified for future growth and expansion - to support this effort investments in infrastructure are necessary.
4. **Assessment:** The current property that has been identified sits at the intersection of all three ECH Primary Service Areas (Mountain View, Los Gatos, and Eastern PSA's) and is in a location where there is a current ambulatory gap as highlighted in Figure 2.

**Figure 2: El Camino Health Locations – gap in ambulatory services in Cupertino Market**



The site, with the address of 19400 Stevens Creek Boulevard sits near the Southwest corner of Stevens Creek Boulevard and N. Wolfe Road. It is accessible from major roadways and freeways including the 280/85. At the Northwest quadrant of the intersection sits the former Vallico Mall redevelopment site that has secured approvals for 1.95 million sq ft mixed use (including 2,669 residential/200k sq ft retail), with no plans currently to include medical office space. In addition to the redevelopment information, El Camino Health looked at numerous factors including three PAMF competitor sites for comparison in Mountain View, Santa Clara, San Jose, and 2 additional properties within 3-5 miles of the subject (Cupertino) property. The subject property in Cupertino was identified as favorable in all areas including 1) population, 2) commercial PPO, and 3) average household income.

The facility is 20,070 square feet, on two floors. This site can support 14-18 physicians including primary care, urgent care, and ambulatory imaging. The property has been vacant for >1 year and will need to be redeveloped to Medical Office Space. The purchase price of the building that sits on 1.22 acres is not to exceed \$10.7 million. (\$10.4 million for the property, NTE \$300k for legal, due diligence and closing costs). The redevelopment of this site could include up to 24 exam rooms, Urgent Care, and Imaging (CT/MRI/X-Ray/Ultrasound/Mammo). The cost to construct the improvements for medical will be presented once a detailed plan is developed.

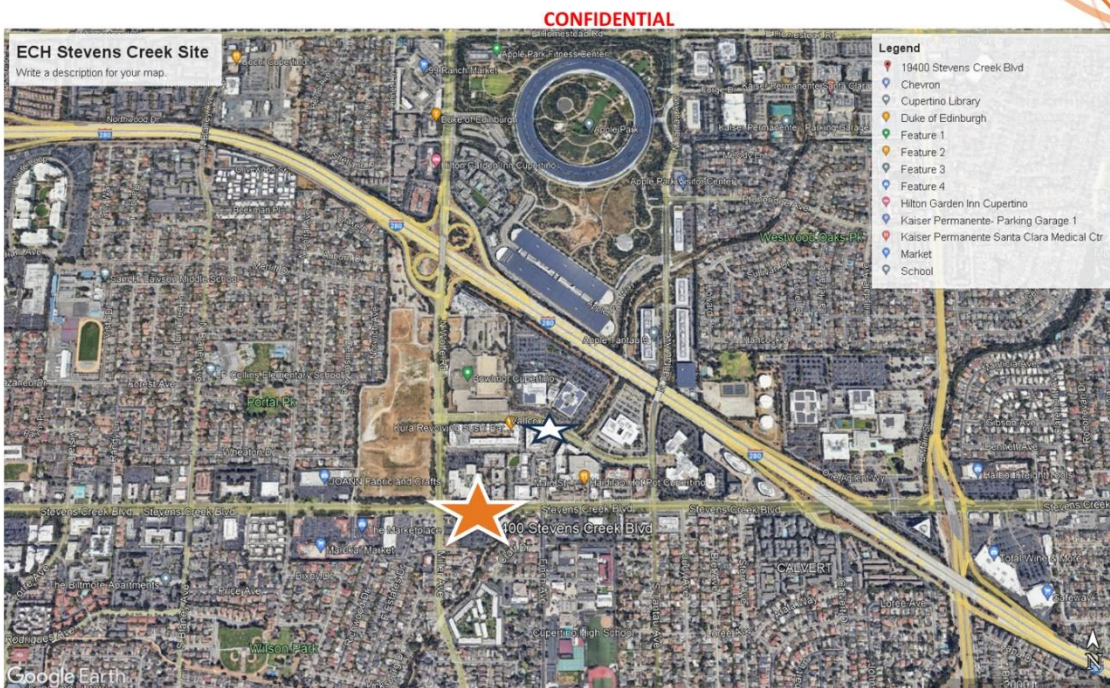
**Image 1: Acquisition at 19400 Stevens Creek Boulevard, Cupertino, CA**



