



EL CENTRO REGIONAL MEDICAL CENTER
BOARD OF TRUSTEES – REGULAR MEETING

MONDAY, JANUARY 23, 2023
5:30 PM

MOB CONFERENCE ROOM 1&2
1271 ROSS AVENUE, EL CENTRO, CA

PRESIDENT: Tomas Oliva

MEMBERS: Sylvia Marroquin; Martha Cardenas-Singh; Edgard Garcia; Sonia Carter; Patty Maysent-CEO, UCSD Health; Christian Tomaszewski-M.D.-CMO, UCSD

CLERK: Belen Gonzalez

ATTORNEY: Hope Levy-Biehl
Elizabeth Martyn, City Attorney

This is a public meeting. If you are attending in person, and there is an item on the agenda on which you wish to be heard, please come forward to the microphone. Address yourself to the president. You may be asked to complete a speaker slip; while persons wishing to address the Board are not required to identify themselves (Gov't. Code § 54953.3), this information assists the Board by ensuring that all persons wishing to address the Board are recognized and it assists the Board Executive Secretary in preparing the Board meeting minutes. The president reserves the right to place a time limit on each person asking to be heard. If you wish to address the board concerning any other matter within the board's jurisdiction, you may do so during the public comment portion of the agenda.

BOARD MEMBERS, STAFF AND THE PUBLIC MAY ATTEND VIA ZOOM.

To participate and make a public comment in person, via Zoom or telephone, please raise your hand, speak up and introduce yourself.

Join Zoom Meeting: <https://ecrmc.zoom.us/j/84153768199?pwd=YWtRUWNycGIYWVBzdkdWdnZlWUdnQT09>

Optional dial-in number: 1 (669) 444 9171

Meeting ID: 841 5376 8199 Passcode: 890916

Public comments via zoom are subject to the same time limits as those in person.

OPEN SESSION AGENDA

ROLL CALL:

PLEDGE OF ALLEGIANCE:

PUBLIC COMMENTS: Any member of the public wishing to address the Board concerning matters within its jurisdiction may do so at this time. Three minutes is allowed per speaker with a cumulative total of 15 minutes per group, which time may be extended by the President. Additional information regarding the format for public comments may be provided at the meeting.

RECESS TO CLOSED SESSION:

A. CLOSED SESSION PURSUANT TO GOVT. CODE SECTION 54957

The Hospital Board will recess to closed session pursuant to Govt. Code Section 54957

Title of Positions: Chief Executive Officer, Chief Medical Officer

B. TRADE SECRETS. The Hospital Board will recess to closed session pursuant to Govt. Code Section 37606(b) for the purpose of discussion and/or deliberation of reports involving hospital trade secret(s) as defined in subdivision (d) of Section 3426.1 of the Civil Code and which is necessary, and would, if prematurely disclosed create a substantial probability of depriving the hospital of a substantial economic benefit:

Discussion of:

Number of Items:

| | |
|----------------------------|----------|
| <u>X</u> hospital service; | <u>4</u> |
| <u>X</u> program; | <u>2</u> |
| <u>X</u> hospital facility | <u>1</u> |

RECONVENE TO OPEN SESSION – BOARD PRESIDENT

CONSENT AGENDA: *(Item 1-2)*

All items appearing here will be acted upon for approval by one motion, without discussion. Should any Board member or other person request that any item be considered separately, that item will be taken up at a time as determined by the President.

1. Review and Approval of Board of Trustees Minutes of Regular Meeting of December 13, 2022.
2. Review and Approval of Board of Trustees Minutes of Special Meeting of December 19, 2022.

NEW BUSINESS

3. Review and Approval of Memorandum of Understanding (MOU) for the ECRMC RN/LVN Group
4. UCSD Medical Service and other Agreements Update
 - a. Chief Medical Officer (CMO) Agreement
 - b. Amendments to other agreements; Stroke, ICU, ED, Urology
 - c. Agreement for Interim CEO Services
5. Discuss and Approve the Merger of Outpatient Department into Medicine Department for internal administrative purposes.
6. Review and Approval of Amendments to Medical Staff Bylaws.

FINANCE and OPERATIONAL UPDATE

7. Presentation of Draft Financial Statements for Month and Year-to-Date as of December 31, 2022—**Informational**
8. Presentation of Draft Current Weekly Cash Budget—**Informational**

CEO DISCUSSION – Informational

RECESS TO CLOSED SESSION:

C. HEARING/DELIBERATIONS RE MEDICAL QUALITY COMMITTEE REPORTS/STAFF PRIVILEGES. The Hospital Board will recess to closed session pursuant to Government Code Section 37624.3 for a hearing and/or deliberations concerning reports of the ___ hospital medical audit committee, or X quality assurance committees, or X staff privileges.

RECONVENE TO OPEN SESSION – BOARD PRESIDENT

ANNOUNCEMENT OF CLOSED SESSION ACTIONS, IF ANY – GENERAL COUNSEL/ MEDICAL STAFF

9. Approval of Report of Medical Executive Committee’s Credentials Recommendations Report for Appointments, Reappointments, Resignations and Other Credentialing/Privileging Actions of Medical Staff and/or AHP Staff *(Approved in Closed Session)*

BOARD MEMBER COMMENTS:

ADJOURNMENT: Adjourn. (Time:) Subject to additions, deletions, or changes.



El Centro Regional Medical Center
BOARD OF TRUSTEES – REGULAR MINUTES
OPEN SESSION MINUTES
 MOB EDUCATION CONFERENCE ROOMS 1&2
 1271 Ross Avenue, El Centro, CA 92243

Zoom Meeting link: <https://ecrmc.zoom.us/j/81874921954?pwd=SkhYTmtlVVpQd2dUOUUpCNI83eXBIZz09>

Tuesday, December 13, 2022

| TOPIC | DISCUSSION/CONCLUSION | RECOMMENDATION/ACTION |
|---|--|--|
| ROLL CALL | <p>PRESENT: Oliva; Cardenas-Singh; Marroquin; Garcia; Viegas-Walker; Tomaszewski (<i>left at 7:59pm</i>); Jenusaitis; Chief Executive Officer Scott Phillips; City of El Centro Attorney Elizabeth Martyn; and Executive Board Secretary Belen Gonzalez</p> <p>VIA ZOOM: Cedric Ceseña, Interim City of El Centro Manager; Hope Levy-Biehl (<i>present at 8:00pm</i>)</p> <p>ABSENT: Maysent (<i>Mathew Jenusaitis in place of Maysent</i>)</p> | |
| CALL TO ORDER | | The Board of Trustees convened in open session at 5:30 p.m. Meeting was called to order by City of El Centro Mayor Oliva. |
| OPENING CEREMONY | The Pledge of Allegiance was recited in unison. | None |
| NOTICE OF MEETING | Notice of meeting was posted and mailed consistent with legal requirements. | None |
| BOARD OF TRUSTEES REORGANIZATION | Reorganization of the Board of Trustees with selection of President and Vice-President 2022-23. | A. Trustee Cardenas-Singh moved to nominate Trustee Oliva to the office of President of the Board of Trustees. No other nominations were taken. |

Regular Meeting
December 13, 2022, 5:30 p.m.

| TOPIC | DISCUSSION/CONCLUSION | RECOMMENDATION/ACTION |
|------------------------|--|---|
| | <p>A. The Board Executive Secretary presided over the meeting for the selection of the President of the Board of Trustees.</p> <p>All members of the Board were then equal on equal basis to nominate and elect. A second was not necessary to nominate someone. Trustee Cardenas-Singh opened the nominations from the floor for the office of Board President.</p> <p>B. Newly-elected President Oliva assumed as the Board Chair and opened nominations from the floor for the office of the Vice-President.</p> <p>C. President Oliva designated two ECRMC trustees who met the requirements of the City Ordinance No. <i>(not established at this time)</i>. ECRMC requested that the management trustee appointment shall be Patty Maysent-CEO, UCSD Health and Christian Tomaszewski-M.D-CMO, UCSD Health.</p> <p><i>City of El Centro Attorney Elizabeth Martyn-</i> Under the terms of the UCSD Management Agreement and the proposed amendments to the management agreement, UCSD has requested that if Trustee Maysent is not present that Mathew Jenusaitis will be attending in her place. Jenusaitis has also met the requirements of the City Ordinance.</p> | <p>Nominations from the floor for the office of President were closed.</p> <p>All present in favor; none opposed.</p> <p>B. President Oliva moved to nominate Trustee Marroquin to the office of Vice-President of the Board of Trustees. No other nominations were taken from the floor. Nominations from the floor for the office of Vice-President were closed.</p> <p>All present in favor; none opposed.</p> <p>C. MOTION: by Marroquin, seconded by Viegas-Walker and carried to approve the designation of two ECRMC trustees who met the requirements; Patty Maysent-CEO, UCSD Health, and Christian Tomaszewski-M.D.-CMO, UCSD Health.</p> <p>In addition, Mathew Jenusaitis as proxy for Patty Maysent-CEO, UCSD Health.</p> <p>All present in favor; none opposed.</p> |
| PUBLIC COMMENTS | None | None |

