✓Included in the PDF posted on October 19, 2018

PUBLIC NOTICE

CITY OF ALAMEDA HEALTH CARE DISTRICT BOARD OF DIRECTORS

SPECIAL MEETING AGENDA

Monday, October 22, 2018

CLOSED SESSION: 4:30 PM | OPEN SESSION: 5:30 P.M.

Location:

Closed Session	Open Session
2 East Board Room	Dal Cielo Conference Room (Room A)
Alameda Hospital 2070 Clinton Avenue, Alameda, CA 94501	

Office of the Clerk: 510-473-0755

Members of the public who wish to comment on agenda items will be given an opportunity before or during the consideration of each agenda item. Those wishing to comment must complete a speaker card indicating the agenda item that they wish to address and present to the District Clerk. This will ensure your opportunity to speak. Please make your comments clear and concise, limiting your remarks to no more than three (3) minutes.

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I. Call to Order (2 East Board Room) — Michael Williams

II. Roll Call — Debi Stebbins

III. General Public Comments

IV. Adjourn into Executive Closed Session (2 East Board Room)

V. Closed Session Agenda

A. Call to Order

B. Report Involving Health Care District Trade Secrets — Health and Safety Code Section 32106

C. Adjourn into Open Session

VI. Reconvene to Public Session (Expected to start at 5:30 p.m. – Dal Cielo Conference Room)

A. Announcements from Closed Session — Michael Williams

VII. General Public Comments

VIII. Regular Agenda

A. YTD AHS Reporting **INFORMATIONAL**

✓ 1) Alameda Health System / Alameda Hospital Update — Luis Fonseca, COO
ENCLOSURE (PAGES 4-13)

✓ 2) Status of 2020 Alameda Hospital Seismic Project — Luis Fonseca, COO
ENCLOSURE (PAGES 5-16)

✓Included in the PDF posted on August 27, 2018

3) Alameda Hospital Medical Staff Update — Elpido Magalong, MD

B. District & Operational Updates

1) District Liaison Reports
INFORMATIONAL

a. President's Report — Michael Williams

b. Community Liaison Report — Dennis Popalardo

✓ c. Alameda Health System Liaison Report — Tracy Jensen
ENCLOSURE (PAGES 17)

d. Alameda Hospital Liaison Report — Robert Deutsch

✓ e. Executive Director Report and Board Updates — Debi Stebbins
ENCLOSURE (PAGES 18-21)

C. Consent Agenda **ACTION ITEM**

✓ 1) Acceptance of Minutes of August 27, 2018 ENCLOSURE (PAGES 22-29))

D. Action Items

✓ 1) Review of Calendar Year 2018/2019 District Board Meetings ENCLOSURE (PAGES 30)

2) Review and Acceptance of FY 2018 Audit
To be distributed at meeting and posted to website on 10/22/18

E. December 10,2018 Agenda Preview — Debi Stebbins
INFORMATIONAL - SUBJECT TO CHANGE

Action Items

1) Acceptance of October 22, 2018Minutes

2) Acceptance of Financial Statements: July, August, September, October 2018

3) Review and Approval of FY Ending June 30, 2019 Parcel Tax Spending Budget from Alameda Health System

Informational Items:

1) YTD AHS Reporting (CAO/Hospital, Quality, Financial, Medical Staff Reports)

IX. General Public Comments

X. Board Comment

✓Included in the PDF posted on August 27, 2018

XI. Adjournment

Next Scheduled Meeting Dates (2nd Monday, every other month or as scheduled) **December 10, 2018**	Open Session 5:30 PM Dal Cielo Conference Room Alameda Hospital

Alameda Health System Update

City of Alameda Health Care District
Board of Directors Meeting
October 22, 2018
Luis Fonseca, COO

AHS Volume Performance

	August 2018				Year-To-Date				FY 2018		
	Actual	Budget	Variance	% Variance	Actual	Budget	Variance	% Variance	YTD	Variance	% Var
Acute discharges	1,489	1,510	(21)	(1.4)%	3,039	3,001	38	1.3%	3,065	(26)	(0.8)%
Acute patient days	8,588	8,191	397	4.8%	17,447	16,292	1,155	7.1%	16,339	1,108	6.8%
Acute average length of stay	5.8	5.4	0.4	6.5%	5.7	5.4	0.3	5.7%	5.3	0.4	7.7%
Acute average daily census	277	264	13	4.9%	281	263	18	6.8%	264	17	6.4%
Post acute discharges	72	73	(1)	(1.4)%	151	137	14	10.2%	109	42	38.5%
Post acute patient days	9,417	9,199	218	2.4%	18,595	18,398	197	1.1%	18,257	338	1.9%
Post acute average daily census	304	297	7	2.4%	300	297	3	1.0%	294	6	2.0%
Clinic Visits	30,764	31,790	(1,026)	(3.2)%	58,866	58,800	66	0.1%	57,217	1,649	2.9%
Adjusted patient days (APD)	31,235	30,694	541	1.8%	62,495	60,706	1,789	2.9%	58,710	3,785	6.4%
Physician wRVUs	92,882	79,341	13,541	17.1%	173,608	158,682	14,926	9.4%	150,662	22,946	15.2%
Net Operating Revenue per APD	$ 2,774	$ 2,902	$ (128)	(4.4)%	$ 2,755	$ 2,906	$ (151)	(5.2)%	$ 2,747	9	0.3%
Expense per APD	$ 2,701	$ 2,833	$ (132)	(4.7)%	$ 2,712	$ 2,862	$ (150)	(5.3)%	$ 2,741	(29)	(1.1)%
Operating Income per APD	$ 73	$ 69	$ 4	5.6%	$ 43	$ 43	$ (0)	(0.1)%	$ 6	37	637.1%
Paid full time equivalents (FTE)	4,365	4,499	(134)	(3.0)%	4,393	4,515	(123)	(2.7)%	4,347	46	1.1%
Paid FTE's per adjusted occupied bed	4.3	4.5	(0.2)	(4.6)%	4.4	4.6	(0.3)	(5.4)%	4.6	(0.2)	(5.0)%
Worked hours per APD	21.3	22.1	(0.8)	(3.7)%	21.1	22.4	(1.3)	(5.7)%	22.3	(1.2)	(5.4)%
Compensation ratio	66.7%	67.2%	(0.6)%		68.2%	68.1%	0.2%		68.0%	0.2%	

