



BOARD OF TRUSTEES MEETING

THURSDAY, March 23, 2017

5:00PM – 7:00PM

Conference Center at Highland Care Pavilion
1411 East 31st Street Oakland, CA 94602
Vanessa Nushaiwat, Interim Clerk of the Board
(510) 535-7515

LOCATION:

Open Session: HCP Conference Center

MEMBERS

Michele Lawrence, *President*
Joe DeVries, *Vice President*
Maria Hernandez, *Secretary*
Kinkini Banerjee Gary Charland
Tracy Jensen Anthony Thompson
Barry Zorthian, M.D.

MINUTES

THE MEETING WAS CALLED TO ORDER AT 5:05 p.m.

ROLL CALL WAS TAKEN AND THE FOLLOWING TRUSTEES WERE PRESENT:

Michele Lawrence, Joe DeVries, Maria G. Hernandez, Kinkini Banerjee, Gary Charland, Tracy Jensen, Anthony Thompson, and Barry Zorthian, M.D.

A quorum was established.

Open Session / Roll Call

Employee Recognition

The following employees were recognized by the Board of Trustees for their outstanding contributions to AHS¹:

Highland Hospital (presented by John Chapman, CAO):

Terence Hawkins, Dietary
Sara Wahlin, Dietary
Siobahn Wilson, RN, Nursing

San Leandro Hospital and Alameda Hospital (presented by James E.T. Jackson, CAO):

Patricia Reynolds, RN, Perioperative

¹ A copy of the citations for each of these employees are attached as part of the minutes.

Post-Acute Facilities (presented by Richard Espinoza, CAO):

Hector Berumen, Engineering
Lara Leventhal, Occupational Therapy

OPEN SESSION PUBLIC COMMENT (1st opportunity) –

The Board received public comment from:

Joe Rose, President, NAMI – Alameda County South
Dr. Mike Hansen, Pain Management Clinic
Jay Sheets, SEIU
Yolanda Keaton, SEIU
Wilson Buckley, SEIU
Isabel Montero, SEIU

A. MEDICAL STAFF REPORTS

Gene Hern, MD, Chief of Staff - HGH/FMT/JGH/Ambulatory Medical Staff
Elpidio Magalong, MD, Chief of Staff - Alameda Hospital Medical Staff

Core Medical Staff Report (presented by Dr. Hern):

Dr. Hern reported on the development of “Emergency Department Saturation Guidelines” that will address procedures to handle situations of overcrowding/high census. The guidelines, based on national standards, will facilitate implementation of transfer protocols. The guidelines are expected to be finished next month.

Dr. Hern noted that the organization has participated in several emergency/disaster planning and training exercises, including the Statewide Earthquake Drill, Urban Shield, Hospital Awareness Training. In addition, as reported to QPSC, the Trauma Department is preparing for a survey to achieve Level 1 trauma status. Trustee Hernandez noted that the Board should consider the ability of Board members to respond/contribute in the event of a disaster.

Dr. Hern advised that the process for medical staff review of non-physician clinical contracts and contracts with other physician groups. The process was developed with administration and provides for input in contracting matters.

Dr. Hern reported that the Medical Staff is paying particular attention to the issue of provider wellness. Dr. Hern noted the impact of resource challenges and the complexity of work as contributing factors to wellness issues experienced by physicians – 1 in 2 physicians meet the clinical criteria for “burnout.” Dr. Hern noted that suicide rates for physicians (male and female) exceed the national averages. The Medical Staff is looking to administration for support to establish physician wellness centers and to provide outreach to physicians regarding resources available to address these issues.

Finally, Dr. Hern noted the success of operations in the Maternal Child Health Department. He noted that deliveries in the Birthing Center have risen steadily and are up approximately 30% (YTD). The Department is exceeding 8 of 9 PRIME quality/safety metrics related to MCH, largely due to the strong midwife program. Trustee Zorthian noted that the Department would be subject to renewal of its “baby friendly” designation and suggested that the Board receive a report on that initiative.

Alameda Hospital Medical Staff Report (presented by Dr. Magalong):

Dr. Magalong began by commending the Alameda Hospital staff and thanking James Jackson, Dr. Jamaledine and AHS executive leadership for support to resolve the recent issue with the hospital OR. Dr. Magalong noted the teamwork led to a quick of the issues.

Dr. Magalong noted the medical staff concern over the availability of certain specialty services, in particular, podiatry, urology, and psychiatry. AH is working with CAO and Dr. Jamaledine to address

Dr. Magalong noted some issues related to aging equipment, but noted that administration has identified resources to replace some of these items. Dr. Magalong also reported on efforts to improve the radiation safety program.

Dr. Magalong recognized the efforts to move forward with commercial contracting with certain payors. Dr. Magalong also noted that the hospital is participating in the BETA HEART Program and the EHR selection process.

