



Minutes of the Open Session of the Finance Committee
Monday, September 25th 2017
El Camino Hospital | Conference Rooms A & B (ground floor)
2500 Grant Road, Mountain View, CA 94040

Members Present
 John Zoglin, Chair
 Joseph Chow
 Boyd Faust
 David Reeder

Members Absent
 William Hobbs
 Richard Juelis

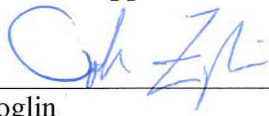
Others Present

Agenda Item	Comments/Discussion	Approvals/Action
1. CALL TO ORDER/ ROLL CALL	The open session meeting of the Finance Committee of El Camino Hospital (the "Committee") was called to order at 5:34 pm by Chair John Zoglin. Mr. Hobbs and Mr. Juelis were absent.	
2. POTENTIAL CONFLICT OF INTEREST DISCLOSURES	Chair Zoglin 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	There were no comments from the public.	
4. CONSENT CALENDAR	<p>Chair Zoglin 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: Minutes of the Open Session of the Finance Committee Meeting (July 31, 2017); FY17 Period 12 Financials; FY18 Period 1 Financials and for information; Article of Interest; Progress Against Goals; and Follow-up Item – Finance Committee Meeting (July 31, 2017).</p> <p>Movant: Faust Second: Chow Ayes: Chow, Faust, Reeder, Zoglin Noes: None Abstentions: None Absent: Hobbs & Juelis Recused: None</p>	<i>Consent calendar approved</i>
5. REPORT ON BOARD ACTIONS	Chair Zoglin briefly reviewed the Report on Board Actions as further detailed in the packet.	
6. FY18 PERIOD 2 FINANCIALS	<p>Iftikhar Hussain, CFO, reviewed the FY18 Period 2 Financials with the Committee members. FY18 for the year, overall volume measured in adjusted discharges was 5.8% higher than budget. IP Med-Surg cases were 4.7% over budget, specifically Neurosciences, HVI, BHS, Oncology and Urology. However deliveries are flat with prior year, and 4.8% below budget. OP discharges higher than budget in General Surgery, Imaging Services, MCH, Rehab and Urology.</p> <p>The month of August's operating income is \$1.9 million over budget, due to favorable revenue due to higher volume. Also the EBITDA is favorable to budget by \$1.3 million and \$2.5 million YTD. Commercial cases are 0.7% more of the Payor Mix than budget. The overall balance sheet reflects that AR is 45.2 days which is 2.8 days</p>	

	<p>less than budget.</p> <p>Motion: To approve the FY18 Period 2 Financials.</p> <p>Movant: Faust Second: Reeder Ayes: Chow, Faust, Reeder, Zoglin Noes: None Abstentions: None Absent: Hobbs & Juelis Recused: None</p>	
7. REVIEW MAJOR CAPITAL PROJECTS	<p>Ken King, CASO, reported that, on September 13, 2017, he presented a request to the Board of Directors for increased funding in the amount of \$31.7 million over budget (\$4.6 million for the BHS project and \$27.1 million for the IMOB) M) for the Mountain View Campus major capital projects. He explained that the increases are primarily due to the result of permitting delays, increased material costs, and increased labor costs. He reported that the Board approved the increases on September 13, 2017.</p>	
8. ADJOURN TO CLOSED SESSION	<p>Motion: To adjourn to closed session at 6:05 pm pursuant to <i>Gov't Code Section 54957.2</i>. for approved of the Minutes of the Closed Session of the Finance Committee (July 31, 2017); pursuant to <i>Health & Safety Code 32106(b)</i> for discussion of Payor Update; pursuant to <i>Health & Safety Code 32106(b)</i> for discussion of Level II NICU Call Panel Agreement and Physician Recruitment Loan; pursuant to <i>Health & Safety Code 32106(b)</i> for a report and discussion involving health care facility trade secrets: HVI; pursuant to <i>Health & Safety Code 32106(b)</i> for a report and discussion involving health care facility trade secrets: Summary of Physician Financial Arrangements; pursuant to <i>Health & Safety Code 32106(b)</i> for a report and discussion involving health care facility trade secrets: Medical Staff Development Plan & Physician Recruitment Plan & Budget; pursuant to <i>Health & Safety Code 32106(b)</i> for a report and discussion involving health care facility trade secrets: Education Topic: Ambulatory Care Business Model;</p> <p>Movant: Reeder Second: Chow Ayes: Chow, Faust, Reeder, Zoglin Noes: None Abstentions: None Absent: Hobbs & Juelis Recused: None</p>	<p><i>Adjourned to closed session at 6:05 pm</i></p>
9. AGENDA ITEM 16: RECONVENE OPEN SESSION/ REPORT OUT	<p>Open session was reconvened at 7:44pm. Agenda items 10-15 were covered in closed session. During the closed session the committee approved the Minutes of the Closed Session of Finance Committee (July 31, 2017) By a unanimous vote in favor by all present committee members (Chow, Faust, Reeder, Zoglin), Hobbs and Juelis were absent.</p>	
10. AGENDA ITEM 17: APPROVAL OF CONTRACTS	<p>Motion: To recommend that the Board approve the following:</p> <ol style="list-style-type: none"> 1. Level II NICU Call Panel Agreement renewal for the Los Gatos campus at an amount not to exceed \$100,000 per year. 2. Recruitment Loan Agreement for a one-year income guarantee with a qualified physician specializing in orthopedic spine 	

	<p>services at a loan amount not to exceed \$720,000.</p> <p>Movant: Reeder Second: Chow Ayes: Chow, Faust, Reeder, Zoglin Noes: None Abstentions: None Absent: Hobbs & Juelis Recused: None</p>	
<p>11. AGENDA ITEM 18: MEDICAL STAFF DEVELOPMENT PLAN & PHYSICIAN RECRUITMENT BUDGET</p>	<p>Motion: Motion to approve the Medical Staff Development Plan & Physician Recruitment Budget of \$5.9 million for income guarantee loans within the parameters of 2 years.</p> <p>Movant: Faust Second: Reeder Ayes: Chow, Faust, Reeder, Zoglin Noes: None Abstentions: None Absent: Hobbs & Juelis Recused: None</p>	
<p>12. AGENDA ITEM 19: FY18 COMMITTEE PACING PLAN</p>	<p>Chair Zoglin reminded the Finance Committee of two upcoming events: Board & Committee Educational Session on October 25th and Estes Park Institute Conference October 29th – November 1st 2017. Mr. Faust mentioned he will not attend the Board & Committee Educational Session. Chair Zoglin reported that an additional Finance Committee meeting date for late April 2018 will be added to the Pacing Plan by our next Finance Committee meeting.</p>	
<p>13. AGENDA ITEM 20: CLOSING COMMENTS</p>	<p>None</p>	
<p>14. AGENDA ITEM 21: ADJOURNMENT</p>	<p>Motion: To adjourn at 7:55pm</p> <p>Movant: Reeder Second: Chow Ayes: Chow, Faust, Reeder, Zoglin Noes: None Abstentions: None Absent: Hobbs & Juelis Recused: None</p>	<p><i>Meeting adjourned at 7:55pm</i></p>

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


 John Zoglin
 Chair, Finance Committee