AHS Financial Performance

	August 2018				Year-To-Date				FY 2018		
	Actual	Budget	Variance	% Variance	Actual	Budget	Variance	% Variance	YTD	Variance	% Var
Inpatient service revenue	$ 172,524	$ 162,443	$ 10,081	6.2%	$ 338,915	$ 321,387	$ 17,527	5.5%	$ 315,710	$ 23,205	7.4%
Outpatient service revenue	96,782	96,485	297	0.3%	191,727	185,598	6,129	3.3%	180,832	10,895	6.0%
Professional service revenue	29,990	27,787	2,203	7.9%	57,019	55,429	1,589	2.9%	39,224	17,795	45.4%
Gross patient service revenue	**299,296**	**286,715**	**12,581**	**4.4%**	**587,660**	**562,415**	**25,246**	**4.5%**	**535,766**	**51,895**	**9.7%**
Deductions from revenues	(248,549)	(233,458)	(15,091)	(6.5)%	(487,482)	(457,633)	(29,849)	(6.5)%	(440,786)	(46,696)	10.6%
Capitation - HPAC	3,058	2,803	255	9.1%	5,943	5,606	337	6.0%	5,533	410	7.4%
Net patient service revenue	**53,805**	**56,060**	**(2,255)**	**(4.0)%**	**106,122**	**110,388**	**(4,266)**	**(3.9)%**	**100,513**	**5,609**	**5.6%**
Medi-Cal Waiver	9,541	9,546	(5)	(0.1)%	19,082	19,092	(10)	(0.1)%	17,850	1,232	6.9%
Measure A, Parcel Tax, Other Support	10,176	10,025	151	1.5%	19,883	20,050	(167)	(0.8)%	19,463	421	2.2%
CA Hospital Fee	-	-	-	0.0%	-	-	-	0.0%	-	0	0.0%
DSRIP Revenue	-	-	-	0.0%	-	-	-	0.0%	-	0	0.0%
Supplemental Programs	11,165	11,187	(22)	(0.2)%	22,330	22,374	(44)	(0.2)%	19,107	3,223	16.9%
Grants & Research Protocol	509	652	(143)	(22.0)%	1,030	1,304	(274)	(21.0)%	1,025	5	0.4%
Other Operating Revenue	1,438	1,592	(154)	(9.7)%	3,738	3,185	553	17.4%	3,293	445	13.5%
Incentives	-	-	-	0.0%	-	-	-	0.0%	-	0	0.0%
Supplemental revenue	**32,829**	**33,002**	**(173)**	**(0.5)%**	**66,063**	**66,005**	**59**	**0.1%**	**60,739**	**5,325**	**8.8%**
Net operating revenue	**86,634**	**89,063**	**(2,429)**	**(2.7)%**	**172,185**	**176,393**	**(4,208)**	**(2.4)%**	**161,251**	**10,934**	**6.8%**