A Medical Staff Report from San Leandro Hospital was not presented.

B. BOARD PRESIDENT REPORT

Michele Lawrence, President

Trustee Lawrence commended and thanked the staff for the presentation at John George Psychiatric Hospital during the course of a visit by the federal government. She noted that the presentation was informative, thorough and the responses to questions reflected outstanding preparation for the presentation.

Trustee Lawrence reminded the public and the Board that recruitment for to fill the vacancy on the Board is ongoing. Trustee Lawrence noted that one application had been received and encouraged applications from residents from District 1. Trustee Lawrence confirmed that the deadline for applications would be extended.

Trustee Lawrence noted the receipt of an anonymous letter raising concerns about the operations of the hospital. Trustee Lawrence acknowledged the duty to investigate issues, but she noted the difficulty in addressing such concerns without adequate information to conduct a proper and diligent investigation. Trustee Lawrence invited the party that submitted the letter to contact her directly and confidentially to discuss the matter.

C. CEO REPORT

Delvecchio Finley, Chief Executive Officer

The CEO began his report by recognizing the withdrawal of the AHCA before it was voted on by Congress. The CEO noted that the changes proposed under AHCA would have adversely impacted AHS and the withdrawal was welcome news.

The CEO reviewed the System Performance Dashboard and provided updates on two of the organizational pillars: Access and Quality. With respect to Access, the CEO explained the incorporation of non-traditional clinical visits and interactions that impact access to services – telephone visits and eConsults. These programs have added close to 46,000 clinical visits year to date. Regarding Quality, the CEO noted the recent Patient Safety Licensing survey by CDPH and a Validation Survey by CMS. The results of both surveys were generally good, with some findings – that have been addressed by staff – and several commendatory comments by both sets of surveyors.

The CEO's report concluded with a review of the organization's currently ongoing planning and budgeting activities. The CEO described the recent executive retreat focused on development of FY18 operational goals and the budget/review process.

D. CONSENT AGENDA: ACTION

1. **Approval of the Minutes from the March 9, 2017 Board of Trustees Meetings.**

Withdrawn

Action: A motion was made and seconded to approve the item below. The motion passed.

AYES: Trustees Banerjee, Charland, Devries, Hernandez, Jensen, Lawrence, Thompson, and Zorthian.

NAYS: None

Abstention: None

2. **The Human Resources Committee recommends approval of the following item:**

- A. Resolution Delegating Authority for Administration of Investment Plans and Appointment of Investment Committee

END OF CONSENT AGENDA

E. ACTION ITEMS

Action: A motion was made and seconded to approve sending a letter, to be finalized with the President, to legislative representatives and advocacy organizations expressing appreciation for their support. The motion passed.

AYES: Trustees Banerjee, Charland, Devries, Hernandez, Jensen, Lawrence, Thompson, and Zorthian.

NAYS: None

Abstention: None

- A. **Report on Proposed Changes to Affordable Care Act and Board Action in Response**
M.D. Moye, General Counsel
Terry Lightfoot, Director, Public Affairs and Community Engagement

F. DISCUSSION/REPORT

- A. **Monthly Financial Update**
David Cox, Chief Financial Officer

The CFO reported that the financial reports for February had just been completed and that performance for the month was generally favorable. The CFO opined that the organization was on target to achieve budget for the year.

The CFO reported that he is reviewing issues concerning the organization's supplemental revenue in future years. Two issues arise: a general reduction in supplemental revenue as the waiver moves into the third year and a potential reduction in reimbursement of capital costs due to a regulatory ruling by CMS. The former is being addressed through operational planning and the latter through the litigation discussed in the earlier board meeting.

The CFO also addressed an issue regarding cash forecasting. He reported that AHS has been booking \$36M in supplemental revenue for this year and next. Recently, the organization was advised that the amount for this reimbursement for each year will be approximately \$36M more than planned. However, the CFO noted that the total payment (\$72M) may not be received until after the end of the fiscal year. As a result the CFO forecasted that the organization will be very close to the NNB budget limit under the permanent agreement with the County. The CFO advised that this development has been reported to the County and that AHS will work with them on contingencies.

A specific question arose regarding the HER acquisition. The CFO explained that although the cost has not been finally determined, the organization was looking at a combination of cash, future income, and philanthropy to fund the project. In addition, the CFO explained that the structure of the agreement with the vendor will also be a factor in payment inasmuch as the payment terms could be structured similar to a loan to provide for payment over a period of time.

The CFO addressed a concern that the revenue appeared to be flat in conjunction with declining supplemental revenue by re-emphasizing the importance of the revenue cycle improvement projects. The CFO also noted that the upward trend in expenses had turned downward for the month. The CFO reported that non-clinical expenses would continue to receive attention.

