



MEETING MINUTES

ANTELOPE VALLEY HEALTHCARE DISTRICT BOARD OF DIRECTORS MEETING – PUBLIC SESSION

Community Resource Center – Auditorium
44151 15th Street West, Lancaster, CA 93534

DECEMBER 21, 2022

DIRECTORS PRESENT: Abdallah Farrukh, MD, Chair Kristina Hong, 1 st Vice Chair Don Parazo, MD, Treasurer Doddanna Krishna, MD Steve Hofbauer	OTHERS PRESENT: Edward Mirzabegian, Chief Executive Officer Troy Schell, General Counsel Satya Dandamudi, MD, CMO Kayla Martz, Executive Assistant to the CEO & BOD
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START TIME: 7:09PM

- I. REPORTABLE ACTIONS TAKEN IN EXECUTIVE (CLOSED) SESSION** – Abdallah Farrukh, MD, Chair
- A. Report on Actions on Claims Filed with the District (**REPORT**)
 - B. Medical Staff Recommendations (**REPORT**)
- Dr. Farrukh reported on Actions and Filed Claims with AVHD. He also reported on the Medical Staff Recommendations.
- II. CONSENT CALENDAR – THE CONSENT CALENDAR, AGENDA ITEMS MAY BE ACTED UPON WITH ONE MOTION, A SECOND AND THE VOTE** – Abdallah Farrukh, MD, Chair
- A. Approval of Board Public Session Meeting Minutes of November 30, 2022 (**ACTION**)
 - B. Approval of Finance Committee Meeting Minutes of November 30, 2022 (**ACTION**)
 - C. Approval of Onsite Ambulance for Medical Transport Service (**ACTION**)
- MOTION:** Ms. Hong made a motion to accept the Consent Calendar; Seconded by Dr. Parazo. The motion passed with Dr. Krishna and Mr. Hofbauer abstaining for IIA & IIB.

- III. COMMITTEE REPORTS & RECOMMENDATIONS**
- A. **Finance Committee** – Don Parazo, MD, Chair
 - 1. Approval of November 2022 Financial Report (**ACTION**) – Nathan Dean, Interim CFO

Statement of Income – November 2022

- Total Operating Revenue: Actual= \$39.3 | Budget= \$41.5 | LY= \$37.5 | 4.7% Variance from LY
- Total Operating Expenses: Actual= \$42.3 | Budget= \$39.1 | LY= \$35.9 | 17.9% Variance from LY
- EBIDA Margin: Actual= -7.7% | Budget= 5.7% | LY= 4.4%

Mr. Dean noting a downturn in EBIDA as compared to last year. Mr. Dean further noted an increase in Contract(Registry) Labor compared to a year prior. On that note, leadership has commenced several initiatives to reduce contract labor and further costs reductions.

Statement of Income – Year to Date: Reviewed & Discussed

- Total Operating Revenue: Actual= \$198.9 | Budget= \$209.0 | 0.1 % Variance from LY
- Total Operating Expenses: Actual= \$202.1 | Budget= \$196.5 | LY= \$198.8 | 9.2% Variance from LY

- EBIDA Margin: Actual= -4.6% | Budget= 6.0% | LY= 6.9%

Payor Mix Graph – Year to Date:

- Medicare: 37.8%
- Medi-Cal: 38.9%
- Commercial: 20.0%
- Other: 2.3%
- Self-Pay: 1.0%

Admission Trends – November 2020 – November 2022

Mr. Dean noting a significant increase in admissions currently.

Volumes – November 2022

- Acute Discharges: Actual= 1,560 | Budget= 1,521 | +2.1% Variance from LY
- Acute Patient Days: Actual= 7,467 | Budget= 7,256 | +4.6% Variance from LY
- Adjusted Patient Days: Actual= 10,618 | Budget= 10,444 | +6.7 Variance from LY
- Observations: Actual= 57 | Budget= 117
- Avg Daily Census: Actual= 249 | Budget= 242 | +4.6% Variance from LY
- Acute LOS: Actual= 4.79 | Budget= 4.77
- Acute CMI: Actual= 1.57 | Budget= 1.61
- Medicare Acute LOS: Actual= 5.60 | Budget= 5.66
- Medicare CMI: Actual= 2.01 | Budget= 2.23
- Deliveries: 244 | -22.5% from LY
- Trauma Cases: 125 | -7.4% from LY
- ER Visits: 11,701 | ER Admits: 1,191
- I/P Surgeries: 246 | WIP I/P Surgeries: 89 | O/P Surgeries: 271 | TOTAL: 606 | -6.0% from LY

