



# ALAMEDA COUNTY MEDICAL CENTER

*Highland Campus • Fairmont Campus*

*John George Psychiatric Pavilion • Ambulatory Healthcare Services*

## BOARD OF TRUSTEE MEETING

TUESDAY, January 24, 2012

Central Administration Offices Located at Highland Hospital

1411 East 31<sup>st</sup> Street Oakland, CA 94602

Barbara L. McElroy, Clerk of the Board

(510) 437-8468

## MINUTES

**THE MEETING WAS CALLED TO ORDER AT 4:50 PM.**

**ROLL CALL WAS TAKEN AND THE FOLLOWING TRUSTEES WERE PRESENT:**

Daniel Boggan, Jr., Ronald D. Nelson, Floyd Huen, MD, Valerie D. Lewis, Esq., Stanley M. Schiffman, Anthony Slimick, J. Bennett Tate, Ilene Weinreb, and Barry Zorthian, MD.

Barbara Price and Kirk E. Miller, were excused.

**NON-VOTING MEMBER PRESENT:**

Lyn Berry, MD, President, ACMC Medical Staff

## **TAB #2 COMMITTEE REPORTS:**

### **A. Finance Committee**

Marion Schales, Chief Financial Officer, reported on the Finance Committee Meeting of January 17, 2012.

The Minutes of the November 15, 2011 Finance Committee Meeting were approved.

The CFO reported the financial results for the month of December 2011 as well as YTD.

- December Total Income (*without* DSRIP) of \$258K resulted in a favorable variance of \$195K.
- YTD Total Income (*without* DSRIP) of \$2.2M resulted in a favorable variance of \$2.5M.
- December Total Income (*with* DSRIP) of \$2.0M resulted in a favorable variance of \$1.9M.
- YTD Total Income (*with* DSRIP) of \$12.6M resulted in a favorable variance of \$12.8M.

Mark Zielazinski, Chief Information Officer, reported on the status of the E.H.R. project. The current run rate of the program's capital expense (\$16.3M) is within its \$18.7M

budget. ARRA Incentive Revenue is behind schedule, delayed by the State's timeline in developing the claiming mechanism. ACMC expects to receive the initial payment of approximately \$3M this fiscal year. The operating budget of \$33.5M was approved for additional labor, training, backfills and system maintenance for the next 10 years. Actual run rate (\$33.5M) is on budget.

The Committee approved a scope change to the Electronic Health Record project. Mr. Zielazinski recommended authorization of the replacement of the current standalone WellSoft system in the ED with the Soarian ED module at a cost of \$1.1M for capital and \$300K for operating costs (total: \$1.4M). There is no risk to ARRA incentives and the change will extend the E.H.R. project timeline by approximately 90 days. Funding of \$600K of the capital costs will come from the E.H.R. contingency budget of \$800K (remaining contingency budget = \$200K). A request of \$500K to increase the E.H.R. capital budget, as well as an increase in E.H.R. operating budget of \$300K. The total increase in E.H.R. budget would be \$800K in FY 2013.

Mr. Zielazinski reported on the development of the Health Information Exchange (HIE), a critical component of the 2009 American Recovery and Reinvestment Act (ARRA). HIE focuses on goals related to meaningful use to improve quality and efficiency in health care delivery.

Don Briones, VP Finance, described ACMC's progress on implementing the strategic priorities of cost management identified in the Kaufman Hall Integrated Financial and Strategic Planning project and discussed by the Trustees at their October 2011 Retreat. Two firms, MedAssets and VHA, have been selected to work with ACMC to perform an initial opportunity assessment (Phase I) and to develop a detailed list of cost management/revenue cycle recommendations by March 31, 2012.

The CFO provided a short verbal update related to ACMC's fiscal operations.

The Committee approved the Final Contracts Approval Control Policy, as well as various operating and capital contracts.

***ACTION: A motion was made, seconded, and unanimously passed to accept the Finance Committee Report as presented.***

***MOTION: Trustee Nelson***

***SECOND: Trustee Schiffman***

## **B. Human Resources Committee Report**

Ronald D. Nelson, Chair, reported on the January 18, 2012 Human Resources Committee meeting.

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The following was discussed at the meeting:

- An update on Recruitment Strategies and filling critical positions.
- A report on the results of the 2011 Employee Partnership Survey, which will be an ongoing effort and reported periodically to the Committee.
- A review of a new process of tracking critical agenda issues pertaining to the Committee.

***ACTION: A motion was made, seconded, and unanimously passed to accept the Human Resources Committee Report as presented.***

***MOTION: Trustee Schiffman***

***SECOND: Trustee Slimick***

**C. Quality Professional Services Committee Report**

Trustee Boggan presented the report on the Quality Professional Services Committee meeting held on January 19, 2012.