AHS Expenses

	August 2018				Year-To-Date				FY 2018		
	Actual	Budget	Variance	% Variance	Actual	Budget	Variance	% Variance	YTD	Variance	% Var
Salaries and wages	40,873	41,805	(931)	(2.2)%	82,711	84,011	(1,299)	(1.5)%	76,204	6,507	8.5%
Registry	2,281	3,205	(924)	(28.8)%	4,205	5,968	(1,763)	(29.5)%	6,830	(2,626)	(38.4)%
Employee benefits	14,605	14,869	(264)	(1.8)%	30,598	30,086	512	1.7%	26,692	3,906	14.6%
Contracted physician services	7,731	7,981	(250)	(3.1)%	15,471	15,925	(454)	(2.9)%	14,413	1,058	7.3%
Professional Services	-	-	-	0.0%	-	-	-	0.0%	(0)	0	
Purchased services	6,008	6,088	(80)	(1.3)%	11,767	12,107	(339)	(2.8)%	12,346	(579)	(4.7)%
Pharmaceuticals	2,233	2,361	(128)	(5.4)%	4,483	4,553	(70)	(1.5)%	4,800	(317)	(6.6)%
Medical Supplies	2,982	3,067	(85)	(2.8)%	5,421	5,930	(509)	(8.6)%	6,162	(741)	(12.0)%
Materials and supplies	1,657	1,612	45	2.8%	3,136	3,261	(124)	(3.8)%	3,015	122	4.0%
Outside medical services	534	386	148	38.2%	665	773	(108)	(14.0)%	818	(153)	(18.7)%
General & administrative expenses	1,607	1,739	(132)	(7.6)%	3,423	3,481	(58)	(1.7)%	2,839	584	20.6%
Repairs/maintenance/utilities	1,830	1,670	160	9.6%	3,615	3,339	276	8.3%	3,264	351	10.8%
Building/equipment leases & rentals	720	724	(4)	(0.6)%	1,448	1,448	0	0.0%	929	519	55.8%
Depreciation	1,301	1,442	(141)	(9.8)%	2,537	2,885	(348)	(12.0)%	2,595	(57)	(2.2)%
Total operating expense	**84,363**	**86,949**	**(2,585)**	**(3.0)%**	**169,481**	**173,764**	**(4,283)**	**(2.5)%**	**160,906**	**8,575**	**5.3%**
Operating Income	**2,271**	**2,114**	**157**	**7.4%**	**2,704**	**2,629**	**75**	**2.9%**	**345**	**2,359**	**683.9%**
Interest income/(expense) net	(64)	(32)	(32)	(100.3)%	(178)	(64)	(114)	(176.7)%	(28)	(150)	(534.4)%
Retirement GASB68	(4,062)	(4,149)	88	2.1%	(8,124)	(8,301)	177	2.1%	(8,116)	(8)	(0.1)%
Support Services Allocation	-	-	-	0.0%	-	-	-	0.0%	-	-	0.0%
Other Non-operating income(exp)	21	26	(5)	(19.5)%	42	53	(10)	(19.5)%	42	0	0.9%
Net Income	**$ (1,834)**	**$ (2,041)**	**$ 207**	**10.1%**	**$ (5,555)**	**$ (5,683)**	**$ 128**	**2.3%**	**$ (7,757)**	**$ 2,202**	**28.4%**
Operating Margin	2.6%	2.4%	0.2%		1.6%	1.5%	0.1%		0.2%	1.4%	
EBIDA Margin	4.1%	4.0%	0.1%		3.1%	3.2%	(0.1)%		1.8%	1.3%	
Collection % - NPSR	18.0%	19.6%	(1.6)%		18.1%	19.6%	(1.6)%		18.8%	(0.7)%	
Collection % - Total	28.9%	31.1%	(2.1)%		29.3%	31.4%	(2.1)%		30.1%	(0.8)%	

AH Volume Performance

	August 2018				Year-To-Date				FY 2017		
	Actual	Budget	Variance	% Variance	Actual	Budget	Variance	% Variance	YTD	% Var	Variance
Acute discharges	197	175	22	▲ 12.6%	392	373	19	▲ 5.1%	362	▲ 8.3%	30
Acute patient days	946	796	150	▲ 18.8%	1,887	1,630	257	▲ 15.8%	1,544	▲ 22.2%	343
Acute average length of stay	4.80	4.55	(0.25)	▼ (5.5)%	4.81	4.37	(0.44)	▼ (10.1)%	4.27	▼ (12.6)%	(0.5)
Acute average daily census	31	26	5	▲ 19.2%	30	26	4	▲ 15.4%	25	▼ (20.0)%	(5.0)
Post acute discharges	16	20	(4)	▼ (20.0)%	43	36	7	▲ 19.4%	31	▲ 38.7%	12
Post acute patient days	5,333	5,290	43	0.8%	10,679	10,580	99	0.9%	10,799	(1.1)%	(120)
Post acute average daily census	172	171	1	0.6%	172	171	1	0.6%	174	(1.1)%	(2)
Clinic Visits	1,280	1,192	88	▲ 7.4%	2,392	2,133	259	▲ 12.1%	2,137	▲ 11.9%	255
Adjusted patient days (APD)	9,745	9,454	291	▲ 3.1%	19,145	18,738	407	▲ 2.2%	19,646	▼ (2.6)%	(501)
Expense per APD	$ 733	$ 758	$ 25	▲ 3.3%	$ 716	$ 766	$ 50	▲ 6.5%	$ 738	▼ (2.9)%	$ (21)
Paid full time equivalents (FTE)	568	584	16	▲ 2.8%	577	591	14	▲ 2.4%	598	▲ 3.5%	21
Paid FTE's per AOB	1.81	1.91	0.10	▲ 5.2%	1.87	1.96	0.09	▲ 4.6%	1.89	1.1%	0.0
Worked hours per APD	8.88	9.53	0.66	▲ 6.9%	9.13	9.66	0.53	▲ 5.5%	9.18	0.6%	0.1

Alameda Hospital Expenses

	August 2018				Year-To-Date				FY 2017		
	Actual	Budget	Variance	% Variance	Actual	Budget	Variance	% Variance	YTD	% Var	Variance
Salaries and wages	4,626	4,340	(286)	(6.6)%	9,306	8,822	(484)	(5.5)%	8,551	(8.8)%	(755)
Registry	307	686	379	55.2%	625	1,290	664	51.5%	1,315	52.5%	690
Purchased services	753	601	(152)	(25.2)%	1,329	1,206	(123)	(10.2)%	1,446	8.1%	117
Pharmaceuticals	173	183	9	5.1%	287	335	48	14.4%	698	59.0%	412
Medical Supplies	472	605	133	22.0%	722	1,174	452	38.5%	1,110	35.0%	389
Materials and supplies	232	195	(37)	(18.9)%	439	413	(26)	(6.3)%	334	(31.3)%	(105)
General & administrative expenses	8	40	33	80.6%	20	84	64	75.7%	50	59.1%	29
Repairs/maintenance/utilities	249	175	(74)	(42.2)%	335	350	16	4.5%	319	(4.8)%	(15)
Building/equipment leases & rentals	185	212	27	12.6%	390	423	33	7.8%	423	7.6%	32
Depreciation	136	131	(6)	(4.2)%	262	262	(0)	(0.2)%	249	(5.5)%	(14)
Total operating expense	**7,142**	**7,168**	**26**	**0.4%**	**13,715**	**14,359**	**645**	**4.5%**	**14,495**	**5.4%**	**780**

