

Meeting Minutes

BOARD FINANCE COMMITTEE CALENDAR YEAR 2024



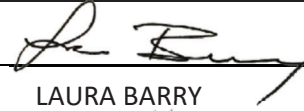
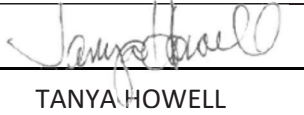
[P = Present V = Virtual E = Excused A = Absent G = Guest]

ATTENDANCE ROSTER						
MEMBERS	MEETING DATES:					
	1/24/24					
DIRECTOR LAURA BARRY – CHAIR	P					
DIRECTOR JEFF GRIFFITH, EMT-P	P					
DIRECTOR MIKE PACHECO	P					
DIANE HANSEN, PRESIDENT & CEO	P					
KANCHAN KOIRALA, MD, CoS PMC ESCONDIDO	E					
SAM FILICIOTTO, MD , CoS, PMC POWAY	V					
<i>DIRECTOR LAURIE EDWARDS-TATE, MS – ALTERNATE</i>						
<i>DIRECTOR LINDA GREER</i>	G					
<i>DIRECTOR TERRY CORRALES</i>	G					
<i>DIRECTOR JOHN CLARK</i>	V/G					
<i>ANDREW NGUYEN – ALTERNATE CoS</i> <i>PMC ESCONDIDO</i>						
<i>MARK GOLDSWORTHY, MD – ALTERNATE CoS</i> <i>PMC POWAY</i>						
STAFF ATTENDEES						
MELISSA WALLACE, INTERIM CHIEF FINANCIAL OFFICER	P					
OMAR KHAWAJA, MD, CHIEF MEDICAL OFFICER	V					
RYAN OLSEN, CHIEF OPERATIONS OFFICER	E					
MEL RUSSELL, RN, CHIEF NURSE EXECUTIVE	P					
TANYA HOWELL – COMMITTEE ASSISTANT	P					
INVITED GUESTS	SEE TEXT OF MINUTES FOR NAMES OF INVITED GUESTS					

BOARD FINANCE COMMITTEE – MEETING MINUTES – WEDNESDAY, JANUARY 24, 2024			
AGENDA ITEM	CONCLUSION/ACTION	FOLLOW UP/RESPONSIBLE PARTY	FINAL ?
DISCUSSION			
NOTICE OF MEETING			
<ul style="list-style-type: none"> The agenda (as Notice of Meeting) was posted on Wednesday, January 17, 2024, at Palomar Health’s Administrative Offices, which is consistent with legal requirements The full agenda packet was also posted on the Palomar Health website; and notice of that posting was made via email to the Board and staff 			
CALL TO ORDER			
<ul style="list-style-type: none"> The meeting – held in the Linda Greer Conference Room, 2125 Citracado Parkway, Suite 300, Escondido, CA, and virtually – was called to order at 1:34 p.m. by Chair Laura Barry 			
ESTABLISHMENT OF QUORUM			
<ul style="list-style-type: none"> Quorum was established – see roster for details 			
PUBLIC COMMENTS			
<ul style="list-style-type: none"> None filed 			
1. BOARD FINANCE COMMITTEE FOLLOW-UPS			
<ul style="list-style-type: none"> Case Mix Index Comparisons <ul style="list-style-type: none"> CMO Dr. Omar Khawaja stated that he had discussed comparisons with Dr. Julio, basically just discussions related to the CMIs she had seen at other sites; however, there had been an issue in making comparisons for trauma vs. non-trauma sites, and she hadn’t yet provided a response to the question 			
2. MINUTES –FINANCE COMMITTEE – WEDNESDAY, OCTOBER 25, 2023	MOTION: By Ms. Hansen, seconded by Director Griffith, and carried to approve the Minutes from the Finance Committee meeting held on Wednesday, October 25, 2023, as presented. Vote taken by Roll Call: Chair Barry – aye; Director Pacheco – aye; Director Griffith -aye ; Dr. Filiciotto –aye; Ms. Hansen – aye; Absent: Dr. Koirala	Forwarded to the February 12, 2024, Board of Directors meeting as information	Y
<ul style="list-style-type: none"> No discussion 			
3. EXECUTED, BUDGETED, ROUTINE PHYSICIAN AGREEMENTS	MOTION: By Director Griffith, seconded by Director Pacheco, and carried and carried to recommend approval of the Executed, Budgeted, Routine Physician Agreements. Vote taken by Roll Call: Chair Barry – aye; Director Pacheco – aye; Director Griffith -aye ; Dr. Filiciotto –aye; Ms. Hansen – aye; Absent: Dr. Koirala	Forwarded to the February 12, 2024, Board of Directors meeting with a recommendation for approval	Y
<ul style="list-style-type: none"> No discussion 			