B. Update on Activities Regarding Immigration Reforms

M. D. Moye, General Counsel

The General Counsel presented a report on the issues raised by recent immigration enforcement activity at the federal level. The General Counsel reported that statistically the data (and staff reports) did not reflect a specific impact on patient visits to clinics as the result of immigration fears. The General Counsel reviewed the new activities that have been undertaken to address patient concerns. The General Counsel noted the staff presentations on patient rights, policy clarifications on access to facilities by non-patients, and planned presentations to patient advisory groups.

Dr. Alex Diaz provided observations from his interaction with patients in the HGH Adult Medicine Clinic and the patient advisory groups. Dr. Diaz reported a concern by patients over the absence of signs that Highland Hospital is a "safe" place to come to. Dr. Diaz also related an anecdote of a patient who sought emergency care, but ultimately left the facility without receiving care, because of a fear of exposure to immigration authorities.

Several Trustees expressed concern and frustration that the information reported by Dr. Diaz confirmed concerns that had been expressed to staff on several occasions and that could have been avoided by a more active statement to the public that "everyone is welcome" and Highland is a "safe" place. The Trustees directed staff to re-visit efforts to provide more visible and simple assurances to patients that they should not fear visiting AHS facilities or accessing medical services.

G. COMMITTEE REPORTS (Written)

1. **Human Resources Committee Report**
Tracy Jensen, Chair
2. **Finance Committee Report**
Anthony Thompson, Chair

H. INFORMATION (Written Reports)

1. **AHS Media Report**
Jerri Randrup, Director of Corporate Communications & Marketing
2. **Legislative Affairs/Local Government Strategy**
Terry Lightfoot, Director, Legislative and Community Affairs

CLOSED SESSION

- A. Conference with Labor Negotiator – Union Strategy – SEIU, Local 1021**
[Government Code Section 54957.6] (1 matter)
Luis Fonseca, Chief Operating Officer
Tony Redmond, Chief Human Resources Officer
M.D. Moye, General Counsel

OPEN SESSION

I. REPORT: Report on Action Taken in Closed Session

The Board met in closed session and took no action.

OPEN SESSION PUBLIC COMMENT (2nd opportunity) - NONE

Trustee Comments - NONE

Adjournment – 8:10pm

Respectfully submitted by:

Vanessa Nushaiwat
Interim, Clerk of the Board

APPROVED AS TO FORM

Reviewed by: _____


M.D. Moye
General Counsel

Our Mission

Caring, Healing, Teaching, Serving All

Strategic Vision

AHS will be recognized as a world-class patient and family centered system of care that promotes wellness, eliminates disparities and optimizes the health of our diverse communities.

Values

Compassion, Commitment, Teamwork, Excellence, Integrity, and Respect.

Meeting Procedures

The Board of Trustees is the Policy Body of the Alameda Health System. The Board has several standing Committees where Board matters are the subject of discussion at which members of the public are urged to testify. Board procedures do not permit: 1) persons in the audience at a Committee meeting to vocally express support or opposition to statements by Board Members or by other persons testifying; 2) ringing and use of cell phones, pagers, and similar sound-producing electronic devices; 3) signs to be brought into the meeting or displayed in the room; 4) standing in the meeting room. Citizens are encouraged to testify at Committee meetings and to write letters to the Clerk of the Board or to its members, 1411 East 31st Street Oakland, CA 94602.

Members of the public are advised that all Board and Committee proceedings are recorded (audio), including comments and statements by the public in the course of the meetings. Copies of the audio recordings will be made available to the public. By attending and participating in Board/Committee meetings, members of the public consent to audio recording of any statements they may make during the proceedings.

Disability Access

The Meeting Rooms are wheelchair accessible. Assistive listening devices are available upon request at the Clerk of the Board's Office. To request sign language interpreters, readers, large print agendas or other accommodations, please contact the Clerk of the Board. Requests made at least 48 hours in advance of the meeting will help to ensure availability. The nearest accessible BART station is Lake Merritt. Accessible AC Transit Bus Route 62 stops at the entrance to Highland Hospital. Route 11 stops one block away, on 14th Avenue at East 31st Street. For schedule updates, call AC Transit at (510) 817-1717; BART at (510) 465-2278. There is accessible parking in the main patient parking lot enter on East 31st Street.

In order to accommodate persons with severe allergies, environmental illness, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to perfumes and various other chemical-based scented products. Please help us to accommodate these individuals.

The AHS Board of Trustees is committed to protecting the private health information (PHI) of our patients. We ask that speakers refrain from disclosing or discussing the PHI of others. Please also know that, should you decide to disclose your PHI, the Trustees will still likely refer your matter, to the extent it involves PHI, to the executive staff for a confidential review of the facts and for confidential handling. If you would like more information regarding the confidentiality of PHI as it relates to the Health Insurance Privacy and Accountability Act, please refer to 45CFR Section 164.101, et.seq.