



Minutes of the Open Session of the Finance Committee
Monday, January 30, 2017
El Camino Hospital | Medical Staff Conference Room
2500 Grant Road, Mountain View, CA 94040

Members Present

Dennis Chiu, Chair
 Joseph Chow
 Boyd Faust
 William Hobbs
 Richard Juelis
 John Zoglin

Members Absent

None

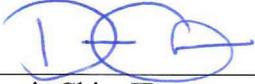
Agenda Item	Comments/Discussion	Approvals/Action
1. CALL TO ORDER/ ROLL CALL	The open session meeting of the Finance Committee of El Camino Hospital (the “Committee”) was called to order at 6:30 pm by Chair Chiu. A silent roll call was taken. All Committee members were present.	
2. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Chair Chiu asked if any Committee members may have a conflict of interest with any of the items on the agenda. No conflicts were noted.	
3. PUBLIC COMMUNICATION	None.	
4. CONSENT CALENDAR	<p>Chair Chiu asked if any member of the Committee or the public wished to remove an item from the consent calendar. No items were removed.</p> <p>Motion: To approve the consent calendar: Meeting Minutes of the Open Session of the Finance Committee (November 28, 2016); FY17 Period 5 Financials.</p> <p>Movant: Faust Second: Hobbs Ayes: Chiu, Chow, Faust, Hobbs, Juelis, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	<i>Consent Calendar approved</i>
5. REPORT ON BOARD ACTIONS	Chair Chiu noted the written report in the packet. There were no questions or comments.	
6. FY17 PERIOD 6 FINANCIALS	<p>Iftikhar Hussain, CFO, reported that ECH’s FY financial performance is outstanding, with all indicators green except volume. Volume is stable compared to prior year but we are not achieving the growth goals in the budget. Days of cash on hand very healthy at 406 days as we prepare for the MV construction projects. Chair Chiu requested the modifications to the dashboard presentation on page 1 be reversed and Mr. Zoglin requested that more information on outpatient data be included.</p> <p>Mr. Hussain reported that \$10 million of the \$17 million favorable revenue variance is due to participation in the PRIME and Inter-Governmental Transfer (IGT) programs, and the other \$7 million is</p>	<i>FY17 Period 6 Financials recommended for approval</i>

	<p>due to improved revenue cycle operations including charge capture and reduction of denials. He noted that ECH expects the revenue cycle improvements to continue, but it will not continue to grow. We will receive another \$6.5 million from the IGT program before the end of FY17, but will probably not budget for the IGT program in FY18 due to uncertainty about the program. He also commented that FTE's are 70 ahead of plan. Mick Zdeblick, COO noted that the reduction is probably not sustainable as there are a number of open positions, particularly in the IT division, that need to be filled.</p> <p>The Committee discussed the proposed simplified version of the packet for presentation to the Board. Chair Chiu commented that at the January 11th Board meeting he requested that any Board member who had concerns about the level of detail in the packet contact him and he has not received any communications.</p> <p>Motion: To recommend the FY17 Period 6 Financials for approval as presented with the exception of the last two pages.</p> <p>Movant: Juelis Second: Chow Ayes: Chiu, Chow, Faust, Hobbs, Juelis, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	
<p>7. CAPITAL FUNDING REQUESTS</p>	<p>Ken King, CASO, requested approval of funding not to exceed \$1.1 million to replace ECH's entire fleet of 28 ventilators that have reached the end of their useful life. He reported that the new ventilators can be used with both adult and pediatric (NICU) patients which will be more efficient.</p> <p>Motion: To recommend the Board approve funding not to exceed \$1.1 million to replace ECH's entire fleet of 28 ventilators.</p> <p>Movant: Hobbs Second: Chow Ayes: Chiu, Chow, Faust, Hobbs, Juelis, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	<p><i>Capital funding request recommended for approval</i></p>
<p>8. COMMUNITY BENEFIT ENDOWMENT FUND EARNINGS</p>	<p>Mr. Hussain described the Board Designated Endowment Fund to support the El Camino Hospital Community Benefit Grant Program. The Hospital Grant Program is used to fund programs outside the El Camino Healthcare District. The \$10 million endowment fund was established in September 2015 to provide additional funding for these grants. He recommended approval of \$400,000 in funding for FY18 from earnings from the Fund without any change to the principal.</p> <p>Motion: To recommend the Board approve \$400,000 in funding for FY18 from earnings the Fund without any change to the principal.</p> <p>Movant: Faust Second: Hobbs Ayes: Chiu, Chow, Faust, Hobbs, Juelis, Zoglin</p>	

	<p>Noes: None Abstentions: None Absent: None Recused: None</p>	
<p>9. ADJOURN TO CLOSED SESSION</p>	<p>Motion: To adjourn to closed session at 7:00 pm pursuant to <i>Gov't Code Section 54957.2</i> for approval of Meeting Minutes of the Closed Session of the Finance Committee (November 28, 2016); pursuant to <i>Health & Safety Code 32106(b)</i> for a report involving health care facility trade secrets: Service Line Review; pursuant to <i>Health & Safety Code 32106(b)</i> for a report involving health care facility trade secrets: Physician Contracts.</p> <p>Movant: Zoglin Second: Juelis Ayes: Chiu, Chow, Faust, Hobbs, Juelis, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	<p><i>Adjourned to closed session at 7:00 pm.</i></p>
<p>10. AGENDA ITEM 15: RECONVENE OPEN SESSION/ REPORT OUT</p>	<p>Open session was reconvened at 7:48 pm. During the closed session, the Committee approved the Closed Session Minutes of the Finance Committee Meeting of November 28, 2016, as amended, by a vote of all members present (Chiu, Chow, Faust, Hobbs, Juelis, and Zoglin).</p>	
<p>11. AGENDA ITEM 16: APPROVAL OF PHYSICIAN CONTRACTS</p>	<p>Motion: To recommend that the Board a) approve the Orthopedic Co-Management Agreement for an amount not to exceed \$236,000/year and b) authorize the CEO to execute an amendment to the current LPCH PSA for PT/OT Services which will cost an additional \$19,000/ month annualized to \$228,000/year.</p> <p>Movant: Zoglin Second: Faust Ayes: Chiu, Chow, Faust, Hobbs, Juelis, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	<p><i>Contracts recommended for approval</i></p>
<p>12. FY17 PACING PLAN PRIORITIZATION</p>	<p>Mr. Zoglin requested that the pacing plan be amended to provide a brief update at each meeting on progress with respect to the service line decision support and analytics project (data resolution plan) that Helen Tam and her team members are working on.</p> <p>Motion: To approve the Pacing Plan as amended.</p> <p>Movant: Zoglin Second: Hobbs Ayes: Chiu, Chow, Faust, Hobbs, Juelis, Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	<p><i>Pacing Plan approved as amended</i></p>
<p>13. AGENDA ITEM 16:</p>	<p>Motion: To adjourn at 7:51 pm.</p>	<p><i>Meeting</i></p>

ADJOURNMENT	Movant: Faust Second: Chow Ayes: Chiu, Chow, Faust, Hobbs, Juelis, Zoglin Noes: None Abstentions: None Absent: None Recused: None	<i>adjourned at 7:51 pm.</i>
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Attest as to the approval of the foregoing minutes by the Finance Committee of El Camino Hospital:



Dennis Chiu, JD
Chair, Finance Committee