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4. ESTABLISHMENT OF THE DATE, TIME AND LOCATION FOR THE REGULAR MEETINGS OF THE BOARD FINANCE COMMITTEE FOR CALENDAR YEAR 2024 & JANUARY 2025	<p>MOTION: By Director Pacheco, seconded by Director Griffith, and carried and carried to approve the Date, Time and Location for the Regular Meetings of the Board Finance Committee for Calendar Year 2024 & January 2025 as amended, with a new start time of 1:00 p.m.</p> <p>Vote taken by Roll Call: Chair Barry – aye; Director Pacheco – aye; Director Griffith -aye ; Dr. Filiciotto –aye; Ms. Hansen – aye; Absent: Dr. Koirala</p>	<p>Forwarded to the February 12, 2024, Board of Directors meeting as information</p> <ul style="list-style-type: none"> The new start time and his continued ability to attend will be confirmed with Dr. Koirala 	Y
<ul style="list-style-type: none"> Chair Barry read the dates, and, following some discussion, a motion for the originally suggested time of 1:30 p.m. was amended to a start time of 1:00 p.m., with lunch to be included 			
5. CHARTER OF THE FINANCE COMMITTEE OF THE PALOMAR HEALTH BOARD OF DIRECTORS	<p>MOTION: By Director Griffith, seconded by Ms. Hansen, and carried and carried to recommend approval of the Charter of the Finance Committee of the Palomar Health Board of Directors.</p> <p>Vote taken by Roll Call: Chair Barry – aye; Director Pacheco – aye; Director Griffith -aye ; Dr. Filiciotto –aye; Ms. Hansen – aye; Absent: Dr. Koirala</p>	<p>Forwarded to the February 12, 2024, Board of Directors meeting with a recommendation for approval</p>	Y
<ul style="list-style-type: none"> Reapproving the charter of Finance Committee of the Board of Palomar Health – no changes recommended 			
6. DECEMBER 2023 & YTD FY2024 FINANCIAL STATEMENTS	<p>MOTION: By Director Griffith, seconded by Director Pacheco, and carried to recommend approval of the December 2023 & YTD FY2024 Financial Statements</p> <p>Vote taken by Roll Call: Chair Barry – aye; Director Pacheco – aye; Director Griffith -aye ; Dr. Filiciotto –aye; Ms. Hansen – aye; Absent: Dr. Koirala</p>	<p>Forwarded to the February 12, 2024, Board of Directors meeting with a recommendation for approval</p>	N
<ul style="list-style-type: none"> CEO Diane Hansen introduced Melissa Wallace, who has stepped into the Interim CFO role since Hugh King retired at the end of last year <ul style="list-style-type: none"> Ms. Wallace has been with the health system for almost 16 years and will act as CFO until the new CFO is onboarded in May Ms. Wallace reviewed financial results for the first six months of the fiscal year, noting that numbers were behind budget due to delays in strategic projects, payor mix shifts, and inflationary challenges <ul style="list-style-type: none"> YTD discharges were down about 5% from prior year at 12,086, while patient days were relatively flat; as a result, LOS was up, which was supported by a higher case mix index Surgeries were relatively flat compared to the budget, though ER cases were down DCOH was down, but will increase by the end of year when supplemental funds are received from the state, like last year 			

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• DISCUSSION			
<ul style="list-style-type: none"> ○ Income from operations was a loss of \$7M for Q2 of FY2024, though improved from Q1; YTD income from operations was a loss of \$18.8M; the net income loss was \$27.8M ○ Ms. Wallace and Ms. Hansen shared that an outside consulting firm had been engaged to do a financial review and help identify areas of potential improvement 			
ADJOURNMENT		The meeting was adjourned by Chair Barry at 2:10 p.m.	
SIGNATURES:	COMMITTEE CHAIR	 _____ LAURA BARRY	
	COMMITTEE ASSISTANT	 _____ TANYA HOWELL	