

BOARD FINANCE COMMITTEE MEETING
ATTENDANCE ROSTER & MEETING MINUTES
CALENDAR YEAR 2009

	MEETING DATES:										
	1/27/09	2/24/09	3/31/09	4/28/09	5/26/09	6/30/09	7/28/09	8/25/09	9/29/09	10/27/09	12/8/09
MEMBERS											
NANCY BASSETT, R.N.	P	P	P	P	P	P					
TED KLEITER – CHAIR	P	P	P	P	P	P					
MARCELO RIVERA, M.D.	P	E	P	E	P	P					
MICHAEL COVERT, FACHE	P	P	P	P	P	P					
FRANK MARTIN, M.D.	P	P	P	P	P	P					
JOHN LILLEY, M.D.	P	P	P	P	A	P					
<i>BRUCE KRIDER – ALTERNATE</i>		P	G	E		G					
<i>LINDA GREER, R.N. – 2ND ALTERNATE</i>			G	P							
<i>– 3RD ALTERNATE</i>											
<i>– 4TH ALTERNATE</i>											
STAFF ATTENDEES											
BOB HEMKER	P	P	P	P	P	P					
GERALD BRACHT	P	P	P	P	P	P					
DAVID TAM	P	P	P	P	P	P					
TANYA HOWELL – SECRETARY	P	P	P	P	P	P					
INVITED GUESTS	SEE TEXT OF MINUTES FOR NAMES OF GUEST PRESENTERS										

BOARD FINANCE COMMITTEE – MEETING MINUTES – TUESDAY, JUNE 30, 2009

1. AGENDA ITEM

• DISCUSSION	CONCLUSION/ACTION	FOLLOW UP/RESPONSIBLE PARTY	FINAL?
--------------	-------------------	-----------------------------	--------

CALL TO ORDER

- The meeting – held in the first floor conference room at 456 E. Grand Avenue, Escondido, CA—was called to order at 6:03 p.m. by Chair Ted Kleiter

ESTABLISHMENT OF QUORUM

- See roster

PUBLIC COMMENTS

- There were no public comments

INFORMATION ITEM(S)

<ul style="list-style-type: none"> Payor agreement with Blue Cross <ul style="list-style-type: none"> Today successfully renegotiated a multi-year agreement that met our expectations Final language and signing will occur within the next few weeks CSUSM School of Nursing lease <ul style="list-style-type: none"> Current lease expires July 31st Are in the process of finalizing a negotiated agreement that will extend the lease for 2 years, with a 2-year option The extra time will allow both parties to determine most appropriate use for the space Auction Rate Securities <ul style="list-style-type: none"> Recent resets have been very favorable Calendar Year 2009 resets are averaging the same as resets prior to the February 11, 2008, market “blow-up” Bob is working with Kaufman Hall and Citi to determine if there is a way to moderate both potential swap exposure and ARS resets <ul style="list-style-type: none"> Reviewing whether bond holders appear to be treating bonds as long- or short-term instruments, as long-term rates are continuing to escalate Next instrument PPH will issue will be revenue bonds <ul style="list-style-type: none"> Ties to current state of market and current state of the District’s creditworthiness <ul style="list-style-type: none"> ▲ Creditworthiness is important as is shows the discipline of the organization to drive strategy and financial performance in controllable areas. Our good performance in FY2009 should help during rating reviews Reviewing all options—which could include refunding of current ARS--and will report back to this Committee as discussions progress Anticipate issuance in the October to December 2009 timeframe Federal healthcare reform proposals <ul style="list-style-type: none"> California Hospital Association has performed a data analysis on potential impact to California hospitals <ul style="list-style-type: none"> Impact will be significant in California 	<p><i>Information Only</i></p>		<p align="center">Y</p>
---	--------------------------------	--	--------------------------------