5. Other Reviews: This acquisition has been reviewed and supported by our strategic real estate advisors from JLL.
6. Outcomes: We are in the process of completing our due diligence and the property will close Escrow at the end of April, pending Board Approval. Planning for the improvements is in the initial stages and it is estimated that a new medical development at this location will take 12 to 18 months to complete.

**List of Attachments:**

**Image 2: Site diagram zoomed out to show freeways and geography**





Property Acquisition – 19400 Steven’s Creek Blvd. Cupertino  
March 31, 2025

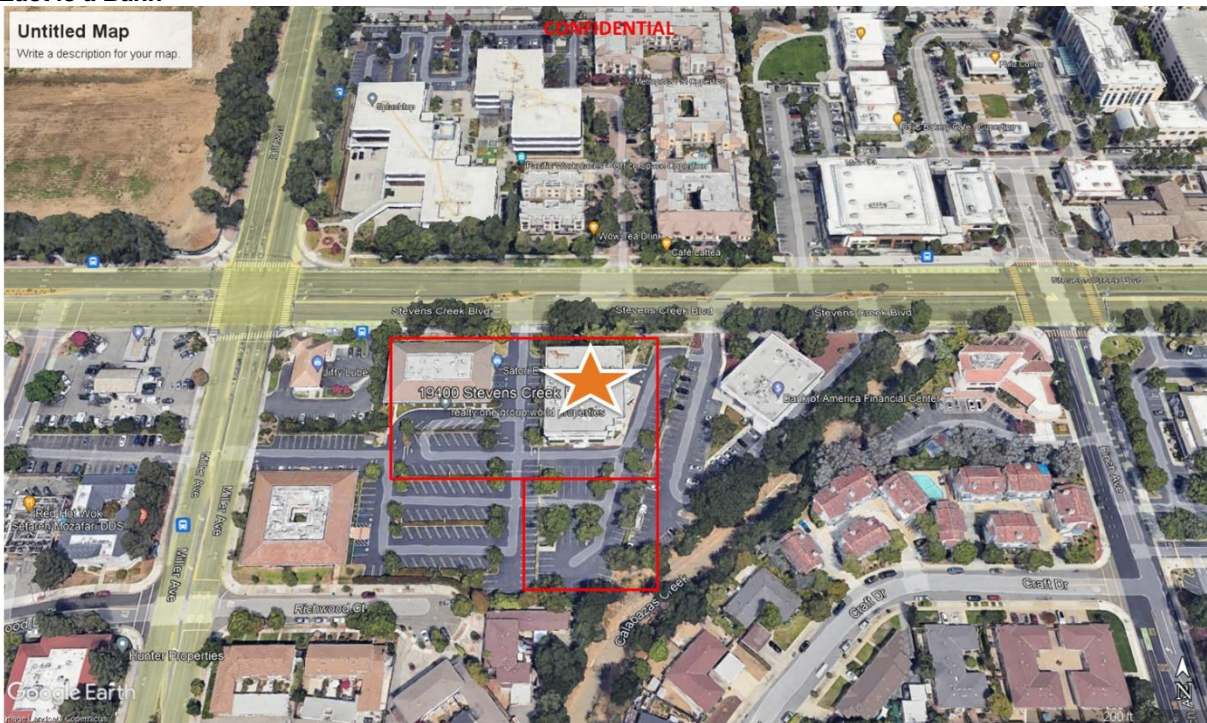
**Image 3: Site diagram South view looking North**

**19400 Stevens Creek Blvd, Cupertino, CA 94085**  
For Lease/Sale



Property Acquisition – 19400 Steven’s Creek Blvd. Cupertino  
March 31, 2025

**Image 4: Site diagram South view looking North showing adjoining properties, to West additional office space, to East is a Bank**



**Figure 3: Market Criteria for selecting primary care clinic locations**

## Market Criteria and Definitions – Primary Care Clinics

To assess the potential success of primary care clinics, three key factors were examined: 1) population, 2) prevalence of commercial PPO patients, and 3) average household income based on zip code.

