



**FINANCE COMMITTEE MEETING**  
**July 11, 2019**  
**4:00pm – 6:00pm**

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: HCP Conference Center

**FINANCE COMMITTEE MEMBERS**

Noha Aboelata, MD  
Kinkini Banerjee  
Louis Chicoine, Chair  
Joe DeVries  
Ross Peterson

**MINUTES**

**THE MEETING WAS CALLED TO ORDER AT 4:08 pm**

**ROLL CALL WAS TAKEN AND THE FOLLOWING TRUSTEES WERE PRESENT:** Noha Aboelata, MD, Louis Chicoine, Joe DeVries, and Ross Peterson.

**ABSENT:** Kinkini Banerjee (excused)

A quorum was established.

**A. ACTION: Approval of the Minutes of the June 9, 2019 Finance Committee Meeting**

**ACTION:** A motion was made and seconded to approve the minutes of the April 11, 2019 Finance Committee Meeting. The motion passed.

**AYES:** Trustees Aboelata, DeVries, Chicoine, and Peterson

**NAYS:** None

**ABSTENTION:** None

***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.***

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

1) Finance Report

*Ann Metzger, Interim Chief Financial Officer*

a) May 2019 Financial Report

Ms. Metzger reviewed the report beginning on page 15 of the agenda packet.

Trustee Aboelata asked about the pharmaceutical overage on page 40 of the agenda packet. Mr. Fonseca explained that the amount was largely due to the held for potential 340b findings. The Pharmacy group did a good job at running below budget. He said that they had one outpatient pharmacy and the revenue was captured under Other Revenues.

Trustee Peterson asked about the pharmacy revenue. Mr. Fonseca said that from a gross charges perspective they were revenue generators. From a collection's standpoint, it varied.

2) Chief Operating Officer Report

*Luis Fonseca, Chief Operating Officer*

a) May 2019 Operations Report

b) Review Vizient's Analytical Tools – Implementation Update

Mr. Fonseca reviewed the report beginning on page 49 of the agenda packet.

The Board discussed census holds. Mr. Fonseca said that the holds on transfers to John George happened often at Highland as that was where the largest number of patients were dropped off by EMS transport. San Leandro and Alameda Hospitals were recently approved to place 5150s. But it was a small number of patients.

Trustee Peterson asked if registry staff salaries were accounted for in the Salaries and Wages line item. Mr. Fonseca said it was counted in Registry, a cost they've reduced year of year.

Mr. Fonseca and Mr. Sangha reviewed the presentation beginning on agenda packet page 63.

Trustee DeVries asked what percentage of vendors had been reviewed and then changed as a result. Mr. Fonseca said 90% of the vendors had been reviewed, and it was an ongoing process. He said that not that many vendors had been changed, but they had adjusted the pricing structures of many vendors, saving a substantial amount of money.

The Committee discussed how these types of analytics could help empower the staff with the decision-making process regarding purchasing.

Trustee Chicoine asked how they account for social determinants given the nation-wide cohort. Mr. Fonseca said they were able to get down to the patient level and do a comparison and AHS was in a cohort with similarly defined “Complex Care Hospitals”.

Trustee Aboelata asked if they were capturing the whole cost including materials and how reimbursements factored in. Mr. Fonseca said the implants contracts varied. The costs could be a wide variety of factors.

The Committee discussed sharing the Operational Database Performance Summary on page 73 of the agenda packet with the labor unions. The Benefit Expense and Overtime Worked represented tens of millions of dollars. Mr. Fonseca said the benefits structure contributed to the over all cost. Trustee DeVries asked if they were able to quantify what was creating the difference between AHS benefits and the cohorts as AHS was 158% over the 50<sup>th</sup> percentile.

Trustee Chicoine said he'd like to consider how they could use the information presented at the Trustee level. He said they were able to provide transparency and this information could be valuable.

Trustee DeVries said he wanted the presentation to get before the whole Board.

Trustee Chicoine said the through put discharge issues needed to be addressed at a cultural level. Much of it was about the challenges a lot of AHS patients had. The conversation about recognizing the elements outside of the practitioners control needed to be addressed.

3) FY 20 Budget update  
*Luis Fonseca, Chief Operating Officer*

Trustee Chicoine and Mr. Fonseca updated the Committee on the budget and the meetings several Trustees have been having with the County.

**C. CONTRACT APPROVAL: ACTION ITEMS/DISCUSSION**

1) Lifetime Vendor Spend Report

**D. DISCUSSION: Committee Planning**

1) Issues Tracking

**TRUSTEE COMMENTS:** None

**ADJOURNMENT:** 5:48pm

This is to certify that the foregoing is a true and correct copy of the minutes of the Finance Committee July 11, 2019 meeting as approved on September 12, 2019:

  
Rorina Jojola Gonsalves  
Clerk of the Board

APPROVED AS TO FORM:

Reviewed by: \_\_\_\_\_

  
M.D. Moye  
General Counsel