BOARD FINANCE COMMITTEE – MEETING MINUTES – TUESDAY, JUNE 30, 2009

1. AGENDA ITEM			
DISCUSSION	CONCLUSION/ACTION	FOLLOW UP/RESPONSIBLE PARTY	FINAL?
<ul style="list-style-type: none"> ▪ Only addresses reimbursements o House proposal would cost the district approximately \$78M overall over 10 years o President's plan would cost the district approximately \$100M overall over 10 years • State warrants on Medi-Cal payments <ul style="list-style-type: none"> o Timeliness of the payments is the issue <ul style="list-style-type: none"> ▪ Check was due on Monday, but the State delayed paying until Wednesday, which put the \$700-800K due into the FY2010 cash flow instead of FY2009, where it should have been received 			
1. MINUTES – TUESDAY, MAY 26, 2009			
<ul style="list-style-type: none"> • No discussion 	<p>MOTION: By Director Bassett, seconded by Dr. Martin and carried to approve the minutes of the May 26, 2009, Board Finance Committee meeting as presented. All in favor. None opposed.</p>		Y
2. INDEPENDENT CONTRACTOR AGREEMENT – DAVID GOLEMBESKI, M.D. – MEDICAL ADVISOR TO HOME HEALTH MATERNAL INFANT PROGRAM			
<ul style="list-style-type: none"> • Bob Hemker presented the agreement on behalf of Elissa Hamilton, Director of Home Health <ul style="list-style-type: none"> o Director Rivera inquired about the role the medical director would play in developing and enforcing quality initiatives and evidence-based guidelines o Mr. Hemker stated that the standard, Board-approved agreement template had been utilized <ul style="list-style-type: none"> – He suggested that the portion of the agreement that deals with quality be taken to the Board Quality Review Committee for review – Director Bassett stated that the role of medical staff had been addressed through that body in the past 	<p>MOTION: By Director Rivera, seconded by Director Bassett and carried to recommend approval of the one-year [July 1, 2009 through June 30, 2010] Independent Contractor Agreement – David Golembeski, M.D. – Medical Advisor to Home Health Maternal Infant Program. All in favor. None opposed.</p>	<p>Agreement forwarded to the July 13, 2009, Board of Directors meeting with a recommendation for approval</p> <ul style="list-style-type: none"> • Suggestion regarding quality requirements in the standard contractor agreement will be forwarded to the Board Quality Review Committee 	Y
3. DPR CONSTRUCTION MANAGEMENT CONTRACT			
<ul style="list-style-type: none"> • Utilizing the attached presentation (<i>Attachment 1</i>) Dr. David Tam provided an update on the status of negotiations <ul style="list-style-type: none"> o Have now received their initial proposal, based on a new methodology <ul style="list-style-type: none"> – New methodology developed by Bob Hemker, Dr. Tam and Mike Shanahan <ol style="list-style-type: none"> 1) Moved from offering an incentive based on a percentage of savings to a fixed fee amount – We are in the process of analyzing their numbers to confirm whether they are valid and representative of what we believe actual costs, timelines, etc., should be <ol style="list-style-type: none"> 1) Process is almost to the point of returning to them for validation – Would then potentially have our numbers ready to present at the Board meeting on July 13th <ol style="list-style-type: none"> 1) Might also be ready for review at Facilities & Grounds Committee that same date 	<p><i>Information only</i></p> <p>The Board Finance Committee concurred with the direction in which Management was taking the negotiations</p>	<p>Forwarded to the July 13, 2009, Board of Directors and Board Facilities & Grounds Committee Review meetings as information</p>	N

BOARD FINANCE COMMITTEE – MEETING MINUTES – TUESDAY, JUNE 30, 2009

1. AGENDA ITEM

• DISCUSSION	CONCLUSION/ACTION	FOLLOW UP/RESPONSIBLE PARTY	FINAL?
<ul style="list-style-type: none"> 2) Almost certain to be ready for presentation at next Finance Committee meeting in July if necessary <ul style="list-style-type: none"> o Current proposed amount of contract is covered by current budgeted amount o Acronyms/terms in presentation: <ul style="list-style-type: none"> – CM = Construction Manager – VE = Value Engineering – General Requirement Costs = Labor and other costs for items that do not apply directly to construction • What are benefits of early completion? <ul style="list-style-type: none"> o Could derive economic value (revenue) from the asset sooner o Potential cost savings and time value of funds • Dr. Tam asked the Committee for consensus that they were following the appropriate path toward successful completion of the negotiations 			