ALAMEDA HEALTH SYSTEM

December Meeting

- Parcel Tax Budget for FY18-19
- Alameda Hospital Performance Study

Patient Experience
HCAHPS Rolling Three Month Scores

		Your Top Box Score		
	n for Current %	Previous % Mar-May	Current % Jun-Aug	FY19 Goal/Baseline for Watch Metrics & Drivers
Rate hospital 0-10	56	54.3	60.5	64.6 | 63.7
Comm w/ Nurses	56	69.8	74.7	81.0 | 74.3
Response of Hosp Staff	53	60.9	59.9	67.0 | 61.5
Comm About Pain	40	65.2	64.5	65.4 | 60.0
Comm About Medicines	32	58.6	68.6	67.6 | 62.0

3 of 5 Domains saw an increase in scores from previous 3 months however, 4 of 5 domains are below FY 19 Goals.

Less Than Baseline
Greater than or Equal to Baseline and Less Than Goal
Above Goal

ALAMEDA HEALTH SYSTEM

9-18-18 data

AH CT Project

- Project has been approved and OSHPD Permit issued.
- Start Construction is anticipated for October 29, 2018 pending CDPH licensing of Mobile CT unit.
- Estimated Project Completion is 3-4 months from start of construction (February 2019).

Health and Wellness in our Community

- Hosted the Alameda Chamber of Commerce Mixer, June 13
- Offered Health Screenings at the Island Jam, June 16
- Participated in the 4th of July Parade, July 4
- Honored as a Bold Partner of Girls Inc. of the Island City, July 9
- Stroke Risk Assessment at Mastick Senior Center, July 12
- Presenting Sponsor of the Alameda Running Festival, September 16
- Alameda Hospital Community Health Fair – October 20
- Member of Alameda Collaborative for Children Youth and Families and Alameda Senior Service Action Team

TO: Board of Trustees – Finance Committee

FROM: Luis Fonseca, COO
Baljeet Sangha, VP Support Services
Kristen Thorson, Manager, Support Services

DATE: October 5, 2018

SUBJECT: Alameda Hospital SB90 Seismic and Kitchen Relocation Project Update

The following is an update on the Alameda Hospital SB90 Seismic and Kitchen Relocation Project. There are four OSHPD projects that we are tracking for the project.

Make Ready – Project 1, Occupational Therapy

Plans Submitted	5/18/18*
OSHPD Final Review and Permit	10/30/18[1]

*Actual Date | [1]Anticipated Date

Make Ready – Project 2, EVS/Linen

Plans Submitted	6/12/18*
Plans Approved	10/02/18*
OSHPD Final Review and Permit	10/30/18[1]

*Actual Date | [1]Anticipated Date

Increment 1 (Seismic)

Plans Submitted	February 2018*
Plans Approved	05/18/18*
OSHPD Final Review and Permit	November/December 2018[1]

*Actual Date | [1]Anticipated Date

Increment 2 OSHPD (Kitchen Relocation)

Plans Submitted	April 2018*
OSHPD Final Review and Permit	November/December 2018[1]

*Actual Date | [1]Anticipated Date

Leadership has opted to put all four (4) projects under one RFP using a Construction Manager (CM) at Risk / Guaranteed Maximum Price (GMP) model with 2 phases; Pre-Construction Phase and Construction Phase. As you may recall, this is the same format used in our San Leandro Acute Rehab Project. We feel that this is the best approach for the project to ensure that the general contractor thoroughly reviews the scope of work, building, existing conditions, and site plan to minimize the potential for unforeseen costs during the project and further impacts on the timeline.

We fully understand that going this route will extend the duration and the critical path will be impacted affecting our ability to complete the project by the beginning of 2020. Although we continue our commitment to work towards substantial completion within the deadline of January 2020, the passage of AB 2190 (which is detailed below) provides a valuable extension.

AB2190 was signed by the Governor of California on September 22, 2018 and Alameda Health System will pursue this extension. Key points from the bill are listed below:

(b) All hospitals seeking an extension for their SPC-1 buildings shall submit to the office an application, in a manner acceptable to the office, by April 1, 2019. At a minimum, the application shall state which of the seismic compliance methods described in subdivision (a) will be used for each SPC-1 building.

(c) A hospital owner that has been granted an extension pursuant to subdivision (g) of Section 130060 or subdivision (b) of Section 130061.5 may request, and the office shall grant, an additional extension of time as set forth in this section.

(d) (1) For a hospital that seeks an extension for compliance based on a replacement plan or retrofit plan, the owner shall submit a construction schedule, obtain a building permit, and begin construction by April 1, 2020.

(2) Using the construction schedule submitted pursuant to paragraph (1), the hospital and the office shall identify at least two major milestones relating to the compliance plan that will be used as the basis for determining whether the hospital is making adequate progress toward meeting the seismic compliance deadline.