| TOPIC | DISCUSSION/CONCLUSION | RECOMMENDATION/ACTION |
|--|--|---|
| <p>Item 1: Review and Approval of Resolution ECRMC No. 22-07 Setting the Place, Date, and Time for Regular ECRMC Board Meetings.</p> | <p>None</p> | <p>MOTION: by Viegas-Walker, seconded by Garcia and carried to approve the Resolution ECRMC No. 22-07 Setting the Place, Date, and Time for Regular ECRMC Board Meetings.</p> <p>All present in favor; none opposed.</p> |
| <p>CONSENT AGENDA: Item 2: Receive and File of Board of Trustees Minutes of Regular Meeting of October 24, 2022.</p> | <p>This item was acknowledged receipt by the Board and directed to be appropriately filed without discussion.</p> | <p>MOTION: by Garcia, seconded by Cardenas-Singh and carried to approve the receipt and filing of the Board of Trustees Minutes of Regular Meeting of October 24, 2022.</p> <p>All present in favor; none opposed.</p> |
| <p>NEW BUSINESS Item 3A: Review and Approval of ECRMC Resolution No. 22-08, Agreement with HMP to provide management services, including but not limited to a Chief Executive Officer (CEO) and a Chief Financial Officer (CFO).</p> <p>Item 3B: Confirm appointment of Scott Phillips as CEO and Derek Pierce as CFO as of November 16, 2022.</p> | <p><i>Item 3A: Review and Approval of ECRMC Resolution No. 22-08, Agreement with HMP to provide management services, including but not limited to a Chief Executive Officer (CEO) and a Chief Financial Officer (CFO).</i></p> <p>Scott Phillips provided clarification to the Board of Trustees related to the <i>Compensation</i> section of the HMP Management Service Agreement.</p> <p>Both the CEO and CFO positions are Managing Director positions.</p> <p><i>Item 3B: Confirm appointment of Scott Phillips as CEO and Derek Pierce as CFO as of November 16, 2022.</i></p> | <p>MOTION: by Cardenas-Singh, seconded by Marroquin and carried to approve Item 3A: the ECRMC Resolution No. 22-08, Agreement with HMP to provide management services, including but not limited to a Chief Executive Officer (CEO) and a Chief Financial Officer (CFO) and Item 3B: the confirmation appointments of Scott Phillips as CEO and Derek Pierce as CFO as of November 16, 2022.</p> <p>All present in favor; none opposed.</p> |

| TOPIC | DISCUSSION/CONCLUSION | RECOMMENDATION/ACTION |
|---|---|--|
| <p>Item 4: Review and Approval of ECRMC Resolution No. 22-09, Terminating Benefits for Board Members.</p> | <p>Scott Phillips explained to the Board of Trustees that the current hospital bylaws offer payment for meeting fees and benefits to board members.</p> <ul style="list-style-type: none"> • There is no record of payment to board members in the last couple of years. • A request to eliminate these benefits from the hospital bylaws was presented. • The changes to the hospital bylaws will be shared at the next Board of Trustees meeting. | <p>MOTION: by Marroquin, seconded by Viegas-Walker and carried to approve the ECRMC Resolution No. 22-09, Terminating Benefits for Board Members. All present in favor; none opposed.</p> |
| <p>Item 5: Direct and confirm the following actions recommended by the CEO:</p> <ul style="list-style-type: none"> • The operation of all committee suspended. • Staff shall present amended Bylaws at the January 23, 2023, regular meeting. • The CFO is an officer of ECRMC which shall be reflected in the bylaws among all other changes. | <p><i>The operation of all committee suspended.</i></p> <p>The current bylaws provide for 12 existing standing committees with multiple committees reviewing sequentially the same information.</p> <p>In consideration of efficiency, transparency, and effectiveness requesting to have one committee act as a whole and receive all information at the same time.</p> <p>Packets would be available to board members and to the public at least 72 hours ahead of time.</p> <p><i>Staff shall present amended Bylaws at the January 23, 2023, regular meeting.</i></p> <p><i>The CFO is an officer of ECRMC, which shall be reflected in the bylaws among all other changes.</i></p> <p>Scott Phillips explained that the hospital bylaws did not provide for a Chief Financial Officer. In the existing bylaws, the City of El Centro Manager is the hospital's</p> | <p>MOTION: by Marroquin, seconded by Garcia and carried to approve the actions recommended by the CEO:</p> <ul style="list-style-type: none"> • The operation of all committee suspended. • Staff shall present amended Bylaws at the January 23, 2023, regular meeting. • The CFO is an officer of ECRMC which shall be reflected in the bylaws among all other changes <p>All present in favor; none opposed.</p> |

| TOPIC | DISCUSSION/CONCLUSION | RECOMMENDATION/ACTION |
|---|--|---|
| | treasurer. Requesting that the bylaws be rewritten to streamline the governance of the hospital and reflect the CFO as an officer of ECRMC. | |
| Item 6: Review and Approval of ECRMC Resolution No. 22-10, Approving the Memorandum of Understanding for the ECRMC Technical Group. | Luis Castro presented a draft of the renewal of the Memorandum of Understanding for the ECRMC Technical Group subject to acceptance from the membership. | MOTION: by Cardenas-Singh, seconded by Viegas-Walker and carried to approve the ECRMC Resolution No. 22-10, Approving the Memorandum of Understanding for the ECRMC Technical Group. All present in favor; none opposed. |
| Item 7: Review and Approval of ECRMC Resolution No. 22-11, Approving the Memorandum of Understanding (MOU) for the ECRMC RN/LVN Group. | Luis Castro presented a draft of the renewal of the Memorandum of Understanding for the ECRMC RN/LVN Group subject to acceptance from the membership. | MOTION: by Viegas-Walker, seconded by Marroquin and carried to approve the Memorandum of Understanding (MOU) for the ECRMC RN/LVN Group. All present in favor; none opposed. |
| Item 8: Review and Approval of Surgery Department Privilege Delineation Forms. | Dr Mohammed Al-Jasim provided a summary of the utilization of these forms by Medical Staff. | MOTION: by Viegas-Walker, seconded by Cardenas-Singh and carried to approve the Surgery Department Privilege Delineation Forms. All present in favor; none opposed. |
| CEO-REQUESTED ACTION AND INFORMATION ITEMS, Scott Phillips, CEO | Scott Phillips summarized the changes made to the Purchase Authorization policy, which reduce the Chief Executive Officer's spending limit. | MOTION: by Viegas-Walker, seconded by Garcia and carried to approve the Triennial Policy: Purchase Authorization, reducing the Chief Executive Officer's spending limit; with suggested edits. |

| TOPIC | DISCUSSION/CONCLUSION | RECOMMENDATION/ACTION |
|---|--|--|
| <p>Item 9: Review and Approval of Triennial Policy: Purchase Authorization reducing the Chief Executive Officer’s spending limit.</p> | <p>The proposal to make these adjustments was to bring more expenditures for Board of Trustees approval and limit the approvals done by management.</p> <p>It was the recommendation of the Board of Trustees to make the following edits to the policy:</p> <ul style="list-style-type: none"> • change line 45 (page 2) from <i>Contracts of more than five hundred thousand dollars (\$500,000)</i> to <i>Contracts of more than one hundred thousand dollars (\$100,000)</i>... | <p>All present in favor; none opposed.</p> |
| <p>Item 10: Review and Approval of ECRMC Resolution No. 22-12, Authorizing Closure of Medical Staff Account with Morgan Stanley Bank and Opening New Account with Wells Fargo with Approved Signatories.</p> | <p>Scott Phillips explained the recommendation of the Medical Executive Committee to close current medical staff account with Morgan Stanley Bank and request to open new account with Wells Fargo.</p> <p>The account with Morgan Stanly was under the direct supervision of the previous Chief Executive Officer.</p> <p>ECRMC Resolution No. 22-12 will change the signatories to medical staff officers with a minimum of two signatures by the below medical staff officers:</p> <ul style="list-style-type: none"> • Chief of Medical Staff • Secretary Treasurer of the Medical Staff • Medical Staff Director <p>It was the recommendation of the Board of Trustees to amend the resolution to provide the opportunity to open the account with any bank determined by the medical staff.</p> | <p>MOTION: by Garcia, seconded by Viegas-Walker and carried to approve the ECRMC Resolution No. 22-12, Authorizing Closure of Medical Staff Account with Morgan Stanley Bank and Opening New Account with Wells Fargo with Approved Signatories; modified with suggested amendment.</p> <p>All present in favor; none opposed.</p> |

| TOPIC | DISCUSSION/CONCLUSION | RECOMMENDATION/ACTION |
|--|--|-----------------------|
| <p>Item 11: Financial and Operational Update—Informational</p> <p>A. Presentation of Restated Financial Statements as at June 30, 2022.</p> <p>B. Presentation of Financial Statements for Month and Year-to-Date as at October 31, 2022.</p> <p>C. Presentation of Current Weekly Cash Budget</p> | <p>Derek Pierce and Scott Phillips presented a summary of the restated financial statements previously approved by the Board of Trustees.</p> <p>Presented the June 2022 Financial Report, the October 2022 Financial Report, and Cash Flow Summary for FY 2023.</p> <p>Discussed:</p> <ul style="list-style-type: none"> • Vendor payments and how long it is taking ECRMC to pay these. • The possibility of pushing Cerner deadline to April 2023. <p>Preparing a report to present at the upcoming December 19, 2022 Board of Trustees meeting regarding initiatives to reduce costs.</p> <p>Currently reviewing opportunities to reduce costs and/or provide more efficient processes:</p> <ul style="list-style-type: none"> • Reduction of RN travelers • Physician issues <ul style="list-style-type: none"> ○ average length of stay ○ patient disposition • Professional fees; medical and non-medical <ul style="list-style-type: none"> ○ reviewing every contract and agreement • All hospital contracts and leases are being evaluated <ul style="list-style-type: none"> ○ Example: mall lease and warehouse lease and possibility of bringing staff back to the hospital. | <p>Informational</p> |

