



FINANCE COMMITTEE MEETING
September 12, 2019
4:00pm – 6:00pm

Conference Center Located at Highland Care Pavilion
1411 East 31st 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

FINANCE COMMITTEE REGULAR MEETING MINUTES

THE MEETING WAS CALLED TO ORDER AT 4:08 pm

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

ABSENT: Joe DeVries

A quorum was established.

A. ACTION: Approval of the Minutes of the July 11, 2019 Finance Committee Meeting

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

AYES: Trustees Aboelata, Banerjee, 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

B1. Finance Report

Ann Metzger, Interim Chief Financial Officer

B1a. June 2019 Financial Report

B1b. July 2019 Financial Report

Ms. Metzger reviewed the report beginning on agenda packet page 12.

Trustee Chicoine suggested that staff work with the County to get the sales tax forecasts. Ms. Metzger said they will look into getting the data.

Trustee Chicoine asked if the higher than usual expenditures were related to end of the year purchasing. Ms. Metzger said she believed it was a timing thing with June invoices getting processed in July. Or it could be people thinking that since they had budget left, they could purchase a little more.

Trustee Aboelata asked if it could be external vendors closing out their year. Ms. Metzger said it could be. AP did some lean work and went through the process of getting all the statements from all the vendors to work all the outstanding items, so that could be a factor as well.

Trustee Peterson said that it was often the case that invoices would get trued up in July. Ms. Metzger said they knew there was an issue, so the LEAN team came in and worked through and then redesigned the workflow to improve the process and avoid issues like that.

The Committee discussed the cash collections concerns Ms. Metzger brought up. She said she believed it was mainly a staff focus issue, which did not put the organization at risk, but she wanted to point it out for the sake of transparency. She felt the problem was being addressed.

B2. Chief Operating Officer Report

Luis Fonseca, Chief Operating Officer

B2a. June 2019 Operations Report

B2b. July 2019 Operations Report

Mr. Fonseca reviewed the report beginning on agenda packet page 55.

The Committee discussed the scheduled conversion of the Same Day Clinic to Urgent Care in Jan 2020. Mr. Finley discussed the considerations around the IT concerns. He said that when it became an urgent care clinic, they would be able to bill under a different model, but they were not currently assigned under primary care capitation.

Trustee Banerjee asked how registry fit into the financials. Mr. Fonseca said they were working with recruitment and HR to fill rolls and reduce dependence on registry.

Trustee Aboelata asked about the increased demand in the forensic unit. Mr. Fonseca said he'd look into the specifics, but they were required to have both sheriffs and staff watching the patients and that contributed to the cost.

Trustee Aboelata asked if the increased costs for EEG and epilepsy consults, described on agenda packet page 56 were reflected on the finances as registry or outside medical services. Mr. Fonseca said they were reflected as outside medical services. Dr. Jamaledine said they could monitor EEGs onsite, but some cases needed an epilepsy center, which was why they needed to go offsite. AHS was financially responsible for HealthPAC patients, otherwise it was Medi-Cal coverage.

Trustee Peterson asked if psychiatric emergency visits were forecasted to increase again. Mr. Fonseca said he thought the numbers would come up close to what they were budgeting. Trustee Peterson and Mr. Fonseca discussed the lack of in-patient beds and how there were other aspects that needed to be invested in as well.

Mr. Finley asked if there was impact to the work, they were doing to address some of the quality and safety opportunities in Behavioral Health that would impact the budget up through the July report or that AHS would forecast going forward. Mr. Fonseca as part of the recent regularly agency visit, they were evaluating staffing in each unit. They had increased some staff. Now they were looking at how their budget was allocated compared to the reality of the work.

Trustee Chicoine said they would hear agenda item D next, followed by agenda item C.

C. ACTION ITEMS/DICUSSION: Contract Approval

C1. Agreement with VIRTUAL RADIOLOGIC PROFESSIONALS OF CALIFORNIA for provision of teleradiology services. The term of this proposed agreement shall be effective 10/01/2019 through 09/30/2022. The estimated impact of the proposed agreement is \$3,300,000.00.

Ghassan Jamaledine, MD, Chief Medical Officer

Mr. Holley discussed the contract on agenda page 87.

ACTION: A motion was made and seconded to recommend to the Board of Trustees approval of the agreement with Virtual Radiologic Professionals of California. The motion passed.

AYES: Trustees Aboelata, Banerjee, Chicoine, and Peterson

NAYS: None

ABSTENTION: None

C2. Agreement with TELELANGUAGE, INC for provision of interpretation and translation services. The term of this proposed agreement shall be effective 10/01/2019 through 09/30/2022. The estimated impact of the proposed agreement is \$2,625,000.00.

Luis Fonseca, Chief Operating Officer

Sylvia Lozano, VP of System Transformation and Re-engineering

Mr. Fonseca reviewed the summary on agenda page 90.

