

**TRI-CITY HEALTHCARE DISTRICT
AGENDA FOR A REGULAR MEETING
OF THE FINANCE, OPERATION AND PLANNING COMMITTEE
Wednesday, January 22, 2025
3:00 – 5:00 P.M.
Assembly Room #1
Tri-City Medical Center
4002 Vista Way, Oceanside, CA 92056**

The Committee may make recommendations on any of the items listed below, unless the item is specifically labeled "Informational Only"

	AGENDA ITEM	TIME ALLOTTED	PERSON RESPONSIBLE
1.	Call to Order	1 min.	Chair
2.	Approval of Agenda	2 min.	Chair
3.	Public Comments-Announcement Comments may be made at this time by members of the public on any item on the Agenda before the Committee's consideration of the item or on any matter within the jurisdiction of the Committee. NOTE: During the Committee's consideration of any Agenda item, members of the public also have the right to address the Committee at that time regarding that item.	2 min.	Chair
4.	Ratification of Minutes – August 21, 2024	2 min.	Standard
5.	Old Business		
6.	New Business		
	a) Finance, Operations & Planning Meeting Dates - 2025	1 min.	Chair
7.	Consideration of Consent Calendar- <i>(All items will be approved with a single motion, unless pulled for discussion)</i>	30 min.	Chair
	a) Physician Agreement - Anatomic and Clinical Pathology Services <ul style="list-style-type: none"> • Analytic Pathology Medical Group, Inc. / Pacific Rim Pathology Medical Corporation <i>Motion: Request approval of the agreement with Analytic Pathology Medical Group (APMG) Pacific Rim Pathology Medical Corporation as the exclusive Pathology group for a term of 36 months beginning March 1, 2025 and ending February 29, 2028, for an annual cost of \$600,000, and a total term cost of \$1,800,000.</i>		Dr. Gene Ma / Eva England
	b) Physician Agreement - Hospital Medicine Services (Hospitalists) <ul style="list-style-type: none"> • Sound Physicians, dba Hospitalist Medicine Physicians of California, Inc. <i>Motion: Request approval of the agreement with Sound Physicians, dba Hospitalist Medicine Physicians of California, Inc. to provide additional hospital medicine coverage for a term of 15-months beginning January 6, 2025, and ending March 31, 2026, at a monthly increase of \$52,511, for an annual cost increase of \$630,132, and a total amended additional cost for the remainder of the term of \$787,665.</i>		Dr. Gene Ma / Donald Dawkins
8.	Financials	15 min.	Janice Gurley
	a) Dashboard	5 min.	Janice Gurley
9.	Comments by committee members:	2 min.	Chair
10.	Date of next meeting: February 19, 2025	2 min.	Chair

NOTE: This meeting is also called and noticed as a meeting of the Board, but shall be conducted as an Administrative and Finance Committee meeting. Members of the Board who are not members of the Committee may attend the entire meeting, but shall not otherwise directly participate or vote on any item. The Committee shall take no final actions, but may make recommendations to be considered at a future meeting of the Board as to any item on the agenda, including information items. All public documents provided to the committee or Board for this meeting including materials related to an item on this agenda and submitted to the Board of Directors within 72 hours prior to this meeting may be reviewed at the District Offices located at 4002 Vista Way, Oceanside, CA 92056 in the office of the Executive Assistant during normal business hours.

Note: If you have a disability, please notify us at 760-940-5756 at least 48 hours prior to the meeting so that we may provide reasonable accommodations.

	AGENDA ITEM	TIME ALLOTTED	PERSON RESPONSIBLE
11.	Adjournment	1 min.	Chair
	Total Budget Time for Meeting	1 hr. 30 min.	

NOTE: This meeting is also called and noticed as a meeting of the Board, but shall be conducted as an Administrative and Finance Committee meeting. Members of the Board who are not members of the Committee may attend the entire meeting, but shall not otherwise directly participate or vote on any item. The Committee shall take no final actions, but may make recommendations to be considered at a future meeting of the Board as to any item on the agenda, including information items. All public documents provided to the committee or Board for this meeting including materials related to an item on this agenda and submitted to the Board of Directors within 72 hours prior to this meeting may be reviewed at the District Offices located at 4002 Vista Way, Oceanside, CA 92056 in the office of the Executive Assistant during normal business hours.