| TOPIC | DISCUSSION/CONCLUSION | RECOMMENDATION/ACTION |
|--|---|--|
| | <ul style="list-style-type: none"> • Examining every management position and every staff position • Service lines; clinical and other • Revaluating billing | |
| Item 12: Construction Project Budget Update—Informational | Derek Pierce provided an up-to-date summary on the 2018 bond projects and the need of funding source to complete projects. | Informational |
| Item 13: Registry Nursing and Technical Staff Discussion—Informational | <p>Tara Mitchell reviewed the registry projection for twelve (12) months; December 2021- November 2022.</p> <p>Reviewed strategies to reduce registry staff:</p> <ul style="list-style-type: none"> • LVN hires • Recruitment from Mexico • Intern program: 3rd and 4th semester nursing students | Informational |
| Item 14: Physician Fees—Informational | <p>Derek Pierce provided a summary presentation of physician fees.</p> <p>Legal counsel will be reviewing all professional fees.</p> | Informational |
| <p>Item 15: LEGAL, Elizabeth Martyn, City Attorney</p> <p>A. Termination of Agreement with Athene Law</p> <p>B. Review and Approval of Special Counsel Agreement with Hope Levy-Biehl (Davis Wright Tremaine LLP) and</p> | <p>With the changes in management, the need to change legal counsel was identified. With the recommendation of new administration, a termination of agreement with Athene Law was presented and a request was made to replace with a new legal counsel agreement with Hope Levy-Biehl (Davis Wright Tremaine LLP).</p> <p>Hope Levy-Biehl introduced herself via Zoom video call.</p> | <p>MOTION: by Marroquin, and seconded by Cardenas-Singh and carried to approve: Item 15A. The termination of Agreement with Athene Law and Item 15B. Approve Special Counsel Agreement with Hope Levy-Biehl (Davis Wright Tremaine LLP) and Authorization for Execution of Accompanying Conflict of Interest Waiver.</p> |

| TOPIC | DISCUSSION/CONCLUSION | RECOMMENDATION/ACTION |
|--|-----------------------|---|
| <p>Authorization for Execution of Accompanying Conflict of Interest Waiver.</p> | | <p>All present in favor; none opposed.</p> |
| <p>RECESS TO CLOSED SESSION</p> | | <p>MOTION: by Viegas-Walker, seconded by Garcia and carried to recess to Closed Session at 8:06 p.m. for CONFERENCE WITH LEGAL COUNSEL and HEARING/DELIBERATIONS RE MEDICAL STAFF PRIVILEGES</p> <p>All present in favor to recess to Closed Session. None opposed.</p> |
| <p>RECONVENE TO OPEN SESSION</p> | | <p>The Board of Trustees reconvened to Open Session at 9:01 p.m.</p> |
| <p>ANNOUNCEMENT OF CLOSED SESSION ACTIONS</p> | | <p>[A. CONFERENCE WITH LEGAL COUNSEL—Anticipated Litigation, Significant exposure to litigation pursuant to Government Code Section 54956.9(d)(2): RE: <i>White claim</i>:</p> <p>MOTION: by Viegas-Walker, seconded by Garcia and carried to approve the response from ECRMC to the Demand letter regarding White Claim; to be mailed out via certified USPS mail.</p> <p>Item 16a. MOTION: by Walker, seconded by Cardenas-Singh and carried to approve the Report of Medical Executive</p> |

| TOPIC | DISCUSSION/CONCLUSION | RECOMMENDATION/ACTION |
|--------------------|-----------------------|---|
| | | Committee's Credentials Recommendations Report for Appointments, Reappointments, Resignations and Other Credentialing/Privileging Actions of Medical Staff and/or AHP Staff for the month of November 2022 and December 2022. All present in favor; none opposed. |
| ADJOURNMENT | | There being no further business, meeting was adjourned at approximately 9:02 p.m. |

BELEN GONZALEZ, BOARD EXECUTIVE SECRETARY

APPROVED BY

TOMAS OLIVA, PRESIDENT



El Centro Regional Medical Center
BOARD OF TRUSTEES – SPECIAL MINUTES
OPEN SESSION MINUTES
CITY OF EL CENTRO
ECONOMIC DEVELOPMENT CONFERENCE ROOM
 1249 Main Street, El Centro, CA 92243

Zoom Meeting link: <https://ecrmc.zoom.us/j/89494291687?pwd=ZlZlbnFVTT1h4SmswcTVrUFlkZ2hwQT09>

Monday, December 19, 2022

| TOPIC | DISCUSSION/CONCLUSION | RECOMMENDATION/ACTION |
|-------------------------|--|--|
| ROLL CALL | <p>PRESENT: Oliva; Cardenas-Singh; Marroquin; Garcia; Carter; Tomaszewski; Jenusaitis; Chief Executive Officer Scott Phillips; Outside General Counsel Hope Levy-Biehl; and Executive Board Secretary Belen Gonzalez</p> <p>ABSENT: Maysent (<i>Mathew Jenusaitis in place of Maysent</i>)</p> <p>ALSO PRESENT: Interim City of El Centro Manager Cedric Ceseña; City of El Centro Attorney Elizabeth Martyn; Special Counsel Samuel R. Maizel, Dentons US LLP</p> <p>ADMINISTRATIVE STAFF: Tara Mitchell, CNO; Luis Castro, COO; Suzanne Martinez, CCRO; Derek Pierce, CFO; Lenin Valdes, AAOF; Rosanna Lugo-Sandoval, Marketing Director</p> | |
| CALL TO ORDER | | The Board of Trustees convened in open session at 5:30 p.m. Board President Oliva called the meeting to order. |
| OPENING CEREMONY | The Pledge of Allegiance was recited in unison. | None |

Special Meeting
December 19, 2022, 5:30 p.m.

| TOPIC | DISCUSSION/CONCLUSION | RECOMMENDATION/ACTION |
|---|---|---|
| NOTICE OF MEETING | Notice of meeting was posted and mailed consistent with legal requirements. | None |
| PUBLIC COMMENTS | None | None |
| RECESS TO CLOSED SESSION | | <p>MOTION: by Cardenas-Singh, seconded by Marroquin and carried to recess to Closed Session at 5:33 p.m. for CONFERENCE WITH LEGAL COUNSEL and TRADE SECRETS</p> <p>All present in favor to recess to Closed Session. None opposed.</p> |
| RECONVENE TO OPEN SESSION | | The Board of Trustees reconvened to Open Session at 9:12 p.m. |
| ANNOUNCEMENT OF CLOSED SESSION ACTIONS | | <p><u>A. CONFERENCE WITH LEGAL COUNSEL</u>—Anticipated Litigation, Significant exposure to litigation pursuant to Government Code Section 54956.9(d)(2)—1 claim: <i>Carrillo personal injury claim</i></p> <p>MOTION: by Cardenas-Singh, seconded by Garcia and carried to approve the response from ECRMC to the Demand letter regarding <i>Carrillo personal injury claim</i>; to be mailed out via certified USPS mail.</p> |

| TOPIC | DISCUSSION/CONCLUSION | RECOMMENDATION/ACTION |
|---|--|--|
| | | <p>TRADE SECRETS: Review and Approval of Retention Agreement with Dentons US LLP Special Counsel</p> <p>MOTION: by Marroquin, seconded by Garcia and carried to approve the Retention Agreement with Dentons US LLP Special Counsel</p> |
| <p>Ninth Amendment to Amended Master Management Agreement with UCSD.</p> | <p>The item was extracted from the agenda for further discussion and will be considered at a later time.</p> | <p>Item tabled from the agenda and will be considered at a later time.</p> |
| <p>ADJOURNMENT</p> | | <p>There being no further business, meeting was adjourned at approximately 9:12 p.m.</p> |

BELEN GONZALEZ, BOARD EXECUTIVE SECRETARY

APPROVED BY

TOMAS OLIVA, PRESIDENT

Special Meeting
December 19, 2022, 5:30 p.m.



TO: HOSPITAL BOARD MEMBERS
FROM: Luis Castro, Chief Operating Officer
DATE: January 23, 2023
MEETING: Board of Trustees

SUBJECT: Approval of Labor Union Contract for the Hospital’s RN/LVN Group

BUDGET IMPACT: __Does not Apply
 A. Does the action impact/affect financial resources? X Yes ___ No
 B. If yes, what is the impact amount: \$196,295.00

BACKGROUND: Memorandum of Understanding (“MOU”) for the RN/LVN Group by and between El Centro Regional Medical Center and Teamsters Union Local 542 expired on October 26, 2021. Both parties agreed to continue MOU on a month-to-month basis due to COVID-19 pandemic until negotiations could be scheduled and a successor contract be negotiated. Both parties initiated negotiations in February 2022. The MOU was negotiated by representatives of Teamsters Union Local 542 and by representatives of ECRMC including legal representation (when needed).

El Centro Regional Medical Center’s Board of Trustees approved a wage increase to all full time and part time RN/LVN employees based on years of experience and educational component to take effect July 31, 2022.

In December 2022, a tentative agreement was reached and was presented to the membership for approval; however, the membership rejected the tentative agreement and presented a counter offer with regards to wages. All other articles were approved as presented.

Administration reviewed counter offer presented by Union and tentatively agreed pending Board of Trustees approval.

DISCUSSION: Summary of RN/LVN Group financial impact being presented to Board of Trustees for review and approval.