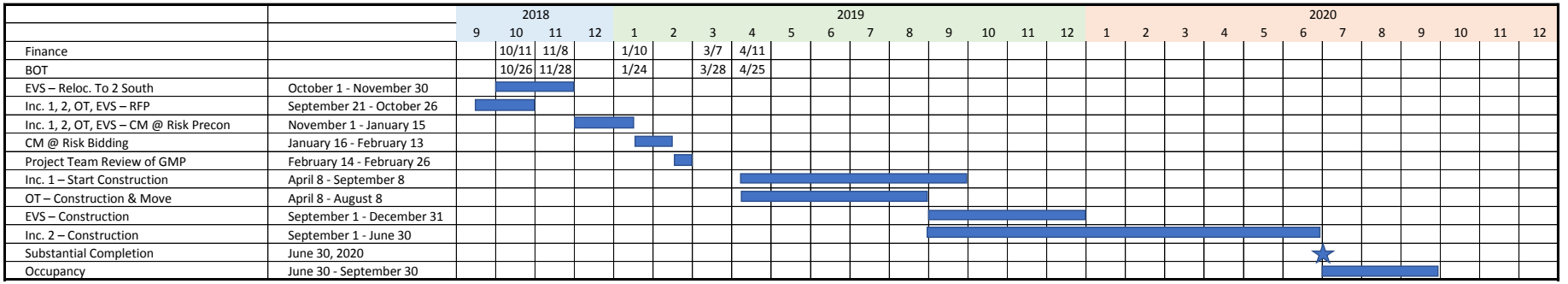
(3) Failure to comply with the requirements described in paragraph (1) or (2), or to meet any milestone agreed to pursuant to paragraph (2), shall result in the assessment of a fine of five thousand dollars ($5,000) per calendar day until the requirements or milestones, respectively, are met.

(4) Final seismic compliance shall be achieved by July 1, 2022.

The CM at Risk RFP is currently underway with an expected completion of early November; at which time a recommendation for contract award of the Pre-Construction Phase will be presented to the Finance Committee. This would be followed by the submission of a GMP which would be presented in March 2019.

Attached is a high-level timeline detailing the RFP, BOT approval dates and estimated construction durations for each of 4 Projects (Make Ready 1 OT, Make Ready 1 – EVS, Inc 1 and Inc 2). Once a CM at Risk is engaged, for the preconstruction phase, timelines will be updated and the GMP developed.

Alameda Hospital SB90 Seismic and Kitchen Relocation Project Estimated Timeline
October 5, 2018



DATE: October 17, 2018

TO: City of Alameda Health Care District, Board of Directors

FROM: Tracy Jensen

SUBJECT: Alameda Health System Liaison Report

Board of Trustees Updates

AHS Board: Two Alameda county residents have been appointed to the AHS board by the Board of Supervisors. Ross Peterson is an executive with Alameda-based behavioral health provider Telecare, which he joined after service with Alameda County's Mental Health Services agency. Dr. Noha Aboelata is a primary care physician and founder of Oakland's Roots Community Health Center and the Roots Alliance of safety net service providers.

The AHS board will have a Fall retreat October 26 and 27. Topics are expected to include program, staffing and service impacts related to the opening of the acute rehabilitation program at San Leandro Hospital.

System Updates

Executive Team: Alameda Health System appointed Mark Amey to the position of chief information officer. Mr. Amey comes to the Bay Area from San Diego, where he was most recently associate CIO at University of California San Diego Health. Recent executive team departures include Reshea Holman, the Vice President for Patient Care Services at Highland Hospital and John Chapman, formerly AHS CAO and Highland Administrative Officer.

Facilities: In 2013, the seismic standards for acute care hospitals were amended to establish a deadline of 2020 for necessary structural upgrades. Last month governor Brown extended the deadline to 2022. AHS will use the extension to consolidate projects under a general contractor. The Alameda Hospital seismic project is part of the AHS capital budget and the funds will not be repurposed/redistributed to operations. AHS leadership anticipates that the completion of the 2020 seismic upgrade will be delayed only to the 3rd quarter of CY 2020.

Programs: Two months into the fiscal year 2019 budgeted revenue is 14% below projections. According to a report earlier this month from the Acting CFO, FY2019 year-to-date expenses are only 3% under budget.

CITY OF ALAMEDA HEALTH CARE DISTRICT

October 18, 2018

Memorandum to: Board of Directors
City of Alameda Health Care District

From: Deborah E. Stebbins
Executive Director

SUBJECT: EXECUTIVE DIRECTOR REPORT

July and August Financial Statements

The District financial statements for slated for the October Board agenda. Due to the travel schedules of Kelly Hohenbeck, our accountant, and myself, the completion of the reports has been delayed. They should be mailed to the Board within the next two weeks and posted to our public website. They will also be on the December Board agenda, along with the September and October statements, for formal Board review and approval.

The FY 2018 District audit is 90% complete and a written report from Rick Jackson, our auditor will be distributed at the October meeting.

Communications:

I have met with Director Popalardo and we have discussed ideas for stepping up communication about the activities of the District with the Alameda community. This will be increasingly important both in terms of sharing news about the seismic modifications that will be made by AHS in the next years as well as the challenges faced by the District in meeting 2030 standards.

In response to Director Williams feedback from the community that we should strengthen our Website content, I am working with Louise Nakada from the Foundation about the possibility of putting together a combined District – Foundation website.

Dennis Popalardo and I are discussing establishing a community advisory committee, much like the one that used to exist at Alameda Hospital, to create an informal group of ambassadors to help us disseminate information about the District. We welcome recommendations for membership on and Advisory Committee.

Kaufman Hall Study:

The interviews of AH and AHS leadership conducted by Kaufman Hall are about 70% complete. We have had two meetings of the District Ad Hoc Committee to do a check-in on interview progress and progress on data collection.