4. FORMATION OF A MEDICAL FOUNDATION 1206(i)

<ul style="list-style-type: none"> • Dr. Robert Trifunovic distributed an updated draft of the Letter of Intent (LOI) (<i>Attachment 2</i>) that had been distributed with the agenda packet and introduced guest Vicky Lister, the CEO of Centre for Health Care (CHC) <ul style="list-style-type: none"> o Discussions between PPH and CHC are continuing regarding the probability of establishing a medical foundation model <ul style="list-style-type: none"> – Graybill has chosen not to continue discussions at this point – Proceeding onward with CHC still meets the intents, objectives and legal requirements o Presented is a simple LOI, to enter into an exclusive arrangement for putting together the foundation model <ul style="list-style-type: none"> – The update can be found in §2 <ul style="list-style-type: none"> 1) Clarifies that the exclusivity of negotiations between PPH and CHC does not preclude PPH from entering into negotiations of the same nature with other groups – The LOI allows us to go to ECG to get foundation underway with specifics regarding governance structure and how the physician corporation will be paid o Paid VMG only to do a high-level valuation with a very rough plus/minus estimate <ul style="list-style-type: none"> – Allowed us to estimate where we stand, as well as where CHC will stand o Foundation model's 40/10 rule requires that there be 40 physicians in 10 specialties, with 2/3 of the physicians working full time <ul style="list-style-type: none"> – CHC is very close to meeting those ratios – Formation of the foundation can move forward as long as there is a strategic plan in place to meet ratio requirements in the near future <ul style="list-style-type: none"> 1) Can utilize outside recruitment or recruit other physicians within the community if they are interested and meet our requirements 	<p>MOTION: By Dr. Lilley, seconded by Dr. Martin and carried to recommend approval to finalize due diligence for the formation of a Medical Foundation 1206(i). All except Director Rivera in favor, as he abstained both from the discussion and the vote. None opposed.</p>	<p>Forwarded to the July 13, 2009, Board of Directors meeting with a recommendation for approval</p>	<p align="center">N</p>
--	--	--	--------------------------------

BOARD FINANCE COMMITTEE – MEETING MINUTES – TUESDAY, JUNE 30, 2009

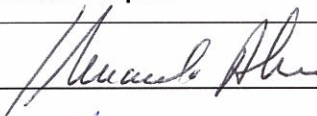
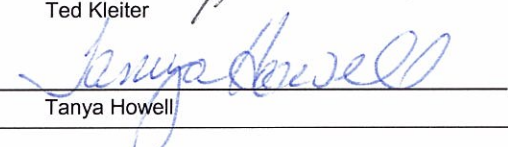
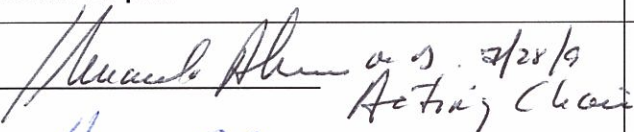
1. AGENDA ITEM			
• DISCUSSION	CONCLUSION/ACTION	FOLLOW UP/RESPONSIBLE PARTY	FINAL?
5. JOINT VENTURE AGREEMENT BETWEEN PPH AND NORTH COUNTY RADIOLOGY (NCR)			
<ul style="list-style-type: none"> o Pulled at request of staff o To be placed on Strategic Planning Committee agenda for discussion of structure, then will be returned through this Committee to the Board 	N/A		N
6. MAY 2009 AND YTD FY2009 FINANCIAL REPORT			
<ul style="list-style-type: none"> • Utilizing the presentation included in the agenda packet as Addendum C, Bob Hemker presented the May 2009 and YTD FY2009 financial statements. Only select slides were presented for discussion. <ul style="list-style-type: none"> o We are close to year-end as today is the last day of the fiscal year o Key Indicators (C-4) <ul style="list-style-type: none"> – May YTD operating income is in line with budget – Acute Admissions YTD show a negative variance of 5.7% – Acute Patient Days YTD are at 97% of budget – Total surgeries have a YTD negative variance of 4% <ul style="list-style-type: none"> 1) Surgeries in June currently show a 9% positive variance – Births YTD show a negative variance of 5% – Adjusted Discharges YTD are .3% above budget – ER to Admit Rate YTD is right on budget – Productivity YTD is also very close to budget (1.5% negative variance) o Income statement (C-18) <ul style="list-style-type: none"> – Adjusted Discharges YTD are 128 above budget – Strength of net revenue is an extra \$124/adjusted discharge – Negative variance of \$2.7M at the bottom bottom line <ul style="list-style-type: none"> 1) Driven by a negative variance in investment income 2) Also experienced softening on property tax revenues – Days cash on hand has grown year on year – OEbitDA margin percentage is down slightly due to the property tax softening o Key Variances MTD (C-10 to C-12) <ul style="list-style-type: none"> – Net income from operations has a positive variance of almost \$100K – Combining of Contract Labor with Salaries & Wages puts labor dollars within \$95K of budget <ul style="list-style-type: none"> 1) Volume Variance is the driver <ul style="list-style-type: none"> a) Labor dollars would otherwise have a positive variance of \$180K o Benefits showed a negative variance of \$1.4M <ul style="list-style-type: none"> – Group Health Insurance had a negative variance of \$1.2M <ul style="list-style-type: none"> 1) Caused by a continued true-up of costs seen over the past few months – Also due in part to retrospective rate structure o Supplies showed a negative variance of \$250K 	<p>MOTION: By Director Bassett, seconded by Dr. Martin and carried to recommend approval of the Financial Report for May 2009 and YTD FY2009 as presented. All in favor. None opposed.</p>	<p>Forwarded to the July 13, 2009, Board of Directors meeting with a recommendation for approval.</p>	Y