RECOMMENDATION: Approve

ATTACHMENT(S):

- Summary of RN/LVN Group (Financial Impact Overview)

Approved for agenda, Chief Executive Officer

Date and Signature: 



SUMMARY OF RN/LVN GROUP INCREASES

January 23, 2023

| | <u>BASE</u> | <u>INCREASE</u> | <u>IMPACT</u> | <u>NEW BASE</u> |
|------------------------|-----------------|-----------------|----------------|-----------------|
| YEAR 1 | \$18,152,091.36 | \$18,300,915.36 | \$148,824.00 | \$18,300,915.36 |
| YEAR 2 (7%) | \$18,300,915.36 | \$19,581,979.43 | \$1,281,064.07 | \$19,581,979.43 |
| YEAR 3 (5%) | \$19,581,979.43 | \$20,561,078.40 | \$979,098.97 | \$20,561,078.40 |
| YEAR 4 (5%) | \$20,561,078.40 | \$21,589,132.32 | \$1,028,053.92 | \$21,589,132.32 |

| Article # | Section | ECRMC RESPONSE/PROPOSAL |
|------------|--------------|--|
| Article 25 | Compensation | <ul style="list-style-type: none"> • Year 1 (July 31, 2022): Wage adjustment to years of experience based on ECRMC wage scale • Year 2 (July 1, 2023): 7% increase • Year 3 (July 1, 2024): 5% increase • Year 4 (July 1, 2025): 5% increase |

| Benchmarked Position Title | Job Code | 0 | 1-3 | 4-6 | 7-9 | 10-12 | 13-15 | 15+ |
|----------------------------|----------|---------|---------|---------|---------|---------|---------|---------|
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| Registered Nurse | 200000 | \$36.00 | \$37.80 | \$39.69 | \$41.67 | \$43.75 | \$45.93 | \$48.22 |
| Registered Nurse II | 200001 | \$39.00 | \$40.95 | \$43.00 | \$45.15 | \$47.41 | \$49.78 | \$52.26 |
| Registered Nurse III | 200002 | \$42.00 | \$44.10 | \$46.30 | \$48.61 | \$51.04 | \$53.59 | \$57.00 |

| Benchmarked Position Title | Job Code | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|--|-----------|---------|---------|---------|---------|---------|---------|---------|
| Licensed Vocational Nurse (IV Therapy) | New Range | \$25.00 | \$26.25 | \$28.50 | \$30.75 | \$33.00 | \$35.25 | \$37.50 |

El Centro Regional Medical Center (“ECRMC”) reserves the right to add to, delete from, change and/or modify any of these proposals and/or amendment at any time.

TO: HOSPITAL BOARD MEMBERS

FROM: Hope Levy-Biehl, Special Counsel
Elizabeth Martyn, City Attorney



DATE: January 23, 2023

MEETING: Board of Trustees

SUBJECT: UCSD Medical Service and other Agreements

- a. Amendments to other agreements; Stroke, ICU, ED, Urology
- b. Agreement for Interim CEO Services
- c. Informational only: Chief Medical Officer (CMO) Agreement

BUDGET IMPACT:

- ___ Does not Apply
A. Does the action impact/affect financial resources? Yes No
B. If yes, what is the impact amount: Ongoing payment for physician services at the same rate.

BACKGROUND: ECRMC and UCSD presently have several clinical service staffing agreements in place, including for Stroke, ICU, Urology and coverage of the Emergency Department. Some of these service agreements are set to expire on January 31, 2023. UCSD has proposed that the parties enter in to a simple extension agreement to continue the current arrangements while a new form of master services agreement can be negotiated and adopted.

Similarly, UCSD previously provided Dr. Tomaszewski to serve as the ECRMC Chief Medical officer under the Amended and Restated Master Management Services Agreement, which expired on December 31, 2022. In order to continue such services through June, 2023, ECRMC and UCSD entered into the attached letter agreement designating him as the CMO. The monthly fee for CMO services remains at \$10,304 per month.

DISCUSSION: UCSD has proposed that it enter in to a simple extension agreement for staffing agreements set to expire on January 31, 2023 continuing on the same terms while a new master services agreement can be negotiated and entered in to between the parties.

Significantly, while the Amended and Restated Master Management Services Agreement expired, UCSD has offered to provide interim CEO services while ECRMC can recruit and retain a new CEO. The Interim CEO would be Matt Jenusaitis, the UCSD Chief of Staff. He is available to begin almost immediately and to serve until a permanent CEO is in place. The cost for the Interim CEO will be provided.

The documents will be provided as soon as they are received from UCSD and posted on the website along with other agenda documents.

RECOMMENDATION: (X) Approve (2) Do not approve

ATTACHMENT(S):

- Services Agreements and CMO letter agreement

Approved for agenda, Chief Executive Officer

Date and Signature: _____

A handwritten signature in cursive script, appearing to read "Scott H. Phillips", is written over a horizontal line.



January 3, 2023

UC San Diego Health System
200 W. Arbor Drive #8970
San Diego, CA 92103-8970
Attn: Patricia S. Maysent, CEO

Re: Letter of Agreement Concerning Chief Medical Officer Services

Dear Ms. Maysent:

This Letter of Agreement (“Letter”) confirms the arrangement between El Centro Regional Medical Center, an agency of the City of El Centro (“ECRMC”) and The Regents of the University of California on behalf of the University of California, San Diego Health System and School of Medicine (“UCSD Health”) concerning the Chief Medical Officer services described below provided by UCSD Health faculty physician, Christian Tomaszewski, MD (“Dr. Tomaszewski”).

1. Arrangement.

ECRMC is a licensed and Medicare certified hospital that provides healthcare for residents of Imperial County, and UCSD Health is an academic health system. UCSD Health has acted as the manager of ECRMC pursuant to the terms of a Master Management Agreement originally dated May 5, 2015, as amended and restated from time-to-time (the “Management Agreement”). The final day the parties operated under the Management Agreement was December 31, 2022, and ECRMC and UCSD are entering into this Letter effective January 1, 2023 (the “Effective Date”).

UCSD Health will cause Dr. Tomaszewski, subject to the oversight and direction of the ECRMC Board of Trustees, to serve as the Chief Medical Officer (“CMO”) of ECRMC as of the Effective Date by providing the services described in Exhibit A. Dr. Tomaszewski will provide the CMO services on a 0.5 FTE basis according to the schedule to be mutually agreed upon by the parties. The parties expressly acknowledge that this Letter only applies to the CMO role described herein, and any other services provided by UCSD Health and Dr. Tomaszewski will be governed by separate agreements between the parties. UCSD Health will not replace Dr. Tomaszewski without obtaining reasonable advance approval by the ECRMC Board of Trustees, which will not be unreasonably withheld or delayed.

2. Duties and Obligations of UCSD Health.

UCSD Health will ensure that Dr. Tomaszewski: (a) maintains in good standing an unrestricted license to practice medicine in the State of California; (b) maintains all appropriate certifications,



qualifications, and approvals prudent to serve as the CMO; and (c) maintains Medical Staff privileges at ECRMC.

UCSD Health will ensure that Dr. Tomaszewski delivers the services at a level of competence consistent with community standards of good medical practice in the service area and in compliance with all applicable laws, regulations and standards applicable to ECRMC, including accreditation standards of The Joint Commission. UCSD Health will further ensure that Dr. Tomaszewski cooperates with ECRMC in completing medical and administrative records related to the CMO services in accordance with ECRMC policies and procedures.

3. Duties and Obligations of ECRMC.

ECRMC shall, at its own expense, provide Dr. Tomaszewski with access to appropriate office space supplies, equipment, support services, and non-physician personnel reasonably necessary to serve as the CMO.

4. Services Fee.

(a) The fee for CMO services rendered by Dr. Tomaszewski under this Letter will be \$10,304.00 per month.

(b) UCSD Health will invoice ECRMC within 30 days of the end of each month for these services. Invoices will be sent to:

Chief Financial Officer
El Centro Regional Medical Center
1600 S. Imperial Avenue, Suite 17
El Centro, CA 92243

Checks will be made payable to The Regents of The University of California and sent to:

UCSD School of Medicine
9500 Gilman Drive, M.C.
La Jolla, CA 92093
Federal Tax ID No. 95-6006144

(c) UCSD Health is Dr. Tomaszewski's employer and is solely responsible for his salary and benefits.

5. Term & Termination.

(a) This Letter shall commence on the Effective Date and shall continue through June 30, 2023, subject to the termination provisions below. Thereafter, the Letter will automatically renew for additional periods of 1 month each.



(b) Either party may terminate the Letter at any time, without cause, by providing at least thirty (30) calendar days' advance written notice to the other party.

(c) The parties may mutually agree in writing to terminate this Letter at any time.

(d) Upon termination or expiration of this Letter, UCSD Health will cooperate with ECRMC to provide information and documentation related to the CMO services as necessary for any party's compliance with state or federal laws or payment, audit, or quality review purposes.

6. Insurance.

UCSD Health shall ensure that it maintains professional liability and other insurance coverages appropriate for the CMO services.

7. Intent; Confidentiality.

None of the parties to this Letter intend for this Letter or the compensation terms herein to violate any laws or influence one another's referral decisions. The parties agree to maintain the confidentiality of this Letter.

8. Independent Contractors.

The parties expressly acknowledge that they are independent contractors, and nothing in this Letter is intended to create, nor shall it be construed to create, an employment relationship between any of them or any of their personnel.