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Tri-City Medical Center
Finance, Operations and Planning Committee Minutes
August 21, 2024

Members Present	Director Tracy Younger, Director Nina Chaya, Director Adela Sanchez, Dr. Mohammad Jamshidi-Nezhad, Dr. Henry Showah
Non-Voting Members Present:	Dr. Gene Ma, CEO; Janice Gurley, CFO; Jeremy Raimo, COO; Donald Dawkins, CNE; Roger Cortez, CCO; Mark Albright, CIO; Susan Bond, General Counsel
Others Present	Eva England, Miava Sullivan
Members Absent:	

Topic	Discussions, Conclusions Recommendations	Action Recommendations/ Conclusions	Person(s) Responsible
1. Call to order	Director Younger called the meeting to order at 3:02 pm.		Chair
2. Approval of Agenda		<p>MOTION It was moved by Director Chaya, and seconded by Dr. Jamshidi-Nezhad to approve the agenda of August 21, 2024. <u>Members:</u> AYES: Younger, Showah, Chaya, Jamshidi-Nezhad NOES: None ABSTAIN: None ABSENT: None</p>	Chair
3. Comments by members of the public on any item of interest to the public before committee's consideration of the item.	Director Younger read the paragraph regarding comments from members of the public.	No comments	Chair

Topic	Discussions, Conclusions Recommendations	Action Recommendations/ Conclusions	Person(s) Responsible
4. Ratification of minutes of May 22, 2024	Minutes were ratified.	MOTION It was moved by Dr. Jamshidi-Nezhad and seconded by Dr. Showah to approve the minutes of May 22, 2024. Members: AYES: Younger, Chaya, Showah, Jamshidi-Nezhad NOES: None ABSTAIN: None ABSENT: None	Chair
5. Old Business	None		Chair
6. New Business	None		Chair
7. Consideration of Consent Calendar:		MOTION It was moved by Director Chaya to approve the Consent Calendar and seconded by Dr. Jamshidi-Nezhad. Members: AYES: Younger, Showah, Chaya, Jamshidi-Nezhad NOES: None ABSTAIN: None ABSENT: None	Jeremy Raimo
a) First Amendment - Lease Renewal Proposal -3905 Waring Rd., Oceanside - OSNC • Cardiff Investments		Approved via Consent Calendar	Jeremy Raimo
b) Reference Laboratory Testing Proposal • ARUP Laboratories, Inc.		Approved via Consent Calendar	Eva England
c) Physician Recruitment Agreement • Pavan Reddy, M.D.		Approved via Consent Calendar	Jeremy Raimo

Topic	Discussions, Conclusions Recommendations	Action Recommendations/ Conclusions	Person(s) Responsible
d) Consulting Agreement – Governmental Affairs • Robert E. Hertzka, M.D.		Approved via Consent Calendar	Dr. Gene Ma
e) Physician Agreement – CVHI Vascular Surgery Medical Director • Mohammad Jamshidi -Nezhad, D.O.		Approved via Consent Calendar	Eva England
f) Physician Agreement – CVHI Cardiothoracic Surgery Medical Director • Yuan Hwang Lin, M.D.		Approved via Consent Calendar	Eva England
g) Physician Agreement – CVHI Medical Director • Dr. Donald Ponec		Approved via Consent Calendar	Eva England
h) Physician Agreement – CVHI Invasive Cardiology Medical Director • Aaron Yung, M.D.		Approved via Consent Calendar	Eva England
i) Physician Agreement – ED On-Call Coverage: Cardio-Thoracic Surgery • Yuan Hwang Lin & Darrell Wu, M.D.		Approved via Consent Calendar	Eva England
j) Physician Agreement – ED On-Call Coverage: Cardiovascular Surgery Assist Services • Yuan Hwang Lin & Darrell Wu, M.D.		Approved via Consent Calendar	Eva England
k) Physician Agreement – Cardiovascular Health Institute – Quality Committee • Donald Ponec, M.D.		Approved via Consent Calendar	Eva England
m) Physician Agreement – Cardiovascular Health		Approved via Consent Calendar	Eva England