The QPSC Committee asked that the Board approve the policies & procedures as presented.

***ACTION: A motion was made, seconded, and unanimously passed to accept the Quality Professional Services Committee Report as presented.***

***MOTION: Trustee Nelson***

***SECOND: Trustee Schiffman***

**D. Strategic Planning Committee Report**

Floyd Huen, MD, Chair, reported on the Strategic Planning Committee meeting held on January 23, 2011.

The following was discussed at the meeting:

- The approval of the annual work plan.
- Strategic goals for the future.
- Re-branding was discussed with regards to the website and the name changes that have been proposed.

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- Health Information Exchange was presented to the committee.
  - A report on major health issues within Alameda County; specifically the Health Committee of Alameda County.
  - A report was presented on the ACO applicants who were approved in California.

***ACTION: A motion was made, seconded, and unanimously passed to accept the Strategic Planning Committee Report as presented.***

***MOTION: Trustee Schiffman***

***SECOND: Trustee Slimick***

**TAB #3 ACTION: Consent Agenda**

Trustee Boggan asked if there were any items that the Board would like to pull from the Consent Agenda for discussion; hearing none, a motion was made.

***ACTION: A motion was made, seconded, and unanimously passed to approve the Consent Agenda as presented.***

***MOTION: Trustee Nelson***

***SECOND: Trustee Slimick***

**TAB #4 ACTION: Adoption of Contract and Authorization by the CEO to Execute the Following Contract:**

Wright Lassiter, III, Chief Executive Officer, provided a brief outline of the Oakcare Medical Group contract. At the October 2011 Retreat, the Board decided that one of the five most important priorities was to establish an effective hospital/physician partnership. The contract presented provides an effective operating model towards this goal.

Sang-ick Chang, MD presented an overview of the contract to the Board. The contract renewal with Oakcare Medical Group will provide for emergency, internal, maternal child health and other sub-specialty medicine services for a term of two years with annual contract increases of 1.5%, plus Performance and Quality/Safety Incentives for a total two-year not-to-exceed amount of \$55,942,974.

One of the specific areas that Dr. Chang reported on was the patient experience and how important this issue is moving forward with the future of healthcare.

The Board discussed the issue of physician coverage due to vacation or illness. Dr. Chang reported that coverage is for the most part not an issue, except in some specialty areas.

Physician billing was discussed with clarification from Ms. Schales that a new position has been created to deal specifically with physician billing.

***ACTION: A motion was made and seconded to approve the Oakcare Medical Group contract as presented.***

***MOTION: Trustee Schiffman***

***SECOND: Trustee Tate***

***ABSTAIN: Trustee Zorthian***

#### **TAB #5 UPDATE: ATR Update**

Bill Manns, Chief Operating Officer, presented an update on the Alameda County Medical Center Highland Hospital Acute Tower Replacement Project (ATR).

Phase 1 of the project is the Highland Care Pavilion, formerly referred to as the Satellite Building. It will be a 78,000 sf, 3-story building which will house the following:

- "Centers...of Excellence"
  - Cardiology
  - Oncology
  - Gastroenterology
- Urgent Care Center
- Admitting and Registration
- Volunteer Services
- Main Cafeteria
- Conference Rooms
- Administrative Offices

In addition, there will be approximately 175 underground parking spaces.

Mr. Manns reported significant milestones include completion of the interior demolition of buildings C, D, and F wings, including the salvage of terra cotta elements which will be utilized at the Fairmont campus. Structural demolition will begin in January. Unfortunately, 85 parking spaces were taken away due to the process.

In January 2012, the underground electrical work on East 31<sup>st</sup> and Stuart Street for the new Acute Care Tower was completed.

Mr. Manns gave a brief overview of the work completed in 2011, as well as a summary of the construction labor workforce statistics with regards to the Small Local and Emerging (SLEB) and Enhanced Construction Outreach Program (EOCP) firms.

**TAB #6 REPORT: Report on 2011 Employee Partnership Survey Results**

Jeanette Loudon-Corbett, Chief Human Resources Officer, reported the results of the 2011 Employee Partnership Survey results. This item had been referred back to the Human Resources Committee at the November 22, 2011 Board of Trustees meeting for clarification.

Ms. Loudon-Corbett reported that there was a typographical error on the part of Press-Ganey in that the survey results indicated that ACMC was in Region 4, when in actuality ACMC is in Region 9.

Ms. Loudon-Corbett presented the results and explained the process of how the survey results are scored. In January, there will be a pulse check and those results will be presented at the March meeting.

**TAB #7 UPDATE: ACMC Quality Initiatives  
Harm Reduction Teams Status Report**

Dr. Chang presented an update on the Harm Reduction Team status. The first phase ended on December 31, 2011. The results that are included in the agenda packet are preliminary due to the time lag necessary to capture the final data. A final presentation will be made in March.