9. Exclusion From Federal Health Care Programs.

Each party represents and warrants that it (i) is not currently excluded or otherwise ineligible to participate in the Federal health care programs, including but not limited to Medicare and Medi-Cal; (ii) has not been convicted of a criminal offense related to the provision of health care items or services; and (iii) has no knowledge of being under investigation or otherwise aware of any circumstances which may result in the party being excluded from participation in the Federal health care programs. Each party represents and warrants to the other that its employees are not currently excluded or otherwise ineligible to participate in the Federal health care programs, including but not limited to Medicare and Medi-Cal. This shall be an ongoing representation and warranty while this Letter is in effect and each party shall promptly notify the other parties of any change in the status of the representation and warranty set forth in this Section. Any breach of this Section shall give the non-breaching party the right to terminate this Letter immediately.

10. General Terms.

Neither party will assign any part of or all of this Letter to a third party without the prior written consent of the other party. This Letter will be interpreted, construed and enforced pursuant to, and in accordance with, the laws of the State of California. Each party will indemnify, defend, and hold harmless the other party and its officers, directors, employees, agents, successors and assigns, from and against any and all liability, loss, expense (including reasonable attorneys' fees), arising out of the performance of this Letter, but only in proportion to and to the extent such liability, loss, expense, or attorneys' fees are caused by or result from the negligent or intentional acts or omissions of such party. This Letter contains the entire agreement of the parties with respect to the matters addressed herein and supersedes all other agreements, whether oral or in writing, concerning such matters. This Letter may not be amended or modified except by a written document executed by the parties. Any notices required or permitted under this Letter should be sent to each party's address included in this Letter, as the same may be updated from time to time upon written notice to the other party. The parties agree that this Letter may be signed electronically and that any electronic signatures shall have the same legal validity, enforceability, admissibility and effect as handwritten signatures. This Letter may be signed in counterparts, with each deemed an original and all counterparts taken together constituting one and the same agreement.

If the foregoing accurately recites our mutual agreement, kindly execute this Letter and return it to me at your earliest convenience.

Sincerely,

ECRMC



Scott Phillips, CEO

Accepted and Agreed to:

UCSD Health

Patricia Maysent

Patricia S. Maysent, CEO

Acknowledged:

Christian Tomaszewski

Christian Tomaszewski, MD



Exhibit A

Chief Medical Officer Job Description

The Chief Medical Officer serves as a part of the hospital leadership team and acts as the physician administrator for clinical affairs. Responsibilities include management of the medical staff office, oversight of the medical staff departments and medical directors, patient-physician relations, physician advocacy, peer review, quality assurance and improvement of clinical services in both the hospital and the outpatient areas. The CMO participates in strategic planning along with hospital leadership for program growth, medical staff development and recruitment.

QUALIFICATIONS:

M.D. or D.O. Board Certified in a clinical discipline, with a license to practice in the State of California.

Additional course work in business, management or medical management strongly preferred.

Five plus years of physician executive leadership, with emphasis on improvements in quality, outcomes, physician alignment, and clinical information systems.

Experience in and an understanding of private independent practitioners, hospital sponsored clinics and rural healthcare is strongly preferred.

DUTIES AND RESPONSIBILITIES:

1. Oversees the activities of the medical staff through direction of the Medical Staff Office, and relationships with the Medical Executive Committee, Physician's Health and Well-being Committee, Quality Performance, Utilization Review Committee, and Ethics Committee.
2. Oversees the Medical Staff with respect to hospital related clinical issues, quality, credentialing, strategic planning and provides oversight of the medical staff with respect to clinical performance evaluations (OPPE/FPPE).
3. Acts as a liaison with the Medical Executive Committee and serves on the Governing Board as requested by Hospital leadership and/or approved by the City Council as needed.



4. Is a member of the Leadership Team providing clinical and strategic input on a wide variety of matters including space planning, capital expenditures, and clinical program planning and investment.
5. Meets regularly with the CEO and other leaders as appropriate to determine strategy and goals for areas of responsibility; is responsible for implementation and achievement of such goals.
6. Collaborates with the clinical department to coordinate hospital clinical activities and specifically the hospital-supported activities of Hospitalists.
7. Engages in a collaborative relationship with the Departments of Nursing, Pharmacy, Laboratory, Radiology, ancillary support services and other areas of hospital leadership to support excellence in clinical practice.
8. Works with clinical leaders, Administrators and others to ensure compliance with requirements for CMS, TJC, CDPH, CAP, and other regulatory requirements of government and other oversight agencies.
9. Works with hospital leaders in supporting all performance improvement, quality improvement, patient satisfaction and patient safety initiatives including the participation in the development and deployment of "Just Culture" policies and procedure for the medical staff.
10. Acts as a leader for the "Just Culture" program regarding communication and implementation for the programs initiatives.
11. Develops and implements a Physician Peer Review process and performance evaluation procedures to improve the overall delivery of care.
12. Helps to resolve Medical Staff conflicts.
13. Assists in expediting transfers of patients that require a higher level of care.

SKILL SET:

Data driven: Familiar with the operational, financial and regulatory aspects of healthcare. Able to translate business metrics into useful information for the medical staff's use to improve care.



Electronic Medical Record: high aptitude for implementation, experience in best practice uses of the EMR.

Finance: Understands healthcare financing and the implications for hospitals, employed and independent physicians.

Change management: Can lead an organization through a transformational process, managing anxiety, resistance and the inevitable conflict that arises from such situations.

Care processes: Able to see care delivery from the physician perspective and create an environment that supports their work, while aligning with the greater system goals.

Communication: Connects with large and small groups in verbal and written formats. Concise, easily understood presentation skills.

Vision and strategic planning: Energized about working with the medical staff and its leadership to create a vision for the future that encompasses increasing hospital alignment to improve physician engagement.

Quality/Safety champion: Works to translate data into performance improvement.



TO: HOSPITAL BOARD MEMBERS
FROM: Sunny Richley, M.D., Chief of staff
DATE: January 23, 2023
MEETING: Board of Trustees

SUBJECT: Merge Outpatient Department into Medicine Department.

BUDGET IMPACT: X Does not Apply
 A. Does the action impact/affect financial resources? ___ Yes ___ No
 B. If yes, what is the impact amount: _____

BACKGROUND: At the December 8, 2022 Medical Executive Committee meeting, following some discussion, Motion was Made, Second, and Carried, to merge the Outpatient Department into the Medicine Department.


DISCUSSION: There are a total of eight (8) members in the department, who are in the specialties of Family Medicine, Internal Medicine, and Psychiatry. These members presently fall under the rules and responsibilities of the Medicine Department. In the interest of continuity in management, streamline efficiencies, and eliminate redundancy, the Outpatient department is not needed. All Physicians will be reassigned to the Medicine Department. Overall management of the outpatient department will remain with the Medical Director, as assigned by hospital contract.

RECOMMENDATION: Approve

ATTACHMENT(S):

- None

Approved for agenda, Chief Executive Officer

Date and Signature:  _____



TO: HOSPITAL BOARD MEMBERS
FROM: Sunny Richley, M.D., Chief of staff
DATE: January 23, 2023
MEETING: Board of Trustees
SUBJECT: Amendments to Medical Staff Bylaws

BUDGET IMPACT: X Does not Apply
 A. Does the action impact/affect financial resources? ___ Yes ___ No
 B. If yes, what is the impact amount: _____

BACKGROUND: The proposed amendments to the Medical Staff Bylaws were approved by the organized medical staff voting members, on December 8, 2022, and are now presented for consideration and approval by the Board of Trustees.

DISCUSSION: Following review of proposed Medical Staff Bylaw amendments, vote was taken by written ballot, and by majority vote, all were approved.

RECOMMENDATION: Approve

ATTACHMENT(S):

- List of amendments approved by the Medical Staff.

Approved for agenda, Chief Executive Officer

Date and Signature:  _____

EL CENTRO REGIONAL MEDICAL CENTER MEDICAL STAFF
Medical Staff Bylaws Proposed Amendments

APPROVED BY THE MEDICAL STAFF ON 12/08/2022

PROPOSED MEDICAL STAFF BYLAWS AMENDMENT:

#1) Article VIII Allied Health Professional/ Advanced Practice Professional Staff, 8.3 Qualifications.

An AHP/APP is eligible for a service authorization in this hospital if the practitioner:

Documents the practitioner's experience, background, training, current competence, judgment, and ability with sufficient adequacy to demonstrate that any patient treated by the practitioner will receive care of the generally recognized professional level of quality established by the medical staff. **Any AHP/APP who cannot demonstrate current competency by acceptable documentation, will automatically require at a minimum, concurrent FPPE Proctoring on a minimum of the first ten (10) cases, to include a sampling of the privileges granted. Other conditions may be implemented by the department Chair, as deemed appropriate.**

#2) 9.2-2 Vice Chief of Staff

The Vice Chief of Staff shall assume all duties and authority of the Chief of Staff in the absence of the Chief of Staff. The Vice Chief of Staff shall be a member of the Medical Executive Committee, shall attend and represent, at the direction of and in the absence of the Chief of Staff, the views and policies of the medical staff to the Board of Trustees at every Board of Trustees meeting. **The Vice Chief of Staff shall serve as Chairman of the Bylaws Committee,** and shall perform such other duties as the Chief of Staff may assign or as may be delegated by these bylaws, or by the Medical Executive Committee.