1. AGENDA ITEM

• DISCUSSION	CONCLUSION/ACTION	FOLLOW UP/RESPONSIBLE PARTY	FINAL?
<ul style="list-style-type: none"> – Prosthetics are still negative to budget, but to a lesser extent than in past months – June physical inventories are coming up, with probable adjustments to aggregated supply expense anticipated o Investment Income (Loss) <ul style="list-style-type: none"> – Still utilizing LAIF, which provides a trailing index and short-term liquidity, but not as significant as in the past o Key Variances YTD (C-13 to C-15) <ul style="list-style-type: none"> – Net Income from Operations shows a positive \$476K variance – Net Patient Revenue has a positive variance of \$5.96M <ol style="list-style-type: none"> 1) Based on the strength of the contract rate base 2) \$1M positive variance in Revenue Cycle Management o Combined Salaries, Wages & Benefits show a \$950K negative variance <ul style="list-style-type: none"> – About \$660K is Volume related – About \$290K is a Rate & Efficiency variance <ol style="list-style-type: none"> 1) Severance packages are included in that negative variance and account for the majority of the variance o Professional Fees show a negative variance of \$101K <ul style="list-style-type: none"> – Physician fee negative variances due to additional ER call coverage issues – Foundation (\$187K positive) & Legal Fees (\$193K positive) both provided cost savings o Negative variance of \$3.8M in Supplies <ul style="list-style-type: none"> – Due to negative variance in the cost of implants related to additional outpatient procedures – offset by revenue o Medi-Cal Eligibility Services had a negative variance of \$551K <ul style="list-style-type: none"> – Will be offset on the revenue side as we got more people qualified o \$400K negative variance in Property Tax Revenues <ul style="list-style-type: none"> – There will be one final true-up in June – Property Tax Revenues county wide are down about 2.5% – Raw dollars are still up compared to last year o YTD Income Statement (C-18) <ul style="list-style-type: none"> – Total Net Patient Revenues are up almost 1.2% against budget o Year on Year Income Statement (C-20) <ul style="list-style-type: none"> – Admissions are down 4% – Patient Days are down 3.3% – Almost mirror image in aggregate volume – Operating Income is up \$15M – Less than a 1% change in Salaries, Wages & Contract Labor – Negative variance of \$3.8M in Supplies is revenue related 			

BOARD FINANCE COMMITTEE – MEETING MINUTES – TUESDAY, JUNE 30, 2009

1. AGENDA ITEM

• DISCUSSION	CONCLUSION/ACTION	FOLLOW UP/RESPONSIBLE PARTY	FINAL?
<ul style="list-style-type: none"> - Aggregately revenue is up about 7% - Total expenses are up about 2%, with a negative variance of \$6M o YTD Supplies Expense (C-26) <ul style="list-style-type: none"> - Validation of implant costs is related to volume o Cash Collections (C-54) <ul style="list-style-type: none"> - Continued positive variance to goals - Today were at \$37.6M for the month of June <ul style="list-style-type: none"> 1) Received an IOU from Medi-Cal for \$700K o Revenue Cycle (C-55 to C-57) <ul style="list-style-type: none"> - Gross days are at 45 compared to 43 last year - Key positives in terms of coding and CDI <ul style="list-style-type: none"> 1) Coding is currently at less than one day 2) Picked up \$2.7M in real dollars 			
ADJOURNMENT	The meeting was adjourned at 7:29 p.m.		
SIGNATURES: • COMMITTEE CHAIR • COMMITTEE SECRETARY	<div style="display: flex; justify-content: space-between; align-items: center;"> <div style="text-align: center;">  Ted Kleiter </div> <div style="text-align: center;">  Tanya Howell </div> <div style="text-align: center;">  Michael Sherman Acting Chair </div> </div>		

ATTACHMENT 1

DPR Construction Manager Agreement - Update

PPH Board Finance Committee
30 June 2009

PALOMAR
POMERADO
HEALTH
SPECIALIZING IN YOU

Background

- R&S as original CM, terminated in 2008
 - Scheduling Concerns
 - Issues regarding Cost Estimates
- DPR selected as new CM in June, 2008. Has been operating under several LOA's during transition and as CM agreement being negotiated.

