



FINANCE COMMITTEE MEETING
November 14, 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 4:17 pm

ROLL CALL WAS TAKEN AND THE FOLLOWING TRUSTEES WERE PRESENT: Noha Aboelata, MD, Kinkini Banerjee (arrived at 4:21), Louis Chicoine, and Joe DeVries (arrived at 4:22)

ABSENT: Ross Peterson (Excused)

A quorum was not established.

Trustee Chicoine announced that they would hear agenda item B1 first while waiting for a quorum to arrive.

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.

A. ACTION: Approval of the Minutes of the October 10, 2019 Finance Committee Meeting

ACTION: A motion was made and seconded to approve the minutes of the October 10, 2019 Finance Committee Meeting. The motion passed.

AYES: Trustees Aboelata, Banerjee, Chicoine, and DeVries

NAYS: None

ABSTENTION: None

B. INFORMATION/DISCUSSION: Operating Reports

B1. Chief Financial Officer Report

Kimberly Miranda, Chief Financial Officer

B1a. September 2019 Financial Report

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

Trustee Banerjee arrived at 4:21pm and Trustee DeVries arrived at 4:22pm and a quorum was established.

Trustee Chicoine and Trustee DeVries discussed the combining of salaries and registry on the report. They indicated that having the data separated helped the Board understand how AHS was doing regarding vacancies. Ms. Miranda said her intent was to point out the variances from a financial perspective. Mr. Fonseca said they tracked it closely in the operational side and said they would continue to demonstrate the details in the COO report rather than in both the COO report and the CFO report.

Trustee Banerjee thought days in cash were important. Ms. Miranda said since the cash was swept every day by the County, they didn't have really anything to report. Mr. Finley said it was important data when it was a true reflection of how much liquidity existed in the organization, but that was not the case with AHS.

Trustee Chicoine asked what would happen if the forecasted amount fell short on the December report. Mr. Finley said they have reached out to the appropriate people at the County to discuss the risk. He said that the timing of returning and receiving money was at play and they needed assistance to move the process forward. The terms of the Permanent Agreement were that if they anticipated they would come out of compliance with the plan they would have to do a formal notice and have a plan to return to compliance. Trustee Chicoine asked if there was a way to anticipate that in the net balance. Mr. Finley said he thought the County would feel more comfortable with a mitigation plan when part of that plan was getting dollars from them. Trustee Chicoine didn't like the term "out of compliance". He wanted some language to recognize this state so that it didn't become a non-compliance issue.

B2. Chief Operating Officer Report

Luis Fonseca, Chief Operating Officer

B2a. September 2019 Operations Report

Mr. Fonseca reviewed the presentation beginning on agenda packet page 43.

Trustee DeVries asked about what was referred to as a bottleneck in labor and delivery. Mr. Fonseca said it was an administrative and operational bottleneck. He said the referral number was unresponsive and they were trying to fix that problem. Once the referral was received, they needed to look at how long it took to get the appointments started.

Trustee Banerjee confirmed that it was both the referral number and the S*A*P*P*H*I*R*E* build causing the issue. She asked if they were related. Mr. Fonseca said the build was specific to the outpatient setting. For the deliveries themselves it was more specific to the operations workflow.

Trustee Aboelata asked what percentage of referrals in the outpatient women's services would be prenatal care. Mr. Finley and Mr. Fonseca didn't have the information available but would get back to her.

Trustee Banerjee asked about what would happen if these workflows didn't get entered into S*A*P*P*H*I*R*E*, how hard was it to go back and update it. Mr. Amey said they were going to do a presentation at the Board Meeting, but it was a combination of people, process, and tools. Doing a rebuild was easy, training would be more challenging.

Trustee Chicoine asked about the internal evaluation of the costs of a walk out. Mr. Finley said they did put together some data, but he wasn't sure what the final number was. Mr. Fonseca said they would provide that information.

Trustee Banerjee asked about the variance of the building/equipment leases and rentals on agenda packet page 11. Mr. Fonseca said he could bring back more details, but most of it had to do with timing.

C. ACTION ITEMS/DICUSSION: Contract Approval

C1. Agreement with Alameda Inpatient Medical Group, Inc. for provision of hospitalist services coverage at Alameda Hospital. The term of this proposed agreement shall be effective 12/01/2019 through 11/30/2020. The estimated impact of the proposed agreement is \$1,676,062.50.

Ghassan Jamaledine, MD, Chief Medical Officer

Trustee Chicoine asked if the assumption of no fiscal implications was due to offsetting revenue. Mr. Holly said he believed it was already assumed in the budget.

ACTION: A motion was made and seconded to recommend approval of the Agreement with Alameda Inpatient Medical Group, Inc. to the full Board of Trustees. The motion passed.

AYES: Trustees Aboelata, Banerjee, Chicoine, and DeVries

NAYS: None

ABSTENTION: None

C2. Agreement with RehabCare Group of California, LLC dba Kindred Hospital Rehabilitation Services for provision of inpatient rehabilitation management services at Fairmont Hospital. The term of this proposed agreement shall be effective 12/01/2019 through 06/30/2022. The estimated impact of the proposed agreement is \$2,812,993.00.

Luis Fonseca, Chief Operating Officer

ACTION: A motion was made and seconded to recommend approval of the Agreement with RehabCare Group of California, LLC to the full Board of Trustees. The motion passed.

AYES: Trustees Aboelata, Banerjee, Chicoine, and DeVries

NAYS: None

ABSTENTION: None

D. DISCUSSION: Committee Planning

D1. Issues Tracking

Trustee Chicoine added the Labor action evaluation to the tracking log.

PUBLIC COMMENT NON-AGENDA ITEMS: None

TRUSTEE COMMENTS: None

ADJOURNMENT: 5:28pm

This is to certify that the foregoing is a true and correct copy of the minutes of the Finance Committee November 14, 2019 meeting as approved on January 9, 2020:



Renata Jojola Gonsalves
Clerk of the Board

APPROVED AS TO FORM:

Reviewed by: _____



M.D. Moye
General Counsel