#3) 14.2 Fees, Dues or Assessments

Application Fees

- (a) Pre-Application Fee. All Medical Staff **and AHP/APP Practitioner applicants are required to pay** a non-refundable fee, ~~of \$200 will be due at the time of Pre-Application. The remainder of the non-fundable fee of \$200, is due and payable at the time of submission of initial application.~~
- (b) Initial Application Fee. All Medical Staff **and AHP/APP Practitioner** applicants for shall be required to pay a non-refundable Application fee, ~~total of \$400.00, (\$200 with pre-application, \$200 with initial application),~~ due and payable upon submission of initial application.
- (c) ~~Allied Health Professional Staff applicants shall be required to pay a non-refundable pre-application fee and of \$400.00, (\$200 with pre application, \$200 with initial application fee, due and payable upon submission of application.~~

Reapplication Fee (Dues)

- (a) Medical Staff Members **and AHP/APP Staff Members** shall be required to pay a non-refundable reapplication fee, ~~of \$400.00~~ every two-years, due and payable upon submission of reappointment application. ~~Allied Health Professional~~ **AHP/APP** Staff Members shall be required to pay a non-refundable reapplication fee equal to 50% of the amount required of Medical Staff Members, also due and payable upon submission of reappointment application.

#4) 14.2 Fees, Dues or Assessments (Approved Increases)

Medical Staff and AHP/APP Fees ~~-\$500.~~ Applicable for all Initial Applications, Medical Staff and AHP/APP Staff.
Medical Staff Reappointment Dues, **\$500.** AHP/APP Staff Reappointment fee equal to 50% of the amount required of Medical Staff Members.

#5) (NEW) Process: Collection of Medical Staff Fees, Dues, Assessments. Responsibility of the Medical Staff Services Department.

On behalf of the Medical Staff, the Medical Staff Services personnel will collect any and all fees, dues, or other assessment, in accordance with Medical Staff Bylaws, Section 14.2 Dues or Assessments.

Application Fee.

- Medical Staff applicants: Required to pay a non-refundable Application fee, **\$250** paid with pre-application, **\$250** paid with Initial Application. This is due and payable upon submission of each application.

EL CENTRO REGIONAL MEDICAL CENTER MEDICAL STAFF
Medical Staff Bylaws Proposed Amendments

- **AHP/APP applicants: Shall be required to pay a non-refundable Application fee, \$250 paid with Pre-application), \$250 paid with Initial Application.**

Reapplication Fee.

- Medical Staff Members: Required to pay a non-refundable reapplication fee, of \$**500.00** every two-years, due and payable upon submission of reappointment application.
- **AHP/APP Staff Members: Required to pay a non-refundable reapplication fee equal to 50% of the amount required of Medical Staff Members.**

Other Fees, Assessments (Medical Staff, AHP/APP members).

- When submitting a new application, following automatic resignation/termination for any of the conditions noted below, an additional \$100 fee assessment shall be charged. This is in addition to Application fee described above.

Conditions:

- Failure to complete delinquent medical records,
- Failure to pay dues, and/or assessments,
- Failure to maintain professional liability insurance.

THIS MEDICAL STAFF PROCESS WILL BE APPROVED BI-ANNUALLY BY THE MEDICAL STAFF.

[END]



TO: HOSPITAL BOARD MEMBERS

FROM: Derek Pierce, CFO

DATE: January 20, 2023

COMMITTEE: Board of Trustees

SUBJECT: December 2022 Month and Year-to-Date Financial Statements

BUDGET IMPACT: Does not Apply
 Yes No

A. Does the action impact/affect financial resources?
B. If yes, what is the impact amount: _____

BACKGROUND: The month of December 2022 resulted in an excess of expenses over revenues of <2,893,234>, a negative margin of -23.9%. For YTD fiscal year 2023, the excess of expenses over revenues is <\$19,278,949> or a negative margin of -25.5%.

For a more detailed description of financial performance, please see the attached Financial Report.

DISCUSSION: For a more detailed description of financial performance, please see the attached Financial Report.

RECOMMENDATION: Informational

ATTACHMENT(S):

1. Month and year-to-date December 2022 Financial Reports.

Approved for agenda, Chief Executive Officer

Date and Signature: 



December 2022 Financial Report

January 23, 2022

To: Finance Committee

From: Derek Pierce, CFO

The following package contains:

- Balance Sheet vs. Prior Month comparison
- October Operating Statement vs. Budget comparison
- Rolling-12 month Operating Statement
- Cash Flow Statement

Balance Sheet:

- a) Cash improved in December 2022 as a consequence of the QIP#5 Bridge Loan deposit (\$5.6 million) and HQAF program for \$383,570 reducing the receivables balance due from third parties as of December 31, 2022.
- b) Prepaids and Other Assets decreased during the month after receiving \$1.79 million check corresponding to AstraZeneca Grant.
- c) Accounts Payable and Accrued expenses increase reflects our delays with vendors payments that is now accumulating a +\$11 million past due
- d) Days Cash on Hand increased to 26.3 from 10.7
- e) Days in A/R increased to 58.0 from 57.2 days. The goal is 50 days.
- f) Accounts payable days are 73.4 vs. 65.4 days from previous month.
- g) Current Ratio decreased to 1.12 from 1.23.

Income Statement – Current Month Actual to Budget Comparison:

- a) Our Inpatient Revenue is -32% under MTD and -23% under YTD budget due to low admissions (ICU, Med-Surg and PEDs).
- b) Outpatient Revenue MTD met expectations during the month with both clinics meeting budgeted figures and Oncology visits over budget by 77%; ER and Surgeries shy versus MTD budget by 15% and 19% respectively.
- c) Salaries expense shows savings with 3% less than MTD Budget.
- d) Registry is meeting the MTD budget for the very first time since July 2019.
- e) Prof Fees expense will remain higher than MTD budget due to UCSD unbudgeted services and high on-call fees.
- f) Med Supplies and Other Fees show important savings Hospital wide involving several departments.
- g) Non-Op Revenues (Expenses) showing gains with UBS investments for \$116K during the month.
- h) Our low volumes in key areas during the month and continued high cost of operation and restructuring cost are leading us to a -\$2.9 million Net loss in December 2022 (\$968K EBIDA).

Definitions:

- **EBIDA** - Earnings Before Interest, Depreciation, and Amortization.
- **Contribution Margin** – Total Revenue minus Expenses (excluding functional areas of IT, Finance, HR, and management assessments/restructuring costs).
- **EBIDA Margin** – EBIDA/Total Revenue.
- **Operating Expenses Per Day** – Total Expenses less Depreciation divided by Days.
- **Operating Revenue Per Day** – Operating Income/Days.
- **Days Cash on Hand** – Cash/Operating Expenses per Day.
- **Days Revenue in A/R** – Accounts Receivable/Operating Revenue per Day.
- **Current Ratio** – Current Assets/Current Liabilities.
- **Equity Financing Ratio** – Total Capital/Total Debt.

ECRMC BALANCE SHEET COMPARED TO PRIOR MONTH

| | December 31, 2022 | November 30, 2022 | Variance (\$) | Variance (%) |
|--|-----------------------|-----------------------|--------------------|--------------|
| Assets | | | | |
| Current Assets: | | | | |
| Cash and Cash Equivalents | \$ 11,797,958 | \$ 5,526,547 | \$ 6,271,411 | 113% |
| Net Patient Accounts Receivable | 22,306,587 | 21,478,171 | 828,416 | 4% |
| Other Receivables | 129,276 | 129,373 | (97) | 0% |
| Due from Third-Party Payors | 1,284,883 | 6,758,873 | (5,473,990) | -81% |
| Inventories | 3,469,981 | 3,462,743 | 7,239 | 0% |
| Prepaid Expenses & Other | 2,697,957 | 4,737,293 | (2,039,336) | -43% |
| Total Current Assets | 41,686,641 | 42,092,998 | (406,357) | -1% |
| Assets Limited as to Use | | | | |
| Restricted Building Capital Fund | 3,621,432 | 3,600,462 | 20,970 | 1% |
| Funds Held by Trustee for Debt Service | 13,127,455 | 12,490,368 | 637,087 | 5% |
| Restricted Programs | 11,497 | 11,497 | - | 0% |
| Restricted Capital Lease Funds | (547,031) | (547,031) | - | 0% |
| Total Assets Limited as to Use | 16,213,353 | 15,555,296 | 658,057 | 4% |
| Property, Plant, and Equipment: Net | 140,255,051 | 140,309,660 | (54,609) | 0% |
| Other Assets | 262,595 | 262,595 | - | 0% |
| Total Assets | 198,417,640 | 198,220,549 | 197,092 | 0% |
| Deferred Outflows of Resources | | | | |
| Deferred Outflows of Resources - Pension | 6,277,554 | 6,325,933 | (48,379) | -1% |
| Total Deferred Outflows of Resources | 6,277,554 | 6,325,933 | (48,379) | -1% |
| Total Assets and Deferred Outflows of Resources | \$ 204,695,194 | \$ 204,546,481 | \$ 148,713 | 0% |
| Liabilities | | | | |
| Current Liabilities: | | | | |
| Current Portion of Bonds | 685,417 | 685,417 | - | 0% |
| Current Portion of Capital Lease Obligations | 2,511,908 | 2,351,497 | 160,411 | 7% |
| Accounts Payable and Accrued Expenses | 25,873,846 | 23,472,900 | 2,400,945 | 10% |
| Accrued Compensation and Benefits | 8,255,714 | 7,664,782 | 590,932 | 8% |
| Due to Third-Party Payors | - | - | - | 0% |
| Total Current Liabilities | 37,326,885 | 34,174,596 | 3,152,288 | 9% |
| Long-Term Bond Payable, Less Current Portion | 113,698,635 | 113,780,319 | (81,684) | 0% |
| Capital Lease Obligations, Less Current Portion | 3,513,735 | 3,542,393 | (28,658) | -1% |
| Net Pension Liability | 39,119,000 | 39,119,000 | - | 0% |
| Total Liabilities | 193,658,255 | 190,616,308 | 3,041,947 | 2% |
| Deferred Inflows of Resources | | | | |
| Deferred Inflows of Resources - Pension | 7,448,200 | 7,448,200 | - | 0% |
| Total Deferred Inflows of Resources | 7,448,200 | 7,448,200 | - | 0% |
| Net Position | | | | |
| Restricted Fund Balance | 17,238 | 17,238 | - | 0% |
| Fund Balance | 3,571,501 | 6,464,735 | (2,893,234) | -45% |
| Total Net Position | 3,588,739 | 6,481,973 | (2,893,234) | -45% |
| Total Liabilities, Deferred Inflows of Resources and Net Position | \$ 204,695,194 | \$ 204,546,481 | \$ 148,713 | 0% |
| Days Cash on Hand | 26.29 | 10.66 | | |
| Days Revenue in A/R | 58.04 | 57.20 | | |
| Days in A/P | 73.38 | 65.44 | | |
| Current Ratio | 1.12 | 1.23 | | |
| Debt Service Coverage Ratio | (1.62) | (1.00) | | |