PALOMAR
POMERADO
HEALTH
SPECIALIZING IN YOU

Initial Approach to CMA

- Develop a Fully Inclusive Cost Estimate
- Utilize an Integrated Product Delivery (IPD) methodology to implement LEAN Construction techniques
- Identify Incentive levels as “percentage” of cost / schedule savings
- Fee, General Conditions (general requirement cost *and* reimbursable expenses), and Incentive Savings Payment

PALOMAR
POMERADO
HEALTH
SPECIALIZING IN YOU

Challenges with Initial CMA approach

- Final Cost Estimate still in flux
 - Changes in Economy
 - Aggressive VE process
 - OSHPD associated changes
- Schedule issues
 - VE impacts
 - Prior CM unrealistic schedule
- Net result
 - Savings Incentives difficult to calculate / negotiate
 - Realization that Schedule optimization is critical
 - Time = Money
 - Negotiating incentives on dollar savings potentially meaningless and possibly counter-productive

PALOMAR
POMERADO
HEALTH
SPECIALIZING IN YOU

Modified CMA approach

- Lump Sum Fee
- Combine under General Conditions
 - Reimbursable Expenses
 - General Requirement Costs
- No specific Incentive based upon percentage of savings
- Specified Completion Date

PALOMAR
POMERADO
HEALTH
SPECIALIZING IN YOU

Benefits of Proposed Approach

- Incentivize early completion / occupancy
- Indirectly incentivizes cost savings (time = money)
- Can move forward with agreement without finalization of Final Cost Estimate
- Simplifies alignment of all parties – accelerate the construction process to save time and money while maintaining quality

PALOMAR
POMERADO
HEALTH
SPECIALIZING IN YOU

Next steps

- Approve methodology
- Finalize negotiations with respect to dollar values for Fee / General Conditions
 - Review industry standards
 - Review of previous and upcoming expenses
 - Proposed figures by DPR covered in the current Budget / Cost Estimate
 - Present for approval at next Board Finance Committee / Full Board.
- Complete implementation of Facilities / Construction Re-engineering to align with optimal execution of the agreement and project

ATTACHMENT 2

LETTER OF INTENT

THIS LETTER OF INTENT is made effective on the ____ day of ____, 2009 (the “effective date”), by and between Center for Healthcare (“CHC”) and Palomar Pomerado Health, a California healthcare district organized under Section 23 of the Health and Safety Code, (“PPH”).

WHEREAS, CHC is a multispecialty physician practice organization with 2 physician clinics located throughout the North County San Diego region; and

WHEREAS, PPH is a California health district which owns and operates two licensed acute care hospitals in Poway and Escondido, California, as well as numerous outpatient services throughout its district; and

WHEREAS, the parties have a longstanding and collaborative relationship for the provision of health care services to residents of PPH’s health district; and

WHEREAS, the parties believe that the reimbursement and competitive environments in the future will require greater services and economic, operational and strategic planning integration in order to provide accessible quality care at a reasonable price.

NOW, THEREFORE in consideration of the mutual promises contained herein and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

AGREEMENT

1. Principal Terms.

The parties hereby state their intent to enter into an agreement with one another upon the principle terms and conditions described on Exhibit “A” attached hereto. The parties agree to use their best efforts to consummate the transaction described on Exhibit “A” by December 31, 2009, subject to (i) each party’s due diligence, (ii) the successful negotiation, preparation, execution and delivery of definitive agreements, (iii) each parties legal counsels’ satisfactory review of potential legal and regulatory restrictions, and (iv) each parties board approval.

2. Exclusive Negotiations.

In consideration of, among other things, the execution of this Letter Agreement and the expenditure of extensive time, effort and expense by or on behalf of the parties in negotiating the definitive agreements and otherwise proceeding in accordance herewith, each party agrees that until the expiration of the term thereof, they will not directly or indirectly solicit, initiate or participate in any way in discussions or negotiations with or provide any information to any other person or entity concerning the issues described in Exhibit A. Each party agrees that to the extent any such discussions are presently occurring, they will terminate the discussions during the term of this agreement.