Attached to this report is a list of data that is being collected by Kaufman Hallwith the cooperation of the AHS Strategic Planning and Finance staff. This data will be fundamental in the consultants' analysis of the three scenarios that comprise the project. Analysis of the data will be completed within the next few weeks with progress reports presented to the Ad Hoc Committee.

Update on 2020 Seismic Project:

It is important to update the Board on some recent developments on the 2020 seismic project. The California legislative bill which proposed an extension of the 2020 seismic deadline to 2022 was passed in the legislature and signed by Governor Brown in September.

AHS had previously committed to keeping the various components of the 2020 project on track for completion in late 2019 regardless of whether the extension was approved or not. Recently, AHS has backed off this position and is planning on extending the project timeline. Some of this relates to the bids obtained from outside contractors being significantly higher than expected. I know Luis Fonseca will be addressing this change in his report, including how this may alter AHS' approach to organizing and managing outside contractors.

Obviously, the District needs to be vigilant in following progress on any revised timelines and AHS' continued commitment to capitalization of the project. Failure to meet the seismic requirements under the new timeline will threaten the continuation of acute care (and therefore emergency, surgery and other services) at Alameda Hospital.

KaufmanHall

City of Alameda Healthcare District
Strategic Facility Scenarios
Preliminary Information Request

Items identified below represent a preliminary list of data and information items required to support the Strategic Facility Scenarios Project. Additional requests for information may be necessary during the course of our analysis.

I. Current Plans and Analyses

a. Description of, and any existing strategic and/or facility plans, analyses, business cases, or capital estimates for Alameda Hospital
b. Any recent competitor analyses

II. Market Data

a. Service area – List of zip codes for island of Alameda
b. Market patient discharge database (OSHPD) for most recent three years available:
   - Year
   - Facility
   - Zip code
   - Age Cohort (0-17, 18-34, 35-64, 65+)
   - DRG
   - Financial Class
   - Health plan
   - Admission source
   - Discharge disposition
   - Length of stay
   - Patient Type
c. Truven Insurance Coverage Estimates for service area (if available)

III. Internal Volume and Financial Info, Inpatient and Outpatient

a. AHS' definition of inpatient service lines by MS-DRG
b. The current FYTD and most recent full fiscal year of inpatient discharge data by patient discharge:
   - Discharge Year
   - Zip code
   - Financial class
   - Health plan
   - DRG
   - AHS-defined clinical service line (if appropriate)
   - Admission source
   - Flag for transfer from other AHS hospital (if not captured by admission source)
   - Net patient revenue
   - Total Direct costs
   - Total Indirect costs
   - Direct costs – depreciation
   - Indirect costs – depreciation
   - Direct costs – interest

- Indirect costs - interest

c. Outpatient encounter data by patient for current FYTD and most recent full FY including:
   - Encounter year
   - Zip code
   - AHS-defined clinical service line
   - Financial class
   - Total Direct costs
   - Total Indirect costs
   - Direct costs – depreciation
   - Indirect costs – depreciation
   - Direct costs – interest
   - Indirect costs - interest

d. Inpatient and outpatient case volumes for following ancillary services for current FYTD and most recent full FY
   - Surgeries
   - CT
   - MRI
   - Diagnostic X-Ray
   - ED cases
   - Ultrasound
   - Mammography
   - GI Lab

IV. Current Facility Information

a. Floor plans
b. Current year capital budget and multi-year capital expenditure plan/needs if relevant
c. Facility master plan
d. Project description, square footage and capital cost for recent major facility projects (over $300K in last five years)
e. Key Room Count – beds by type, imaging, ED bays, other key ancillary services
f. Current SB1953 seismic requirements, plans, and estimates

V. Services and Competitor Information

a. Any recent competitor analyses
b. Any recent or relevant health plan and/or employer assessment analyses, including any value-based initiatives promoted by payors or providers in the market

CITY OF ALAMEDA HEALTH CARE DISTRICT

Minutes of the City of Alameda Health Care District Board of Directors
Open Session
Monday, August 27, 2018 | Regular Meeting

Board Members Present		Legal Counsel Present	Excused / Absent
Robert Deutsch, MD Tracy Jensen	Dennis Popalardo Michael Williams	Thomas Driscoll, Esq.	Gayle Godfrey Codiga

Submitted by: Debi Stebbins, Executive Director

Topic	Discussion	Action / Follow-Up
I. Call to Order	The meeting was called to order at 5:40 p.m.	
II. Roll Call	Kristen Thorson called roll, noting a quorum of Directors was present.	
III. Report from Closed Session		
IV. General Public Comments	None.	
VI. Regular Agenda		
A. YTD AHS Reporting		
1)	Alameda Health System Liaison Report Luis Fonseca, COO for Alameda Health System provided a verbal report on AHS operations. AHS is just finishing up the completion of year-end financial statements for FY 2018. There have been decisions made to change the prior CAO position that had day to day operational responsibility for Alameda and San Leandro Hospitals. That role will be replaced by a VP of Patient Care Services who will serve as the chief nurse executive for the facility and also have responsibility for all day to day operations for Alameda Hospital. There is an interim person filling this role and a permanent person will be identified shortly. In addition, Mr. Fonseca plans to spend at least one day per week on site at Alameda Hospital. In addition to his overall responsibilities as COO of the	No action taken.