STATEMENTS OF OPERATIONS COMPARISON TO BUDGET

| MTD | | | | % Variance Favorable/ (Unfavorable) | | YTD | | | |
|----------------------|---------------|--------------------|--|---|---------------------------------------|----------------------|----------------|--------------------|---|
| December 31, 2022 | MTD Budget | Budget Variance | | | | December 31, 2022 | YTD Budget | Budget Variance | % Variance Favorable/ (Unfavorable) |
| \$ 19,439,991 | \$ 28,738,862 | \$ (9,298,871) | | -32.36% | OPERATING REVENUE | | | | |
| 39,888,608 | 39,554,343 | 334,265 | | 0.85% | I/P Revenue | \$ 108,726,668 | \$ 140,768,072 | \$ (32,041,404) | -22.76% |
| 59,328,599 | 68,293,205 | (8,964,605) | | -13.13% | O/P Revenue | 259,829,985 | 251,754,474 | 8,075,510 | 3.21% |
| 370,836 | 664,404 | (293,569) | | -44.19% | Gross Patient Revenues | 368,556,652 | 392,522,546 | (23,965,894) | -6.11% |
| 59,699,435 | 68,957,609 | (9,258,174) | | -13.43% | Other Operating Revenue | 2,336,132 | 3,214,701 | (878,569) | -27.33% |
| | | | | | Total Operating Revenue | 370,892,785 | 395,737,247 | (24,844,463) | -6.28% |
| | | | | | Contractuals | | | | |
| 14,095,071 | 21,896,726 | 7,801,654 | | 35.63% | IP Contractuals | 84,846,709 | 107,334,257 | 22,487,548 | 20.95% |
| 33,579,202 | 32,074,286 | (1,504,916) | | -4.69% | OP Contractuals | 211,463,315 | 204,187,123 | (7,276,192) | -3.56% |
| 457,508 | 460,562 | 3,055 | | 0.66% | Charity | 4,342,101 | 2,647,131 | (1,694,969) | -64.03% |
| 683,637 | 742,145 | 58,507 | | 7.88% | Provision for Bad Debts | 2,681,830 | 4,265,556 | 1,583,726 | 37.13% |
| (1,050,499) | (1,080,444) | (29,945) | | -2.77% | Other Third Party Programs | (6,863,368) | (6,482,662) | 380,706 | 5.87% |
| (189,917) | (189,917) | 0 | | 0.00% | M/Cal Disproportionate Share | (1,156,972) | (1,139,500) | 17,472 | 1.53% |
| 47,575,003 | 53,903,358 | 6,328,355 | | 11.74% | Total Deductions | 295,313,615 | 310,811,905 | 15,498,290 | 4.99% |
| 12,124,432 | 15,054,251 | (2,929,819) | | -19.46% | Total Net Revenues | 75,579,170 | 84,925,342 | (9,346,173) | -11.01% |
| | | | | | EXPENSES | | | | |
| 5,695,427 | 5,892,104 | 196,677 | | 3.34% | Salaries & Wages | 33,216,285 | 34,089,638 | 873,353 | 2.56% |
| 682,341 | 689,891 | 7,551 | | 1.09% | Registry | 6,377,371 | 3,242,605 | (3,134,765) | -96.67% |
| 483,116 | 1,353,056 | 869,940 | | 64.29% | Employee Benefits | 7,438,067 | 8,118,334 | 680,268 | 8.38% |
| 455,356 | (36,419) | (491,775) | | 1350.31% | Employee Benefits - Pension GASB 68 | 1,482,866 | (218,516) | (1,701,382) | 778.61% |
| 1,392,384 | 1,140,007 | (252,377) | | -22.14% | Professional Fees - Medical | 9,069,859 | 6,878,385 | (2,191,474) | -31.86% |
| 118,015 | 297,827 | 179,811 | | 60.37% | Professional Fees - Non-Med | 1,235,084 | 1,324,852 | 89,769 | 6.78% |
| 2,204,346 | 2,690,961 | 486,616 | | 18.08% | Supplies - Medical | 13,992,574 | 15,127,850 | 1,135,277 | 7.50% |
| 146,478 | 250,029 | 103,551 | | 41.42% | Supplies - Non-Medical | 1,269,359 | 1,500,168 | 230,809 | 15.39% |
| 97,952 | 91,882 | (6,069) | | -6.61% | Food | 530,813 | 551,293 | 20,480 | 3.71% |
| 712,509 | 721,045 | 8,536 | | 1.18% | Repairs and Maintenance | 4,454,764 | 4,322,170 | (132,595) | -3.07% |
| 639,080 | 747,570 | 108,490 | | 14.51% | Other Fees | 4,178,052 | 4,486,866 | 308,814 | 6.88% |
| 81,027 | 66,944 | (14,083) | | -21.04% | Lease and Rental | 462,847 | 401,666 | (61,181) | -15.23% |
| 176,802 | 201,297 | 24,495 | | 12.17% | Utilities | 1,168,420 | 1,207,782 | 39,362 | 3.26% |
| 686,394 | 679,330 | (7,064) | | -1.04% | Depreciation and Amortization | 4,127,963 | 4,066,125 | (61,838) | -1.52% |
| 198,928 | 246,898 | 47,971 | | 19.43% | Insurance | 1,223,977 | 1,481,390 | 257,414 | 17.38% |
| 142,544 | 138,468 | (4,076) | | -2.94% | Other Expenses | 956,953 | 865,638 | (91,315) | -10.55% |
| 13,912,697 | 15,170,890 | 1,258,193 | | 8.29% | Total Operating Expenses | 91,185,253 | 87,446,248 | (3,739,006) | -4.28% |
| (1,788,265) | (116,639) | (1,671,626) | | 1433.16% | Operating Income | (15,606,084) | (2,520,906) | (13,085,178) | 519.07% |
| -14.7% | -0.8% | | | | Operating Margin % | -20.6% | -3.0% | | |
| | | | | | Non-Operating Revenue and Expenses | | | | |
| 115,993 | (11,861) | 127,853 | | -1077.95% | Investment Income | 141,487 | (129,491) | 270,978 | -209.26% |
| 58,341 | 180,864 | (122,523) | | -67.74% | Grants and Contributions Revenue | 367,087 | 1,131,184 | (764,097) | -67.55% |
| 8,000 | 236,791 | (228,791) | | -96.62% | Non Operating Revenue/(Expense) | 157,866 | 1,420,747 | (1,262,881) | -88.89% |
| (614,102) | (588,507) | (25,595) | | -4.35% | Interest Expense | (3,666,104) | (3,533,675) | (132,429) | -3.75% |
| (431,769) | (182,713) | (249,056) | | -136.31% | Total Non-Operating Rev. and Expenses | (2,999,665) | (1,111,236) | (1,888,429) | -169.94% |
| 673,200 | 0 | 673,200 | | 100.00% | Restructuring Costs | 673,200 | 0 | 673,200 | 100.00% |
| \$ (2,893,234) | \$ (299,352) | \$ (2,593,882) | | -866.50% | (Deficit)/Excess Rev. Over Exp. | \$ (19,278,949) | \$ (3,632,141) | \$ (15,646,807) | -430.79% |
| -23.9% | -2.0% | | | | (Deficit)/Excess Rev. Over Exp. % | -25.5% | -4.3% | | |
| (1,592,738) | 968,485 | (2,561,223) | | -264.46% | EBIDA | (11,484,882) | 3,967,658 | (15,452,540) | -389.46% |
| -13.1% | 6.4% | | | | EBIDA % | -15.2% | 4.7% | | |