Topic	Discussions, Conclusions Recommendations	Action Recommendations/ Conclusions	Person(s) Responsible																																
Institute – Quality Committee <ul style="list-style-type: none"> Andrew Deemer, M.D. 																																			
n) Physician Agreement – Operations Committee CVHI <ul style="list-style-type: none"> Yuan Lin, M.D. 		Approved via Consent Calendar	Eva England																																
o) Physician Agreement – Operations Committee CVHI <ul style="list-style-type: none"> Hanh Bui, M.D. 		Approved via Consent Calendar	Eva England																																
p) Physician Agreement – Operations Committee CVHI <ul style="list-style-type: none"> Mohammad Jamshidi- Nezhad, D.O. 		Approved via Consent Calendar	Eva England																																
q) Physician Agreement – ED On-Call Coverage – Gastroenterology – General and ERCP <ul style="list-style-type: none"> Megan E. Novo, M.D. 		Approved via Consent Calendar	Jeremy Raimo																																
8. Financials	<p>Janice Gurley presented the financials ending July 31, 2024 (dollars in thousands)</p> <table border="0"> <tr> <td colspan="2"><u>TCHD – Financial Summary</u></td> </tr> <tr> <td><u>Fiscal Year to Date</u></td> <td></td> </tr> <tr> <td>Operating Revenue</td> <td>\$ 25,700</td> </tr> <tr> <td>Operating Expense</td> <td>\$ 26,789</td> </tr> <tr> <td>EBITDA</td> <td>\$ 1,519</td> </tr> <tr> <td>EROE</td> <td>\$ (18)</td> </tr> <tr> <td colspan="2"><u>TCMC – Key Indicators</u></td> </tr> <tr> <td><u>Fiscal Year to Date</u></td> <td></td> </tr> <tr> <td>Avg. Daily Census</td> <td>117</td> </tr> <tr> <td>Adjusted Patient Days</td> <td>6,552</td> </tr> <tr> <td>Surgery Cases</td> <td>399</td> </tr> <tr> <td>ED Visits</td> <td>4,002</td> </tr> <tr> <td colspan="2"><u>TCHD – Financial Summary</u></td> </tr> <tr> <td><u>Current Month</u></td> <td></td> </tr> <tr> <td>Operating Revenue</td> <td>\$ 25,700</td> </tr> <tr> <td>Operating Expense</td> <td>\$ 26,789</td> </tr> </table>	<u>TCHD – Financial Summary</u>		<u>Fiscal Year to Date</u>		Operating Revenue	\$ 25,700	Operating Expense	\$ 26,789	EBITDA	\$ 1,519	EROE	\$ (18)	<u>TCMC – Key Indicators</u>		<u>Fiscal Year to Date</u>		Avg. Daily Census	117	Adjusted Patient Days	6,552	Surgery Cases	399	ED Visits	4,002	<u>TCHD – Financial Summary</u>		<u>Current Month</u>		Operating Revenue	\$ 25,700	Operating Expense	\$ 26,789		Janice Gurley
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Topic	Discussions, Conclusions Recommendations	Action Recommendations/ Conclusions	Person(s) Responsible
	EBITDA \$ 1,519 EROE \$ (18) <u>TCMC – Key Indicators</u> <u>Current Month</u> Avg. Daily Census 117 Adjusted Patient Days 6,552 Surgery Cases 399 ED Visits 4,002 <u>Graphs:</u> <ul style="list-style-type: none"> • TCHD-EBITDA and EROE • TCHD Financial Summary • TCMC-Average Daily Census, Total Hospital - Excluding Newborns • TCMC-Emergency Department Visits • TCMC-Acute Average Length of Stay • TCMC-Adjusted Patient Days • TCMC-Paid Full Time Equivalents-13 Month Trend 		
a. Dashboard	No discussion	Information Only	Janice Gurley
9. Comments by Committee Members	None		Chair
10. Date of next meeting	September 18, 2024		Chair
11. Adjournment	Meeting adjourned 3:57 pm		Chair



Tri-City Medical Center

FINANCE, OPERATIONS AND PLANNING MEETING DATES / TIME:

2025

Time: 3:00 – 5:00 p.m.

Location: Assembly Room # 1

- Wednesday, January 22, 2025
- Wednesday, February 19, 2025
- Wednesday, March 19, 2025
- Wednesday, April 16, 2025
- Wednesday May 21, 2025
- Wednesday, June 18, 2025
- **JULY NO MEETING (BOD DARK)**
- Wednesday, August 20, 2025
- Wednesday, September 17, 2025
- Wednesday, October 15, 2025
- **NOVEMBER NO MEETING (BOD DARK)**
- Wednesday, December 3, 2025



Tri-City Medical Center

7.a.