Each of these attributes was categorized into four classes and assigned scores accordingly.

This comprehensive approach provides incites into the viability of clinic locations based on key demographic and market indicators.

Criteria	0 Points	1 Point	2 Points	3 Points	4 Points
1 Population	< 3,750	3,750 - 15000	15,001 – 30,000	30,001 – 50,000	>50,000
2 Commercial PPO	Commercial PPO <9%	Commercial PPO <18%	Commercial PPO <27%	Commercial PPO <36%	Commercial PPO >36%
3 Average Household Income <sup>6,7</sup>	Below Santa Clara Avg	Equal Santa Clara Avg	>0% and ≤125% SCC Avg	>125% and ≤160% SCC Avg	>160% SCC Avg



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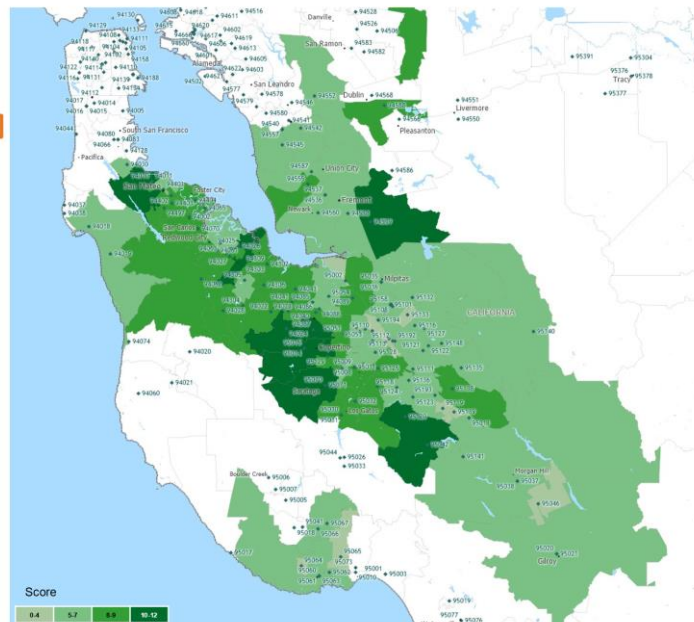
13

**Figure 4: 19400 Stevens Creek, Cupertino, CA scores favorable across key demographics (Population/Payor/PPO, Income)**

## Favorable Demographics for 19400 Stevens Creek

Zips	City	Pop	Payor – PPO	Income	Total Score
95070	Saratoga	3	4	4	11
94024	Los Altos	2	4	4	10
94087	Sunnyvale	4	3	3	10
95014	Cupertino	4	3	3	10
95120	San Jose	3	4	3	10
94025	Menlo Park	3	3	4	10
94010	Burlingame	3	3	4	10
94539	Fremont	4	3	3	10
94022	Los Altos	2	3	4	9
94040	Mountain View	3	3	3	9
94043	Mountain View	3	3	3	9
94086	Sunnyvale	4	3	2	9
95051	Santa Clara	4	3	2	9
95124	San Jose	4	3	2	9
95125	San Jose	4	2	3	9
94301	Palo Alto	2	3	4	9
94306	Palo Alto	2	3	4	9
94027	Atherton	1	4	4	9
94028	Portola Valley	1	4	4	9
94062	Redwood City	2	3	4	9
94070	San Carlos	3	3	3	9
94402	San Mateo	2	3	4	9
94404	San Mateo	3	3	3	9

Primary	Secondary	Tertiary
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14