EI Centro Regional Medical Center
Monthly Cash Flow

Unaudited

| | July 2022 | August 2022 | September 2022 | October 2022 | November 2022 | December 2022 | Year-to-Date 2023 |
|---|----------------------------|----------------------|---------------------|---------------------|---------------------|----------------------|----------------------|
| <u><i>Cash Flow From Operating Activities</i></u> | | | | | | | |
| Net Income/(Loss) | \$ (2,705,659) | \$ (2,227,262) | \$ (4,027,726) | \$ (3,660,849) | \$ (3,764,219) | \$ (2,893,234) | \$ (19,278,949) |
| <i>Adjustments to reconcile net income to net cash:</i> | | | | | | | |
| Add: Depreciation | 713,569 | 700,147 | 673,369 | 689,612 | 664,873 | 686,394 | \$ 4,127,963 |
| Capital Lease Interest | 14,782 | 14,777 | 14,225 | 13,682 | 13,141 | 15,010 | \$ 85,618 |
| Bond Interest | 592,686 | 592,686 | 592,686 | 592,686 | 592,686 | 592,686 | \$ 3,556,114 |
| Accounts Receivable | decr (incr) 179,560 | (979,897) | (120,054) | 529,302 | 1,769,695 | (828,416) | \$ 550,191 |
| Other Receivables | decr (incr) (9,724) | (12,725) | 21,125 | (9,193) | 10,500 | 97 | \$ 80 |
| Inventory | decr (incr) (32,807) | (34,588) | (30,322) | 52,561 | 11,247 | (7,239) | \$ (41,148) |
| Prepaid Expenses/Other Assets | decr (incr) (1,217,325) | 74,756 | 92,731 | (55,641) | 458,711 | 2,039,336 | \$ 1,392,569 |
| Accounts Payable and Accrued Expenses | incr (decr) 362,817 | 1,309,342 | 1,509,880 | 3,282,337 | 1,014,647 | 1,690,818 | \$ 9,169,840 |
| Accrued Compensation and Benefits | incr (decr) 654,732 | (1,203,861) | (520,172) | 590,450 | 403,831 | 626,689 | \$ 551,668 |
| Third-Party Liabilities | incr (decr) (2,543,212) | (2,825,456) | (2,949,857) | (2,150,584) | (1,272,922) | 5,473,990 | \$ (6,268,041) |
| Net Pension Obligation | incr (decr) 80,248 | 72,658 | 705,071 | 601,231 | 285,660 | 48,379 | \$ 1,793,246 |
| <i>Net Cash From Operating Activities</i> | \$ (3,910,334) | \$ (4,519,423) | \$ (4,039,043) | \$ 475,593 | \$ 187,850 | \$ 7,444,510 | \$ (4,360,847) |
| <u><i>Cash Flow From Investing Activities</i></u> | | | | | | | |
| Fixed Assets - Gross | incr (decr) \$ (416,524) | \$ (715,671) | \$ (1,002,075) | \$ (867,113) | \$ (773,857) | \$ (631,785) | \$ (4,407,025) |
| Intangible Assets - Gross | incr (decr) \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Restricted Assets | incr (decr) 5,159,432 | (67,804) | (189,066) | 192,514 | (653,990) | (658,057) | \$ 3,783,029 |
| <i>Net Cash From Investing Activities</i> | \$ 4,742,908 | \$ (783,475) | \$ (1,191,140) | \$ (674,599) | \$ (1,427,848) | \$ (1,289,842) | \$ (623,996) |
| <u><i>Cash Flow From Financing Activities</i></u> | | | | | | | |
| Bond Payable | incr (decr) \$ (4,632,656) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (4,632,656) |
| Capital Leases | incr (decr) (199,835) | (289,175.18) | (282,800) | (372,230) | (96,424) | 116,743 | \$ (1,123,721) |
| Notes Payable | incr (decr) - | - | - | - | - | - | \$ - |
| <i>Net Cash From Financing Activities</i> | \$ (4,832,491) | \$ (289,175) | \$ (282,800) | \$ (372,230) | \$ (96,424) | \$ 116,743 | \$ (5,756,377) |
| <i>Total Change In FY 2023 Cash</i> | \$ (3,999,917) | \$ (5,592,074) | \$ (5,512,984) | \$ (571,236) | \$ (1,336,422) | \$ 6,271,411 | \$ (10,741,222) |
| <i>Cash & Cash Equivalents, Beginning Balance</i> | 22,539,180 | 18,539,263 | 12,947,188 | 7,434,205 | 6,862,968 | 5,526,547 | 22,539,180 |
| <i>Cash & Cash Equivalents, Ending Balance</i> | \$ 18,539,263 | \$ 12,947,189 | \$ 7,434,205 | \$ 6,862,968 | \$ 5,526,547 | \$ 11,797,958 | \$ 11,797,958 |



TO: HOSPITAL BOARD MEMBERS
FROM: Derek Pierce, CFO
DATE: January 20, 2023
MEETING: Board of Trustees

SUBJECT: 2023 Fiscal Year Cash Flow Projection (Informational)

BUDGET IMPACT: Does not Apply
A. Does the action impact/affect financial resources? Yes No
B. If yes, what is the impact amount: _____

BACKGROUND:

Due to lower patient volumes, delays in the EHR implementation, construction overruns, capital expenditure needs and an overreliance on registry cost, a cash forecast has been prepared to summarize ECRMC's cash inflows and outflows, and the funding need for the remainder of FY 2023.

DISCUSSION: N/A

RECOMMENDATION: N/A

ATTACHMENT(S):

- Cash Flow Summary for FY2023

Approved for agenda, Chief Executive Officer

Date and Signature: 

ECRMC - Cash Flow Summary for FY 2023

| Description | 2023_Actual | | | | | | 2023_Projected | | | | | |
|---|-------------|------------|------------|------------|------------|--------------|----------------|------------|------------|------------|------------|------------|
| | Q1 | | | Q2 | | | Q3 | | | Q4 | | |
| | Jul-22 | Aug-22 | Sep-22 | Oct-22 | Nov-22 | Dec-22 | Jan-23 | Feb-23 | Mar-23 | Apr-23 | May-23 | Jun-23 |
| Beg. Balance | 26,314 | 18,555 | 12,678 | 9,400 | 9,060 | 6,673 | 13,601 | 11,362 | 4,675 | 750 | (2,866) | (5,633) |
| Inflows | | | | | | | | | | | | |
| Patient Receipts | 12,256 | 9,946 | 10,165 | 13,986 | 9,878 | 10,969 | 13,352 | 11,377 | 11,044 | 12,916 | 10,782 | 9,826 |
| <i>Cerner Implementation - AR Slowdown</i> | - | - | - | - | - | - | - | - | - | (3,500) | (4,000) | (5,000) |
| Supplemental receipts | (1,694) | (1,547) | (1,433) | (1,453) | - | 5,607 | (991) | (5,431) | 384 | 6,003 | 4,409 | 9,949 |
| Other Receipts | <u>324</u> | <u>244</u> | <u>147</u> | <u>289</u> | <u>211</u> | <u>1,960</u> | <u>208</u> | <u>189</u> | <u>181</u> | <u>230</u> | <u>185</u> | <u>184</u> |
| Net Receipts | 10,886 | 8,643 | 8,878 | 12,822 | 10,088 | 18,535 | 12,568 | 6,135 | 11,609 | 15,649 | 11,376 | 14,959 |
| Outflows | | | | | | | | | | | | |
| Net Labor | (6,405) | (4,515) | (4,589) | (4,474) | (4,521) | (4,593) | (6,846) | (4,582) | (4,516) | (4,651) | (4,536) | (4,535) |
| Contract labor | (1,677) | (872) | (455) | (269) | (828) | (254) | (443) | (454) | (278) | (270) | (123) | (54) |
| Professional fees - medical | (1,393) | (1,616) | (1,664) | (935) | (1,163) | (562) | (1,569) | (1,350) | (1,350) | (1,688) | (1,350) | (1,350) |
| <i>Reduction in professional fees - medical</i> | - | - | - | - | - | - | - | - | - | - | 700 | 700 |
| Supplies and equipment | (3,268) | (2,888) | (2,437) | (2,654) | (1,837) | (1,501) | (2,868) | (1,876) | (1,957) | (2,497) | (1,955) | (1,978) |
| Info systems | (993) | (520) | (338) | (619) | (1,204) | (414) | (759) | (661) | (550) | (776) | (602) | (598) |
| Capital expenditures | (2,029) | (478) | (100) | (801) | (455) | - | - | - | (2,054) | (3,347) | (1,123) | (1,768) |
| Bond payments | (637) | (637) | (637) | (637) | (637) | (637) | - | (637) | (637) | (637) | (637) | (637) |
| Pension plan funding | (1,095) | (896) | (940) | (889) | - | (1,378) | (97) | (950) | (950) | (950) | (950) | (950) |
| Restructuring Cost | - | - | - | - | - | (250) | (496) | (397) | (397) | (496) | (397) | (397) |
| <i>Savings from closure of OB/L&D/Nursery program</i> | - | - | - | - | - | - | 685 | 914 | 914 | 715 | 572 | 572 |
| Catch-payments for accrued AP | - | - | - | - | - | - | - | (300) | (1,200) | (1,500) | (1,200) | (1,200) |
| Other | (1,147) | (2,097) | (996) | (1,883) | (1,830) | (2,020) | (2,414) | (2,530) | (2,558) | (3,168) | (2,543) | (2,544) |
| Net Disbursements | (18,645) | (14,521) | (12,156) | (13,161) | (12,475) | (11,608) | (14,807) | (12,823) | (15,533) | (19,265) | (14,143) | (14,740) |
| Ending Cash ^{1,2} | 18,555 | 12,678 | 9,400 | 9,060 | 6,673 | 13,601 | 11,362 | 4,675 | 750 | (2,866) | (5,633) | (5,414) |