



**FINANCE COMMITTEE MEETING**  
**Wednesday, September 1, 2021**  
**5:30pm – 7:30pm**

**Conference Center Located at Highland Care Pavilion**  
1411 East 31<sup>st</sup> Street Oakland, CA 94602  
Ronna Jojola Gonsalves, Clerk of the Board  
(510) 535-7515

**LOCATION:**

Open Session: Telephonic/Electronic Meeting

**FINANCE COMMITTEE MEMBERS**

Luisa Blue  
Jennifer Esteen, Chair  
Alan E. Fox  
Mark Friedman  
Sblend A. Sblendorio

**FINANCE COMMITTEE REGULAR MEETING MINUTES**

**THE MEETING WAS CALLED TO ORDER AT 5:34 pm**

**ROLL CALL WAS TAKEN AND THE FOLLOWING TRUSTEES WERE PRESENT:** Luisa Blue, Jennifer Esteen, Alan E. Fox, Mark Friedman, and Sblend A. Sblendorio

**ABSENT:** None

**PUBLIC COMMENT: Non-Agenda Items**

None

**A. ACTION: Approval of the Minutes of the July 7, 2021 Finance Committee Meeting**

Moved by Trustee Friedman, Seconded by Trustee Sblendorio to approve the minutes of the July 7, 2021 Finance Committee Meeting.

***NOTE: In the event that a quorum of the Board of Trustees participates on this Committee, the meeting is noticed as a Special Meeting of the Board of Trustees; however, no final Board of Trustees action can be taken.***

**ACTION:** A motion was made and seconded to approve the minutes of the July 7, 2021 Finance Committee. A roll call vote was taken, and the motion passed.

**AYES:** Trustees Blue, Esteen, Fox, Friedman, and Sblendorio

**NAYS:** None

**ABSTENTION:** None

## **B. INFORMATION / DISCUSSION: Operating Reports**

### **B1. Chief Financial Officer Report**

*Kimberly Miranda, Chief Financial Officer*

#### **B1a. July 2021 Financial Report**

Ms. Miranda reviewed the report beginning on agenda packet page 14.

Trustee Fox asked if the CDM increase was built into the budget. Ms. Miranda said it was. They were .1 off. The collection ratio should be accurate.

Trustee Friedman asked if people were quitting to avoid vaccine mandates. Mr. Jackson said they had not experienced that yet. Some staff have suggested that their intent was to quit. Leadership was reviewing options.

Trustee Fox asked about the redline showing the NNB with Supplemental Recoupment on agenda packet page 36. It dropped about \$75M from the last time they talked about it. Ms. Miranda said it was updated with the budget. \$23.1M of EBIDA plus there was a loss built in. They had the additional \$26.8M FY20 GPP and the additional \$10M FY19 EPP.

Trustee Fox asked if some of the payments they expected in FY22 were pushed out. Ms. Miranda said the \$14M they were supposed to get from the County was moved out to 2022.

Trustee Fox said the net County receivable was \$49M, which would be in the asset section of the balance sheet and the NNB would be in the liability side. Ms. Miranda said that was correct. The supplemental funds were adjusted each time to be either current or long term and the NNB was always long term. Trustee Fox asked if since the NNB was \$25M and the net receivable from the County was \$49M, could they offset those two. The NNB would go away. Ms. Miranda said there were timing differences with the IGTs. They were not put on the NNB. There were always plusses and minuses going. For July they had \$21M in the Capital Designation Receivable, \$14M of it they expected to get next year. They had the ongoing County Receivable which was a timing difference on money that was owed to and from. Trustee Fox said it appeared that at the end of July the County owed AHS more than AHS owed them. Ms. Miranda said that was a fair statement. Trustee Fox said if they exceeded the NNB limit, they should point that out. If it was netted against the NNB it would be reduced. Ms. Miranda said they could have that conversation.

Trustee Fox asked if the County charged interest on the NNB. Ms. Miranda confirmed they did. Trustee Fox asked if AHS charged the County interest on the net balance owed. Ms. Miranda said all the cash went into the treasury and they received interest earnings on that.

They paid on the NNB but not on the ongoing AR/AP in the normal course of business. Ms. Miranda said that when it was interest on trade accounts it had to be sitting out there for quite a while for organizations to recognize interest.

Trustee Esteen asked if the County had provided anything in response to the \$14M Capital Designation Funds invoice. Ms. Miranda said there was no update. It was supposed to be to help fund the EHR and AHS did provide an invoice with appropriate back up. Melissa Wilk accepted the invoice, but it had not been processed yet.

Trustee Esteen asked if they could work with the County to set up a fund on recoupment. This could be the seed money for that. Ms. Miranda said maybe they could get some interest too.

## **B2. Chief Operating Officer Report**

*Mark Fratzke, Chief Operating Officer*

Mr. Fratzke reviewed the report beginning on agenda packet page 42.