The Executive Team Retreat was a few weeks ago, recommendations were made that ACMC should continue this as an ongoing initiative. They also recommended that ACMC keep the name Harm Reduction at least internally. The teams were directed to assess and redefine their goals for the coming 18 months.

The Teams had a celebration a week ago. They harvested their accomplishments and are looking to spread and embed those changes moving forward.

There will be a Medical Staff Retreat in a few weeks. The HRT initiative will be reviewed by the members of the medical staff; we will be asking them for guidance and leadership.

Dr. Chang reported that once all data has been compiled and input given by the various stakeholders a final presentation will be made to the Board in March.

Trustee Boggan asked that all involved with HRT please stand to be recognized for their accomplishments.

Trustee Slimick expressed his appreciation for the hard work that has been done.

Dr. Chang thanked the Board for their support with this initiative.

Mr. Lassiter expressed that this endeavor has galvanized ACMC in a way that he has not seen in his tenure with the organization.

**TAB #8 INFORMATION: ACMC Media Report**

Warren Lyons, Chief Strategy and Integration Officer, presented the media report for ACMC. In the near future, a hyperlink will be made available in the document to allow direct access to the articles listed.

***Trustee Nelson requested a copy of the "Market Watch" article.***

**TAB #9 REPORT: Medical Staff President Report**

Lyn Berry, MD, Medical Staff President, referred to her report in the agenda packet and asked if any of the Trustees had any questions. She added to her report that the annual department reports that are presented at the Medical Executive meetings are also being presented at QPSC.

**TAB #10 REPORT: Chief Executive Officer Report**

Mr. Lassiter provided an oral report. Management has been working diligently to tackle the five priorities that were identified at the October 2011 Retreat: cost management, improving revenues, physician / hospital partnerships, expanding access, and exploring affiliations / partnerships. By the April 2012 Retreat, there will be substantive progress to report.

In Mr. Lassiter's weekly discussions with the County administrator, a spring joint BOT/BOS meeting has been discussed.

***Polling will take place to determine availability.***

Several members of the executive staff will be participating in the first value stream analysis, focusing on inpatient flow; this is part of the LEAN process. The process should provide substantive improvements to the inpatient flow.

Mr. Lassiter thanked the board for their support during his time away from the organization as well as the executive team for their hard work and commitment.

**TAB #11 INFORMATION: Board Annual Calendar, Workplan  
& Follow-up Issues**

Daniel Boggan, Jr., President, shared with the Board the new process that is being put in place to track issues at both the committee and Board levels. Mr. Lassiter added that in addition to issue tracking, each committee has developed annual workplans. Prior to the March Board meeting, the annual workplan for the full Board will be posted to BoardEffect for review.

**TAB #12 REPORT: Legal Counsel's Report on Action Taken in Closed Session**

Douglas B. Habig, General Counsel, reported that in Closed Session the Board met with counsel to discuss significant exposure to litigation; no action was taken.

**TAB #13 INFORMATION: Alameda County Medical Center 6<sup>th</sup> Annual Meeting**

The ACMC 6<sup>th</sup> Annual meeting will be held on Tuesday, January 31, 2012 at 6:00 pm at the Greek Community Center at The Greek Orthodox Cathedral located at 4700 Lincoln Avenue, Oakland, CA 94602.

**Public Comments:**

**Victor Williams** – addressed the Board of Trustees regarding the following issues with a written statement.

Issues needing attention; Pharmacy, forced early release of patients from hospital, and admission to dental clinic:

Notice is hereby given to Highland Hospital officials of the following problems:

1. Removal of chairs outside television area near the pharmacy; (only approximately 7 chairs). Chairs are a vital importance to disabled and injured patients unable to stand for extended time periods. Patients could be further injured. It could cause "patient to patient" confrontations regarding places in line. There is no fire hazard, nor blockage of areas that might be needed for removal of a patient. (If needed via gurney.) There is no "window for disabled patients" which is required by federal law.



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2. Early release of patients from the hospital despite being unable to walk, or other reasons patients are being forced to leave hospital.
  3. Dental Clinic Registration Chaos! Instead of time stamping when each patient arrives for dental clinic registration, a "wild pack of animals approach is allowed", with all the patients rushing the security desk to get on a list at 5:30 am, possibly resulting in injuries to patients (including possible fist fights etc., patients coming in at 3:30 am vs. patients coming in at 5:20 am).

**Board of Trustees Remarks: None.**

**ADJOURNMENT: THE MEETING WAS ADJOURNED AT 6:08 PM.**

Respectfully Submitted by:

Barbara L. McElroy,  
Clerk of the Board

APPROVED AS TO FORM:

Reviewed by:

  
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Douglas Habig, Esq.  
General Counsel