



**Minutes of the Open Session of the
Finance Committee of the
El Camino Hospital Board of Directors**

Monday, April 27, 2020

El Camino Hospital | 2500 Grant Road, Mountain View, CA 94040

Members Present

John Zoglin, Chair**

Joseph Chow**

Boyd Faust**

Gary Kalbach**

Don Watters**

Richard Juelis**

Members Absent

**via teleconference

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 5:30pm by Chair John Zoglin. A verbal roll call was taken. All members were present and participated telephonically. A quorum was present pursuant to State of California Executive Orders N-25-20 dated March 12, 2020 and N-29-20 dated March 18, 2020.	
2. POTENTIAL CONFLICT OF INTEREST	Chair Zoglin asked if any Committee members had a conflict of interest with any of the items on the agenda. No conflicts were reported.	
3. PUBLIC COMMUNICATION	There were no comments from the public.	
4. CONSENT CALENDAR	<p>Chair Zoglin asked if any member of the Committee wished to remove an item from the consent calendar.</p> <p>Boyd Faust requested a minor change to Section 4 in the Minutes of the Open Session of the Finance Committee Meeting (03/23/2020).</p> <p>Mr. Faust also requested for Item (b) Committee Pacing Plan be pulled to be discussed in closed session.</p> <p>Motion: To approve the consent calendar: (a) Minutes of the Open Session of the Finance Committee Meeting (03/23/2020), and for information: (b) Committee Pacing Plan (c) Article of Interest.</p> <p>Movant: Kalbach Second: Watters Ayes: Chow, Faust, Juelis, Kalbach, Watters, and Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	Consent Calendar was approved.
5. REPORT ON BOARD ACTIONS	Chair Zoglin asked the Committee for any questions or feedback on the Report on Board Actions as further detailed in the packet. There was none reported.	
6. POST IMPLEMENTATION REVIEW – PAC/RIS	Deb Muro, CIO, presented the highlights of the Post Implementation Review for PACS/RIS. She stated that a PACS system is a system to acquire, store, and share radiology images. Some benefits include, but are not limited to, improved reading capabilities, access to peer review, and the ability for remote access. She stated there have also been improvements to the new software on image archival and the ability to store from multiple sources that is currently being enhanced to be shared	

	<p>between other healthcare systems.</p> <p>In response to committee members' questions, Ms. Muro explained that the PACS system does improve quality; however, image quality is subjective. Advanced Visualization provides the ability for deeper diagnosis and comparison to images overtime. She also explained that previously, radiologists experienced down time and not being able to view remotely to do readings, which this system will fix.</p>	
7. DISCUSS AND RECOMMEND FY21 COMMITTEE GOALS	<p>Michael Moody, Interim CFO, discussed the FY21 Committee Goals. He stated that there were some goals set regarding reviewing strategies, business affiliates and service lines. The evaluation and monitoring of the COVID-19 Recovery Plan will be an important role for the Committee.</p> <p>Mr. Faust suggested that some of these, such as budget, forecasting and planning, need to be with us throughout the foreseeable future. Chair Zoglin asked the Committee members to send all thoughts on the goals to Cindy Murphy and he will work with Mr. Moody on revising the FY21 Committee Goals to bring back to the next meeting.</p>	
8. FY21 PERIOD 9 FINANCIALS	<p>Mr. Moody presented the FY21 Period 9 Financials. Some highlights included:</p> <ul style="list-style-type: none"> - The organization experienced a \$9.7M loss from Operations and a Net Loss of \$81.5M due to a significant drop in the value of investments. - The sharp reduction in volumes due to the COVID-19 pandemic reduced revenues by 20% in the month of March and is expected to continue in April. - Management is focused on a recovery plan that includes increasing volumes and reducing expenses in April. - There is a focus on building up our operating cash through the Medicare Advance funding program and CARES Act distributions. - The payer mix improved slightly with a higher weighting to patents with Commercial coverage (HMO & PPO). <p>In response to committee members' questions, Mr. Moody and Mr. Griffith explained that management is focusing on expense reduction through salaries and wages, flexing departments, and supplies. Also, any capital expenses will need to be re-visited and approved by Senior Management.</p> <p>Mr. Moody will come back with a point of view on capital reserves (bookkeeping) for catastrophic reserves and also will include cash flows in future presentations.</p> <p>Motion: To approve the FY21 Period 9 Financials.</p> <p>Movant: Kalbach Second: Chow Ayes: Chow, Faust, Juelis, Kalbach, Watters, and Zoglin Noes: None Abstentions: None Absent: None Recused: None</p>	<i>FY21 Period 9 Financials were approved.</i>
9. ADJOURN TO CLOSED SESSION	<p>Motion: To adjourn to closed session at 6:31pm. Movant: Faust</p>	<i>Adjourned to closed session</i>

	Second: Zoglin Ayes: Chow, Faust, Juelis, Kalbach, Watters, and Zoglin Noes: None Abstentions: None Absent: None Recused: None	<i>at 6:31pm</i>
10. AGENDA ITEM 16: RECONVENE OPEN SESSION/ REPORT OUT	The open session reconvened at 7:59 pm. Agenda Items 10-15 were covered in closed session. During the closed session, the Committee approved Meeting Minutes of the Closed Session of the Finance Committee (03/23/2020) by a unanimous vote of all members present (Chow, Faust, Juelis, Kalbach, Watters, and Zoglin).	
11. AGENDA ITEM 17: COMMITTEE RECRUITMENT	Chair Zoglin discussed the Committee Recruitment noting there are three possible candidates who will be interviewed next week. Chair Zoglin stated that it is still not clear whether they are bringing in a unique set of skills not already present on the Committee. He discussed the possibility of waiting longer or considering the benefits of working with a recruiter. This would all depend on how anxious the committee is to get a 7 th member. Chair Zoglin stated that the background of the current three candidates include a union banker, a broker, and a real estate professional. Chair Zoglin stipulated that the Committee will discuss at a later time after the three candidates have been interviewed. Multiple members opined that it would not be beneficial to bring in a recruiter given the cost of doing so at this time.	
12. AGENDA ITEM 18: CLOSING COMMENTS	None noted.	
13. AGENDA ITEM 19: ADJOURNMENT	Motion: To adjourn at 8:29pm Movant: Kalbach Second: Faust Ayes: Chow, Faust, Juelis, Kalbach, Watters, and Zoglin Noes: None Abstentions: None Absent: None Recused: None	<i>Meeting adjourned at 8:29pm</i>

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

DocuSigned by:

John Zoglin

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John Zoglin

Chair, Finance Committee