Trustee Chicoine asked if the agreement had been contested. Mr. Fonseca said there were some requests for information, but it had not been contested.

Trustee Aboelata asked if they were maximizing the requirements that the health plans provide translator services. Mr. Finley said that yes, they did, based on the visit setting. The health plan took care of it in the outpatient setting.

ACTION: A motion was made and seconded to recommend to the Board of Trustees approval of the agreement with Telelanguage, Inc. The motion passed.

AYES: Trustees Aboelata, Banerjee, Chicoine, and Peterson

NAYS: None

ABSTENTION: None

C3. Approval of Agreements related to construction services at Alameda Hospital. See item D below.

Luis Fonseca, Chief Operating Officer

Baljeet Sangha, VP of Support Services

No motion was required. Item was moved and approve under agenda item D.

C4. Agreement with MEDIQUANT, LLC for provision of data archiving services. The term of this proposed agreement shall be effective 10/01/2019 through 09/30/2024. The estimated impact of the proposed agreement is \$1,937,544.00.

Mark Amey, Chief Information Officer

Arde Farbod, Program Manager

Mr. Holly reviewed the summary on agenda packet page 94.

He clarified that the "One-time Data Extraction and Configurations Services" line item on page 95 of the agenda packet, should read 10/01/2019-03/31/2020, not 09/01/2019-03/31/2020.

Trustee Aboelata asked if it was open billing. Mr. Amey said that there were two sets of data they wanted to extract. One was clinical data which they were legally required to keep for at least 10 years. The second was financial data, which they were working on the details of. It had the ability to do AR if needed. It did include medical billing. Ms. Metzger said they would

evaluate and make independent decisions with each system to turn it off as appropriate, wrap up collections, and move to EPIC.

ACTION: A motion was made and seconded to recommend to the Board of Trustees approval of the agreement with MediQuant, LLC. The motion passed.

AYES: Trustees Aboelata, Banerjee, Chicoine, and Peterson

NAYS: None

ABSTENTION: None

C5. Approval for expenditures under the TOTAL RENAL CARE, INC. agreement by \$3,066,880.00 for provision of inpatient and outpatient dialysis services under the existing agreement through June 30, 2020.

Janet McInnes, Chief Nurse Executive

Theresa M. Cooper, VP of Patient Care Services

Mr. Holly reviewed the summary on agenda packet page 97.

ACTION: A motion was made and seconded to recommend to the Board of Trustees approval of the expenditures under the Total Renal Care, Inc. agreement. The motion passed.

AYES: Trustees Aboelata, Banerjee, Chicoine, and Peterson

NAYS: None

ABSTENTION: None

D. ACTION ITEMS/DISCUSSION: Alameda Hospital Project

D1. Approval of Agreement with Layton Construction LLC establishing GMP for construction services at Alameda Hospital. The term of this proposed agreement shall be effective 10/01/2019 through 12/31/2021. The estimated impact of this item is \$17,707,554

D2. Approval of Agreements with various vendors for furniture, fixtures and equipment costs related to construction services at Alameda Hospital. The term of these proposed agreements shall be effective between 10/01/2019 through 12/31/2021. The estimated impact of these proposed agreements is \$1,340,848.

D3. Approval of AHS (Owner) Project Contingency for Agreements with various vendors in the event of owner elected project changes. The estimated impact of these proposed agreements is \$1,770,755.

D4. Approval of Agreements with various vendors for administrative costs related to construction services at Alameda Hospital. The term of these proposed agreements shall be effective between 10/01/2019 through 12/31/2021. The estimated impact of this item is \$1,730,404.

Luis Fonseca, Chief Operating Officer

Baljeet Sangha, VP of Support Services

Mr. Fonseca reviewed the report on agenda packet page 102.

ACTION: A motion was made and seconded to recommend to the Board of Trustees approval of agreements with various vendors for administrative costs related to construction services at Alameda Hospital, effective through April 30, 2022 per the contract summary. The motion passed.

AYES: Trustees Aboelata, Banerjee, Chicoine, and Peterson

NAYS: None

ABSTENTION: None

E. DISCUSSION: Committee Planning

E1. Issues Tracking

PUBLIC COMMENT NON-AGENDA ITEMS: None

TRUSTEE COMMENTS: None

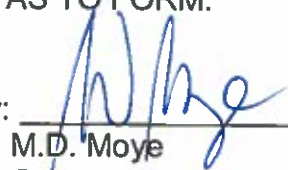
ADJOURNMENT: 5:51pm

This is to certify that the foregoing is a true and correct copy of the minutes of the Finance Committee September 12, 2019 meeting as approved on October 10, 2019:


Ronna Jojola Gonsalves
Clerk of the Board

APPROVED AS TO FORM:

Reviewed by: _____


M.D. Moye
General Counsel