FINANCE, OPERATIONS & PLANNING COMMITTEE

DATE OF MEETING: January 22, 2025

PHYSICIAN AGREEMENT - ANATOMIC AND CLINICAL PATHOLOGY SERVICES

Type of Agreement		Medical Directors	X	Panel		Other:
Status of Agreement	X	New Agreement		Renewal – New Rates		Renewal – Same Rates

Physician’s Name: Analytic Pathology Medical Group (APMG) Pacific Rim Pathology Medical Corporation

Area of Service: Pathology

Term of Agreement: 36 months, Beginning, March 1, 2025 – Ending, February 29, 2028

Maximum Totals: Within Hourly and/or Annualized Fair Market Value: YES

Monthly Cost	Annual Cost	36 Month (Term) Cost
\$50,000	\$600,000	\$1,800,000

Position Responsibilities:

- APMG will exclusively provide all anatomic pathology and clinical pathology (laboratory medicine) professional services in the Department
- APMG will ensure sufficient staff pathologist physicians and on-call coverage for the Department 24 hours per day, seven days a week
- APMG will provide an exclusive full-time pathologist Laboratory Director for the Clinical laboratory and the Department of Pathology
- APMG will provide oversight of all professional services in the Department
- Assist TCHD in developing, implementing and evaluating a utilization review program, a quality assurance program and a risk management program for the Department
- Assist TCHD in establishing and evaluating policies, procedures, and protocols for patient care in Pathology and Laboratory medicine
- Assist TCHD in meeting accreditation and licensing requirements of the College of American Pathologists, the Joint Commission, the FDA and the CDPH
- Assist TCHD in negotiating contracts with providers of outside materials and reference services to the Clinical Laboratory

Document Submitted to Legal for Review:	X	Yes		No
Approved by Chief Compliance Officer:	X	Yes		No
Is Agreement a Regulatory Requirement:	X	Yes		No
Budgeted Item:	X	Yes		No

Person responsible for oversight of agreement: Eva England, Sr. Director-Ancillary Services / Gene Ma, M.D., Chief Executive Officer

Motion:

I move that Finance Operations and Planning Committee recommend that the TCHD Board of Directors authorize the agreement with Analytic Pathology Medical Group (APMG) Pacific Rim Pathology Medical Corporation as the exclusive Pathology group for a term of 36 months beginning March 1, 2025 and ending February 29, 2028, for an annual cost of \$600,000, and a total term cost of \$1,800,000.



Tri-City Medical Center

7.b.

FINANCE, OPERATIONS & PLANNING COMMITTEE

DATE OF MEETING: January 22, 2025

PHYSICIAN AGREEMENT - HOSPITAL MEDICINE SERVICES (HOSPITALISTS)

Type of Agreement		Medical Directors		Panel	X	Other:
Status of Agreement		New Agreement	X	Renewal – Amendment		Renewal – Same Rates

Physician’s Name: Sound Physicians, dba Hospitalist Medicine Physicians of California, Inc.

Area of Service: Hospital Medicine - Hospitalists

Term of Agreement: 15 months, Beginning, January 6, 2025 – Ending, March 31, 2026

Maximum Totals: Within Hourly and/or Annualized Fair Market Value: YES

	Monthly Cost	Annual Cost	36 Month (Term) Cost
AMENDED	\$277,498	\$3,329,976	\$8,887,185
CURRENT	\$224,987	\$2,699,844	\$8,099,520
NET CHANGE	\$52,511	\$630,132	\$787,665

Position Responsibilities:

- Amendment to previously approved 3-year agreement with Sound Physicians for 15 remaining months for hospitalist coverage
- Current inpatient volumes exceed capacity of Hospitalist staff resulting in providers exceeding volume capacity thresholds and delays in care
- Amendment provides two additional physician FTEs to create a new swing shift during busiest admission hours to expedite care and limit physician burnout and turnover
- Net increase in cost of \$52,511 per month expected to be offset by collections if volume assumptions per proforma are captured

Document Submitted to Legal for Review:	X	Yes		No
Approved by Chief Compliance Officer:	X	Yes		No
Is Agreement a Regulatory Requirement:	X	Yes		No
Budgeted Item:		Yes	X	No

Person responsible for oversight of agreement: Dr. Gene Ma, Chief Executive Officer

Motion:

I move that Finance Operations and Planning Committee recommend that the TCHD Board of Directors authorize the amendment with Sound Physicians, dba Hospitalist Medicine Physicians of California, Inc. to provide additional hospital medicine coverage for a term of 15-months beginning January 6, 2025, and ending March 31, 2026, at a monthly increase of \$52,511, for an annual cost increase of \$630,132, and a total amended additional cost for the remainder of the term of \$787,665.