	system, his goal is to be more directly involved in the operations and community associated with Alameda Hospital. He congratulated Kristen Thorson on her new role as Manager of Support Services for Alameda and San Leandro Hospitals. Kristen will have responsibility for Engineering, Environmental Services, Biomedical, and Security. An important part of her responsibility includes oversight of the major construction projects: acute rehab at San Leandro and the 2020 seismic retrofit project at Alameda. There was significant discussion on the SB90 Seismic and Kitchen Relocation project. AHS is behind on a couple of deadlines, including selection of contractors for the various components of the Make-Ready phases of construction. Nevertheless the project is still on track for completion in late 2019. A complete update on actual vs. projected deadlines will be provided to the District Board shortly. AHS has developed a very aggressive plan and organization for the conversion of the EHR to EPIC. About 80 new staff have been hired to build the project during the transition; 50-60% of those staff will remain after "go live" for on-going support. An additional 50 staff from EPIC are on-site working on the conversion. The IT staff is housed at San Leandro Hospital. Testing of the new system is planned for the first quarter of 2019 with implementation projected for the 4th quarter of calendar year 2019.	
2)	Alameda Hospital Medical Staff Update Dr. Magalong provided an update on the activities of the Alameda Hospital Medical staff. There are seven applications for privileges pending from new physicians in the areas of emergency medicine, anesthesiology, GI and Hospitalists. New privileges are being worked on system-wide for general surgery due to the new systemwide coverage for general surgery through the AHS-UCSF contract. Coverage by the new surgeons will start at Alameda Hospital on September 1. There are also preliminary discussions underway on policies and procedures for the participation of residents in General Surgery who may rotate through Alameda Hospital as a part of the contractual arrangement with UCSF. Physicians at Alameda Hospital are very involved in the planning for the EPIC conversion. The medical staffs at all the facilities are working on system-wide order sets for certain key diagnostic sets that will be built into the new system. A retreat of the combined Medical Executive Committees for all AHS facilities is planned for October 13, 2018.	No action taken.
B.	District and Operational Updates	

1)	District Liaison Repots	
	a. President's Report President Williams reported that the Joint Liaison Committee of the District, AHS and officials from the City of Alameda met in early August. It was an opportunity for Luis Fonseca and Deborah Stebbins to be introduced to the City representatives. There was a discussion of the construction being planned to meet 2020 seismic standards, including the communication that will be necessary to inform hospital neighbors about possible disruptions caused by construction and mechanisms to avoid parking congestion. President Williams also took the opportunity to thank Kristen Thorson for her excellent and tireless support of the District as its Clerk over the last several years. He congratulated her on her new role at AHS and presented her with a gift certificate and flowers as a token of appreciation from the Board for all her hard work. Each of the Directors added remarks of their personal appreciation for all of Kristen's remarkable work on behalf of the District and Alameda Hospital.	No action taken.
	b. Community Liaison Report Director Popalardo indicated there was no new activity to report on in terms of community liaison activities with the community. He indicated his interest in meeting with the Executive Director in the near future to evaluate mechanisms for increased interface with the Alameda community.	No action taken.
	c. Alameda Health System Liaison Report Director Jensen provided an update as liaison to the AHS Board of Trustees. The Board is currently reviewing candidates to fill two Board seats open due to the terming out and resignation of two Board members. She reviewed additional information about the executive reorganization at AHS and reviewed the new Performance Management dashboard that is reviewed regularly by the AHS Board. The dashboard provides information on the status of performance in relationship to the six strategic pillars: Access, Sustainability, Quality, Experience, Network and Workforce. Director Jensen also highlighted some of the key volume trends for AHS and Alameda Hospital.	No action taken.
	d. Alameda Hospital Liaison Report	No action taken.

	i. Ad Hoc Seismic and Facilities Planning Committee Director Deutsch stated that the committee continues to look at options for 2030 and beyond including whether to rebuild or upgrade based on the analysis. The Committee will meet every 2 months to monitor progress on 2020 work and discuss future planning for the District relating to 2030 seismic requirements.	
	e. Executive Director Report Executive Director Stebbins gave an update on the orientation process she has undertaken to prepare for full transition of the functions and responsibilities previously held by the District Clerk to the District Executive Director. She thanked Ms. Thorson for her great help in this process as well as in their prior work together at Alameda Hospital. She congratulated Kristen on her new role and stated how pleased she was that Kristen will continue to be involved in the seismic construction activities. Mrs. Stebbins reviewed a variety of people at the System, Hospital and in the Alameda community that she has already or will be meeting with as a part of her introduction to the new role. Director Jensen suggested that in addition to those mentioned, it would be worthwhile for Mrs. Stebbins to meet with the President of the AHS Board, Joe DeVries, and the Dr. Taft Bhuket, former President of the Highland Medical Staff and current AHS Board member. She reviewed her initial thinking on strategic planning in preparation for the 2030 seismic deadlines, including the solicitation of proposals from two consultants to assist in the process. A recommendation for engagement of Kaufman Hall as the initial consultant will be reviewed and discussed later in this agenda.	No action taken.
C.	Consent Agenda	
1)	Acceptance of Minutes of June 11, 2018	A motion was made, seconded and carried unanimously to approve the Consent Agenda.
3)	Acceptance of May 2018 Financial Statements	
4)	Acceptance of June 2018 Financial Statements	
D.	Action Items	
1)	.Adoption of Resolution 2018-4 Banking and Signing Authority	A motion was made, seconded and carried unanimously to approve

