



**BOARD OF TRUSTEE MEETING
Tuesday, September 24, 2013**

**Administration Executive Suite Located at Highland Care Pavilion
1411 East 31st Street Oakland, CA 94602
Marla D. Cox, Clerk of the Board
(510) 535-7515**

MINUTES

THE MEETING WAS CALLED TO ORDER AT 5:59 PM.

ROLL CALL WAS TAKEN AND THE FOLLOWING TRUSTEES WERE PRESENT:

Kirk E. Miller, Valerie D. Lewis, Ronald D. Nelson, Michele Lawrence, Stanley M. Schiffman, J., Bennett Tate and Barry Zorthian, MD.

Trustees Daniel Boggan, Jr. and Anthony B. Varni were excused.

NON-VOTING MEMBER PRESENT:

Taft Bhuket, MD.

TAB #2 COMMITTEE REPORTS:

Finance Committee Report

Trustee Schiffman reported in Trustee Boggan's absence. Net operating income 91k less and over budget. Operating revenue was under budget 181k. DSRIP brought a positive variance against budget 1.6 million. The key drivers in looking at budget and performance are 1) wages and benefits 2) staffing (in-patient/ambulatory) 3) cash. Cash forecast needed for San Leandro Hospital and Alameda Hospital, cash needed 220 million.

Audit and Compliance Committee Report

Trustee Miller reported that the committee discussed one item. The subject of preparation of outside auditors report; the auditors reported that the process is going well. The only concern expressed was AHS having the cash available to support the strategic plan in the form of the acquisitions.

Governance Committee Report

Trustee Lewis reported that the committee met on August 14, 2013. The committee discussed the resignation of Trustee Slimick, nominations of board members, appointments/identification of new members, James Lugannani was recommended a possible candidate. Regarding the Bylaws, the reconciliation process continues to reside with the Alameda County Board of Supervisors. The Board of Trustee Travel Policy was discussed and will be presented to the Board in November 2013. The CEO Evaluation process is moving forward. A peer review assessment is in development and will be sent out soon. The Community Advisory Council will be discussed at the Fall Retreat. Discussed how we can assist in moving Measure A forward.

Human Resources Committee Report

Trustee Nelson reported two items discussed 1) ACERA 2) Update on Benefit Plans for 2014 including the roll out of the new AHS self-funded plan.

Quality Professional Services Committee Report

Trustee Zorthian reported that the QPSC met twice since the last Board meeting, in August the Peer Review was presented and accepted; no Peer Review presented in September. The committee reviewed and approved policies. The committee continues to view The Summit series.

Strategic Planning Committee Report

Trustee Schiffman reported that the Strategic Planning Committee met. It was the first meeting with our new CSO, Carladenise Edwards. An organizational system was presented, which includes a business development team; corporate communications and marketing; legislative affairs and community advocacy and special projects.

ACTION: A motion was made and seconded, and the board unanimously approved each Committee Meeting upon report.

TAB #3 ACTION: Consent Agenda

- A. **Approval of the Minutes from the August 27, 2013 Board of Trustees Meeting.**
- B. **Approval of the Minutes from the July 30, 2013 Board of Trustees Meeting.**
- C. **Approval of the Minutes from the June 25, 2013 Board of Trustees Meeting.**
- D. **Approval of the Minutes from the June 18, 2013 Special Board of Trustees Meeting.**

- E. **Approval of Medical Staff / Organizational Policies and Procedures**
Recommendation by the Quality Professional Services Committee
 - 1. September 24, 2013 Meeting
 - o 28 Policies (See attached Exhibit A)

- F. **Approval of BOT Resolution to Offer New Pension Plans to New Unrepresented AHS Employees (2013-009)**
Recommendation by the Human Resources Committee

- G. **Approval of Siemens Contract Increase**
Recommendation by the Finance Committee

ACTION: Upon motion made and seconded, the Consent Agenda items were approved with amendment of additional comments to the August 27, 2013 and July 30, 2013 Minutes and one abstain.