Volumes – Fiscal YTD

- Acute Discharges: Actual=7,723 | LY= 7,755
- Acute Patient Days: Actual= 36,147 | LY= 37,007
- Adjusted Patient Days: Actual= 52,265 | LY= 53,264
- Observations: Actual= 259 | LY= 597
- Avg Daily Census: Actual= 236 | LY= 242
- Acute LOS: Actual= 4.68 | LY= 4.77
- Acute CMI: Actual= 1.54 | LY= 1.61
- Medicare Acute LOS: Actual= 5.62 | LY= 5.66
- Medicare CMI: Actual= 2.22 | LY= 2.23
- Deliveries: Actual= 1,341 | LY= 1,485
- WIP Surgeries: Actual= 476 | LY= 524
- Trauma Cases: Actual= 646 | LY= 710
- ER Visits: Actual= 53,540 | LY= 53,470
- ER Admits: Actual= 5,710 | LY= 5,882
- Total Surgeries: Actual= 3,299 | LY= 3,814

Collection & Debt Service Coverage Requirements – November 2022

- Bond Covenant Requirements: Days Cash on Hand= 117.5
- Debt Service Coverage: 1.14 *Based on rolling 12-months vs Fiscal Year to Date

AVOIC – November 2022 & Calendar YTD

NOVEMBER: Net Pt Revenue: \$1.3 | Budget: \$1.6 | -\$258,394 Budget Variance

Net Income: -\$137,142 | Budget: \$85,836 | -\$222,978 Budget Variance
CALENDAR YTD: Net Pt Revenue: \$15.8 | Budget: \$18.0 | -\$2.2 Budget Variance
Net Income: -\$1.0 | Budget: \$501,396 | -\$1.5 Budget Variance

MOTION: Dr. Parazo made a motion to approve the November 2022 Finance Report; Seconded by Ms. Hong. The motion passed unanimously.

IV. BOARD ORGANIZATIONAL MATTERS – Abdallah Farrukh, MD, Chair

A. Nominations and Election of Board Officers (ACTION)

B. Standing Board Committee Appointments (ACTION)

- Medical Quality Assurance Committee
- Finance Committee
- Retirement Advisory Committee
- Compliance Oversight Committee
- Human Resources Committee

Tabled for the January 25, 2023 meeting per AVHD Board of Directors By-Laws.

V. NEW BUSINESS

A. AVHD Six-Month Board Meeting Schedule for January – June 2023 (ACTION)

- Abdallah Farrukh, MD, Chair

MOTION: Dr. Parazo made a motion to approve the AVHD Six-Month Board Meeting Schedule for January – June 2023, Seconded by Ms. Hong. The motion passed unanimously.

B. Approval of Fait Luxe Motus Investment & Development Agreement (ACTION) – Edward Mirzabegian, CEO
Mr. Mizabegian provides detail regarding the FLM Investment & Development Agreement

MOTION: Ms. Hong made a motion to approve the Fait Luxe Motus Investment & Development Agreement, Seconded by Mr. Hofbauer. Dr. Parazo provides comment regarding the percentage rate benefit in the SPV vs a traditional investment. Further proving better credit rating. Dr. Parazo also adds that the borrowing power will increase greatly. The motion passed unanimously.

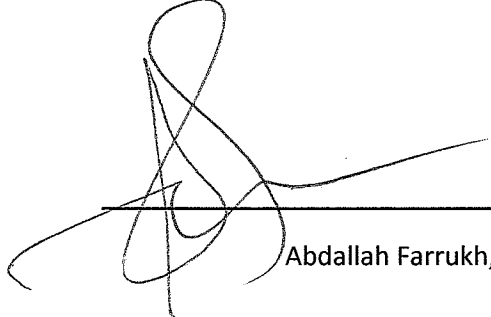
VI. CHIEF EXECUTIVE OFFICER'S REPORT (INFORMATION ONLY) – Edward Mirzabegian, CEO

- COVID, Flu and RSV Update
- New mandate regarding ED Patients being testing for Fentanyl and the cost being placed on the organization
- Financial Concerns
- Facilities Update: CT3, O2 Tank, ED Expansion, Bi-Plane
- Physician & Staff Lunch

VII. PUBLIC COMMENT ON NON-AGENDA ITEMS

- No Public Comment

VIII. ADJOURNMENT: 7:31PM



Abdallah Farrukh, MD, Chair