	The signing authority policy and a new banking signature policy were proposed to provide check signing authority for all Directors and for the Executive Directors. Checks for amounts in excess of $10,000 will continue to require two signatures.	Resolution 2018-4 Banking and Signing Authority.
2)	Approval to Engage Kaufman Hall Consultants Executive Director Stebbins reviewed the background on solicitation from two consultants for proposals to assist the District in strategic planning especially with regard to planning for compliance with 2030 seismic standards. 1. Baseline – reflecting the current scope of operations scaled to the current and projected demand under the status quo and a seismically compliant facility, 2. Incorporation of Alameda Health System's strategic goals and perspective on the opportunities for the optimal use of Alameda Hospital, and 3. District proceeds without being a part of the AHS system while maintaining an emergency Department, acute care services and distinct part SNF services. High level financial projections will be developed for each scenario to assess the estimated capitalization costs and return on investment. Kaufman Hall will provide advice on the prioritization of the scenarios based upon the expected financial return on investment and the strategic vision and goals of the District. The second scenario will be studied from the perspective of how current and future referral patterns might be structured to enhance the synergy between Alameda Hospital and the rest of the AHS delivery system and enhance the goals and priorities of the system. There are still backlogs and waiting times for patients served by AHS which could potentially be addressed by improved patient flow between the system facilities including Alameda Hospital.	A motion was made, seconded and carried unanimously to approve the engagement of the consulting firm of Kaufman Hall for the sum of $ 224,000 covering approximately a four month time frame to assist the District in Strategic Planning. The Board also approved the appointment of an Ad Hoc Committee, comprised of Directors Codiga and Deutsch to advise the Executive Director and consultants on this project.

	Since the inception of the affiliation in 2014, there have been significant changes in the utilization of services at Alameda Hospital, especially the referral of inpatients from Highland Hospital as well as increased utilization of certain outpatient services. This constitutes what will be considered the baseline scenario for the current operation of Alameda Hospital as a part of AHS. The understanding of the impact of this present relationship from a financial standpoint and the perspective of the strategic goals and priorities of AHS are vital to beginning a planning process for both the District.	
3)	Adoption of Revised FY 2018-2019 District Operating Budget Executive Director Stebbins reviewed a proposal to revise the FY 2018-2019 District Operating Budget that was approved at the May 14, 2018 District Board and submitted to AHS. The revised FY 2018-2019 operating budget is attached to these minutes. The new budget proposes a Final Balance Transfer of Funds to Alameda Health System of $ 4,759,913 which is $539,000 less than the transfer budgeted for FY 2017-2018 of $5,298,855. The original proposed Operating Budget for FY 2018-2019 that was approved on May 14, 2018 called for a transfer of funds to AHS of $3,994,913. The primary reason the proposed transfer was significantly less than the amount proposed in this revision was the inclusion of a “Reserve Fund for Unforeseen Capital and Operating Expenses of $1,000,000. There was no detail on how this reserve was anticipated to be spent by the District and the May 2018 proposed budget was not accepted by AHS. The Joint Powers Agreement does allow for the District to reserve funds from the parcel tax for purposes of District operations and for strategic planning. The strategic planning needs of the District as well as potential consultants we may engage this year to advance our strategic planning with particular focus on 2030 seismic and organizational planning require a revision of the consulting budget for the year to $325,000. This will cover the proposed costs of the Kaufman Hall consulting project covered under another agenda item plus a contingency for additional planning needs. The projection of the Executive Director expense was revised to the amount approved by the District Board.	A motion was made, seconded and carried unanimously to approve the Revised FY 2018-2019 District Operating Budget as attached.

	Mr. Fonseca noted that the revised budget as described has been accepted by Executive Management of AHS and does not require any additional review by the AHS Board or Finance Committee.	
4)	Proposed Change to October 2018 District Board Meeting Date Executive Director Stebbins proposed the possible change in the October Board meeting date due to her previously scheduled travel plans outside the country in early October. After some discussion of possible dates, it was agreed that Mrs. Stebbins would follow up with a poll of the Directors to determine the best date to reschedule the meeting in October.	
E. October, 2018 Agenda Preview		
Action Items		No action taken.
1)	Review and Approval of FY Ending June 30, 2019 Parcel Tax Budget from Alameda Health System	
2)	Acceptance of August 27, 2018 Minutes	
3)	Acceptance of Financial Statements: July/August 2018	
4)	Review of Calendar Year 2018/2019 Meeting Calendars	
5)	FY June 30, 2018 Audit Review and Acceptance	
6)	Review of Proposed Work Plan for 2030	
Information Items		No action taken.
1)	YTD AHS Reporting (CAO/Hospital, Quality, Financial, Medical Staff Reports)	

V.	**General Public Comments**	None
VI.	**Board Comments**	None
VII.	**Adjournment**	There being no further business, the meeting was adjourned at 7:15 pm

Approved: _____

CITY OF ALAMEDA HEALTH CARE DISTRICT

Memorandum to: City of Alameda Health Care District
Board of Directors

From: Debi Stebbins
Executive Director

RE: Proposed Schedule for Board of Directors Meetings
2018 - 2019

In keeping with our practice of scheduling meetings on the 2nd Monday of alternating months, the following is the proposed schedule for meetings in the balance of 2018 and in 2019. Please review these proposed dates to determine if any dates need to be changed due to Board member schedules so, if necessary, a revised schedule can be published.

Monday, December 20, 2018

Monday, February 11, 2019

Monday, April 8, 2019

Monday, June 10, 2019

Monday, August 12, 2019

Monday, October 14, 2019

Monday, December 9, 2019