TAB #4 UPDATE/DISCUSSION: Chief Executive Officer Update

Wright Lassiter III, CEO updated the Board on the following areas:

- Key Personnel (System and Campus-based level)
- Measure A Reauthorization Process
- Strategic Initiative Updates (Hospital Partnerships, Improving Patient Experience, Safety, Margin and Access)
- Governance Updates (Board of Supervisors, The Governance Institute, Fall Retreat date change and Communication Enhancement by Staff)

TAB #5 UPDATE/DISCUSSION: AHS Hospital Acquisitions

- San Leandro Hospital Update
- Alameda Hospital Update
- Liquidity Impact – AHS Network Integration Strategy

TAB #6 UPDATE/DISCUSSION: AHS Rebranding Campaign

Carladenise Edwards updated the Board on the AMF Branding Campaign. The following was presented:

- The Campaign Goals and Target Markets
- Timeline and Project Milestones
- Campaign Metrics
- Accomplishments to Date
- An Example of the “Our Promise” Brand Campaign

TAB #7 UPDATE/DISCUSSION: AHS GOALS (2013 Review / 2014 Presentation)

Carladenise Edwards gave the Board an update on FY2013 Goals and results. In the areas of Growth/Access to Care, Service Enhancement, Community/Image Enhancement, the goals were not achieved at the anticipated levels. The Workforce Development, Quality Enhancement, and Fiscal Stewardship goals were exceeded with the exception of the operating margin improvement.

The analysis of the goals has resulted in re-defining the metrics in a few areas and continuing to march forward in others, but with the establishment of a few process changes, including:

- Adoption of True North Metrics that reflect an organizational focus on the goals
- Full use of the KPO to assist with change management processes that will improve work flow and productivity
- Additional training and staff support at the departmental, unit and individual level to identify activities/initiatives that align with the goals and support the achievement of the True North metrics

FY2014 Goals and True North Metrics:

AHS Leadership has established a set of goals for FY2014 that reflect our priorities in each of our strategic areas (i.e. pillars). A few of the goals have changed, but the intent of the FY2013 goals has been retained with a few modifications.

TAB #8 INFORMATION: Chief of Staff Report

Taft Bhuket, MD reported on the following:

Soarian: The processes are working better and we will capitalize on these opportunities. It is challenging but we continue to move forward.

Inter-departmental Professional Practice Committee: Starting to hit it's stride, good data is coming.

Emergency Management: We have great feedback from medical staff. In the near future we will have education on active shooting drills; mid-late October we will participate in the National Earthquake drill.

Opportunities: Nursing and Medical Staff relations. Previously there was tension. We have worked closely with Kim Horton, CNO; the medical staff fully supports her efforts.

Policy on Policies: in progress.

PHO: The medical staff has currently been involved in the interviewing process for a consulting firm.

Measure A: The medical staff want to assist in AHS' efforts to move Measure A through.

TAB #9 ACTION: Alameda County JPA Series 2013 - Revised Bond Documents and Draft Closing Certificates (Resolution 2013-008)

a. Resolution 2013-008

ACTION: A motion was made, seconded, and unanimously approved Resolution 2013-008 as presented.

TAB #10 UPDATE: Legislative Affairs/Local Government Strategy

Joel Ginsberg updated the Board on Legislative Affairs. The following was presented:

County Issues: Measure A

State Issues: Restore Rates for Distinct Part Skilled Nursing Facilities, Realignment Formula and Measure A, AB 1008: Pension Reform and Limits on Contracting

Federal Issues: 340B Drug Pricing Program, HR 1920: Delay DSH Cuts, H.R. 1250 and S. 1012: Medicare Audit Improvement Act, Veteran Administration Healthcare Contracting

Community Advocacy: We are beginning the process of conducting a rapid needs assessment around our community engagement activities and goals, with the aim of completing a comprehensive community relations plan within the next 90 days.

TAB #11 INFORMATION: AHS Media Report

The AHS Media report for July 17, 2013 –September 13, 2013 was provided to the Board in memorandum form.

TAB #12 INFORMATION: Board Communication

Wright Lassiter III, CEO, informed the Board that a copy of recent Board communications were included in the meeting book for their review.

TAB #13 INFORMATION: Annual Board of Trustee Calendar and Follow-up Issues

Trustee Miller presented the proposed 2014 BOT Calendar and asked Trustees to review and provide feedback.

TAB #14 REPORT: Legal Counsel's Report on Action Taken in Closed Session

Doug Habig, General Counsel reported in closed session the Board considered matters related to substantial litigation and met with labor negotiator, no action was taken.

Public Comments

Board of Trustees Remarks


ADJOURNMENT: THE MEETING WAS ADJOURNED AT 9:27 PM.

Respectfully Submitted by:

Marla Cox, Clerk of the Board

APPROVED AS TO FORM:

Reviewed by:



Douglas Habig, Esq.
General Counsel