## **C. INFORMATION / DISCUSSION**

### **C1. Best Project: Huron Engagement Update**

*Mark Fratzke, Chief Operating Officer*

Mr. Gladson, Managing Director with Huron, and Matthew Thompson, Senior Director with Huron, reviewed the report beginning on agenda packet page 49.

Trustee Fox asked if they took a closer look on larger accounts. Sometimes a larger company like Blue Cross or United Health Care slowed down the payment on large accounts. Mr. Gladson said the value of the accounts, the timeliness, denials, all of those things went into the consideration of priorities.

Trustee Esteen asked if this was going after the entire payer mix. Mr. Gladson confirmed that it was maximizing the third party and government payers.

### **C2. Final FY22 Budget**

*Kimberly Miranda, Chief Financial Officer*

Ms. Miranda reviewed the report beginning on agenda packet page 62.

## **D. ACTION ITEMS/DICUSSION: Contracts**

**D1. Amendment to renew the agreement with Mint Medical, LLC for provision of vascular ultrasound services. The term of the proposed agreement shall be October 1, 2021 through September 30, 2024. The estimated impact of the proposed agreement is \$3,472,500.**

*Felicia Tornabene, MD, Interim Chief Medical Officer*

Dr. Tornabene reviewed the contract beginning on agenda packet page 67.

Trustee Fox asked if the additional budget costs due to volume increases would be offset by the additional revenue. Dr. Tornabene said they should be offset by the facility fees. Mr. Holly said they had not done a projected increase of what the facility fees would be, but as this was based on volume and services for which they could bill technical fees there would be a pick-up in that capacity.

Trustee Esteen asked what they used before. Dr. Tornabene said they had the services previously. The prior contract for San Leandro and Alameda ended recently. Highland has had a contract with MINT medical for about 20 years.

Trustee Esteen asked if they could bring enough providers in house to cover the services without an outside contract. Dr. Tornabene said that would be a good strategic conversation to have.

Trustee Fox asked if it was most common for those type of scans to be done by a contractor rather than staff. Dr. Araba said they increased providers at Highland. It could go different ways. The physicians who read the studies are usually in house. The techs who complete the studies are often out of house. Mint also contracted with Kaiser.

Moved by Trustee Sblendorio, Seconded by Trustee Friedman to approve the agreement with Mint Medical, LLC.

**ACTION:** A motion was made and seconded to approve the agreement with Mint Medical, LLC. A roll call vote was taken, and the motion passed.

**AYES:** Trustees Blue, Esteen, Fox, Friedman, and Sblendorio

**NAYS:** None

**ABSTENTION:** None

**D2. Agreement with Kronos Incorporated for provision of timekeeping and scheduling software and professional services. The term of the proposed agreement shall be November 1, 2021 through March 12, 2027. The estimated impact of the proposed agreement is \$3,823,440.**

*Mark Amey, Chief Information Officer*

Mr. Amey discussed the agreement beginning on agenda packet page 70.

Trustee Sblendorio asked about integration with existing systems. Mr. Amey said it integrated well with the systems they needed it to.

Trustee Blue asked if there were discussions with the nursing staff about moving the assessment tool to Kronos. Mr. Amey said they were working closely with Teresa Cooper and other nursing leadership to discuss options.

Trustee Esteen asked how the new integration with Kronos related to using staffing agencies and per diem nurses. Mr. Amey said the system could be set up to trigger out automatic notifications, depending on how they configured the system.

Trustee Bhuket said some doctors already used Kronos. East Bay Medical Group payroll came from Kronos already. He requested they work with EBMG as they have engaged a scheduling system called Qgenda which did not interface with Kronos.

Moved by Trustee Friedman, Seconded by Trustee Blue, to approve the agreement with Kronos Incorporated.

**ACTION:** A motion was made and seconded to approve the agreement with Kronos Incorporated. A roll call vote was taken, and the motion passed.

**AYES:** Trustees Blue, Esteen, Fox, Friedman, and Sblendorio

**NAYS:** None

**ABSTENTION:** None

#### **E. DISCUSSION: Committee Planning, Issues Tracking**

#### **TRUSTEE COMMENTS**

Trustee Esteen and Trustee Bhuket discussed opening Finance Committee meetings with an education session each month.

**ADJOURNMENT:** 7:19 pm

This is to certify that the foregoing is a true and correct copy of the minutes of the Finance Committee September 1, 2021 meeting as approved on October 6, 2021:

*Ronna Jojola-Gonsalves*

\_\_\_\_\_  
Ronna Jojola Gonsalves  
Clerk of the Board

APPROVED AS TO FORM:

Reviewed by: *shakib azizi*  
\_\_\_\_\_  
shakib azizi (Oct 4, 2021 15:26 PDT)  
Ahmad Azizi  
Interim General Counsel









# 2021-09-01 FIN Agenda Minutes FINAL APPROVED

Final Audit Report

2021-10-05

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