Financial Information



TCCM Days in Accounts Receivable (A/R)

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	C/M YTD Avg	Goal Range
FY25	62.6	60.6	60.9	59.0	58.2	61.1	93.9	84.0	75.0	69.2	66.6	68.2	60.4	48-52
FY24	69.7	72.7	80.0	80.1	76.2	97.4	93.9	84.0	75.0	69.2	66.6	68.2	79.4	

TCCM Days in Accounts Payable (A/P)

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	C/M YTD Avg	Goal Range
FY25	157.3	160.9	170.6	156.5	160.2	167.0	205.5	212.8	212.4	199.3	175.5	150.4	162.1	75-100
FY24	140.9	153.4	189.6	207.9	226.1	211.0	205.5	212.8	212.4	199.3	175.5	150.4	188.1	

TCHD EROE \$ in Thousands (Excess Revenue over Expenses)

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	C/M YTD	C/M YTD Budget
FY25	(\$18)	\$470	(\$347)	(\$949)	\$133	(\$3)	\$859	\$633	\$241	\$479	\$218	(\$211)	(\$715)	(\$4,708)
FY24	(\$3,585)	(\$3,847)	(\$4,443)	(\$2,962)	(\$5,827)	(\$5,468)	\$859	\$633	\$241	\$479	\$218	(\$211)	(\$26,131)	

TCHD EROE % of Total Operating Revenue

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	C/M YTD	C/M YTD Budget
FY25	-0.07%	1.77%	-1.29%	-3.39%	0.47%	-0.01%	3.16%	2.69%	0.90%	1.76%	0.83%	-0.74%	-0.44%	-3.04%
FY24	-14.11%	-15.18%	-19.69%	-12.28%	-29.94%	-25.97%	3.16%	2.69%	0.90%	1.76%	0.83%	-0.74%	-18.94%	



Financial Information

TCHD EBITDA \$ in Thousands (Earnings before Interest, Taxes, Depreciation and Amortization)

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	C/M YTD	C/M YTD Budget
FY25	\$1,519	\$1,972	\$1,165	\$546	\$1,628	\$1,546							\$8,377	\$4,319
FY24	(\$2,442)	(\$2,708)	(\$3,246)	\$311	(\$4,168)	(\$3,926)	\$2,410	\$1,376	\$1,846	\$1,977	\$1,794	\$1,156	(\$16,179)	

TCHD EBITDA % of Total Operating Revenue

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	C/M YTD	C/M YTD Budget
FY25	5.91%	7.41%	4.35%	1.95%	5.79%	5.62%	8.88%	5.84%	6.87%	7.27%	6.81%	4.06%	5.15%	2.79%
FY24	-9.61%	-10.69%	-14.38%	1.29%	-21.42%	-18.64%	8.88%	5.84%	6.87%	7.27%	6.81%	4.06%	-11.73%	

TCHD Paid FTE (Full Time Equivalent) per Adjusted Occupied Bed

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	C/M YTD	C/M YTD Budget
FY25	6.36	6.28	6.02	6.50	7.94	5.97	6.23	5.67	5.60	5.38	5.97	5.95	6.12	7.50
FY24	6.12	6.88	7.31	6.66	7.50	6.78	6.23	5.67	5.60	5.38	5.97	5.95	6.78	

TCHD Liquidity \$ in Millions (Cash + Available Revolving Line of Credit)

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	C/M YTD	C/M YTD Budget
FY25	\$24.3	\$23.6	\$22.9	\$21.3	\$10.6	\$17.4							\$35.1	\$27.8
FY24	\$18.3	\$11.6	\$9.9	\$12.5	\$19.6	\$27.2	\$31.9	\$16.6	\$15.1	\$29.7	\$35.1	\$27.8		