Deleted: any affiliation, merger, joint venture, business combination or similar transaction related to owning, operating or providing health services within PPH’s health district

3. Confidentiality of Exchanged Information.

During the negotiations concerning the agreement, the term of this Letter Agreement and at all times following the expiration of negotiations and this Letter Agreement, the parties will not disclose any information exchanged between them which is confidential and proprietary and not in the public domain, including but not limited to financial proposals, price lists, forecasts, studies, information concerning potential risk sharing arrangements, business plans, and other confidential information (“Confidential Information”). None of the parties shall photograph or photocopy the other parties’ Confidential Information without the consent of the other. In addition, nothing herein shall require or permit CHC or PPH to exchange price related information for patient care service rendered by them.

4. Return of Information.

Within ten (10) days following a written request therefore by either party, all Confidential Information thereof and all analysis, compilations, forecasts, studies, or other documents prepared by the other party based upon the Confidential Information will be returned to the requesting party.

5. Remedies for Breach of Letter Agreement.

If a party discloses another party’s Confidential Information or otherwise breaches this Letter of Intent, the other party may resort to any one or more of the following remedies, which are intended by the parties to be cumulative and in addition to any other rights and/or remedies that might exist at law or in equity:

- 5.1 Obtain an injunction or other equitable relief preventing the party from disclosing the Confidential Information or otherwise breaching this Letter Agreement, it being the understanding and agreement of the parties that any such disclosure or breach will cause immediate and irreparable harm and that damages at law arising from any such breach may be difficult to ascertain and not adequately compensate a party for harm suffered as a result of such disclosure or breach.
- 5.2 Obtain and/or seek such other legal and/or equitable relief to which the injured party may be entitled under applicable law.
- 5.3 In the event of any controversy, claim or action being filed or instituted between the parties to this Letter of Intent to enforce the terms and conditions of this Letter of Intent or arising from the breach of any provision hereof, the prevailing party will be entitled to receive from the other party all costs, damages and expenses, including reasonable attorney fees, incurred by the prevailing party, whether or not such controversy or claim is litigated or prosecuted to judgment. The prevailing party will be that party who was awarded judgment as a result of trial or arbitration, or who receives a payment of money from the other party in settlement of claims asserted by that party.

6. Compliance with Laws.

The parties intend this Letter Agreement be in strict compliance with applicable law, statutes, rules and regulations. If, in the opinion of any party’s legal counsel, laws, regulations, interpretations or rulings raise questions regarding the enforceability of this Letter of Intent, or if such matters adversely effect strict compliance with this Letter of Intent, or if any authority commences regulatory or enforcement action, the parties shall renegotiate any

terms of this Letter of Intent to cure the unenforceable term and secure such strict compliance.

7. Costs.

Each party will bear its own costs with respect to legal services, tax accounting advice, and other professional services related to the transactions contemplated hereby.

8. Representations.

Each party shall obtain their own legal counsel and shall rely exclusively upon their own legal counsel in evaluating the legal issues raised by way of the transaction contemplated herein.

9. Scope of Agreement.

This Letter of Intent is an outline of the basic provisions to be set forth in definitive agreements implementing the transactions described herein. Except for the agreement of the parties to use their best efforts to consummate the transaction and except for the provisions of paragraphs 3, 4, and 5 hereof (which are legally binding agreements of the parties), there is no legally binding or enforceable contract between the parties until such time as definitive agreements are prepared, reviewed and executed by the parties.

The parties have accepted and agreed to the terms of this Letter Agreement effective the date first above written.

CENTER FOR HEALTHCARE

Dated: _____, 2009

By: _____
Chief Executive Officer

PALOMAR POMERADO HEALTH

Dated: _____, 2009

By: _____
Michael H. Covert
President & Chief Executive Officer

LETTER OF INTENT
EXHIBIT A

The purpose of the Letter of Intent between CHC and PPH, dated ___ June, 2009, shall be to take such action as necessary towards the development of a nonprofit medical foundation structure under California Code 1206(l). The parties will discuss issues addressing economic, operational, and strategic planning integration.

This includes exploring the development of the structure, governance, and professional services agreements necessary to create the medical foundation.