



ALAMEDA COUNTY MEDICAL CENTER

Highland Campus • Fairmont Campus

John George Psychiatric Pavilion • Ambulatory Healthcare Services

STRATEGIC PLANNING COMMITTEE MEETING

Monday, July 16, 2012

Central Administration Offices Located at Highland Hospital

1411 East 31st Street Oakland, CA 94602

Barbara L. McElroy, Clerk of the Board

(510) 437-8468

MINUTES

THE MEETING WAS CALLED TO ORDER AT 4:37 P.M.

ROLL CALL WAS TAKEN; THE FOLLOWING TRUSTEES WERE PRESENT:

Floyd Huen, MD, Stanley M. Schiffman, Ilene Weinreb, and Barry Zorthian, MD.

J. Bennett Tate was excused.

TAB #2 ACTION: Approval of Minutes

ACTION: *A motion was made, seconded, and approved the Minutes from the May 21, 2012 Strategic Planning Committee Meeting as presented.*

MOTION: *Trustee Zorthian*

SECOND: *Trustee Weinreb*

AYES: *Trustees Huen, Weinreb, and Zorthian*

NAYS: *None*

ABSTAIN: *None*

ABSENT: *Trustee Schiffman arrived after the approval of the Minutes.*

TAB #3 REPORT: Chief Strategy and Integration Officer Report

Warren Lyons, Chief Strategy and Integration Officer, presented the CSIO report to the committee that was included in the public agenda packet.

TAB #4 REPORT: Managed Equipment Services Proposal

Mark Zielazinski, Chief Information Officer, presented the Managed Equipment Services Proposal status to the committee.

The committee inquired about the nature of the “risk” that would be shared by an equipment vendor as well as the possibility of reduced competition by utilizing a sole vendor arrangement.

Mr. Zielazinski noted that the first phase of the contract process would define the “risk” for the vendor and through due diligence confirm how the contract would support ACMC’s needs to purchase equipment made by a different vendor.

The possible use of MedAssets as an advisor to negotiate and implement a Managed Equipment Services contract was discussed. MedAssets is familiar with the MES concept but does not have direct experience in advising sovereign agencies in other countries that have entered into an MES contract.

Wright Lassiter, III, Chief Executive Officer, confirmed that ACMC would identify consulting firms who have advised sovereign agencies to determine how this advisory help would be beneficial to negotiations.

Trustee Schiffman recommended that the successful vendor should provide bond insurance for completion of a long-term contract.

TAB #5 REPORT / ACTION: Strategic Plan Update

Mr. Lyons and Jeff Hoffman, Senior Partner at Kurt Salmon Associates, provided an update on the strategic plan process and an explanation of ACMC’s recommended “Future State Model as an Integrated System of Care”.

Mr. Hoffman noted that the physician operating model discussions are moving from a rationale and strategy stage to a tactical implementation stage. Our physicians’ dedication to our mission and generally exclusive practice at ACMC provide us with a new first mover advantage compared to other Bay area health networks whose work to set up and activate effective physician foundation groups may take many years to complete.

ACMC’s proposed strategic vision to develop a system of care network to manage the care of 175,000 lives by 2015-2017 and ultimately serve 250,000 lives beyond 2020 will require internal organic expansion but also partnerships and affiliations with other provider networks.

Trustee Schiffman asked if the number of primary care and specialty physicians required by ACMC’s network model will be available. Discussion ensued on how ACMC’s strategic plan will need to prioritize clinical service lines and specialties based upon the needs of our referral sources, such as the Community Health Care Network [CHCN] clinics, so that assured access to our clinics for patients from these

referral sources is implemented. This approach will be a change for ACMC that historically has worked to increase access and capacity for all clinical service lines at the same time.

Trustee Huen observed that ACMC would need to have contractual obligations with referral sources based upon quality, access, and patient experience metrics. He emphasized the urgency to finalize these arrangements after the entire CHCN and other referral provider needs have been quantified.

Mr. Lyons noted that the ACMC Mission statement is recommended to remain unchanged but a revised Vision Statement that includes "high quality, relevant, timely and coordinated healthcare" will be recommended.

Trustee Schiffman asked that the strategic planning work group explain the continued use of the phrase "reduce health disparities" and how that goal fits with healthcare reform's improved access.

Finally, committee members emphasized the need for the strategic plan to address Medicare patients. Management provided an update on current ACMC work to expand senior health programs such as preparation for the Dual Eligible's conversion to managed care next year, the physician directors in Geriatrics and Palliative Care and medical home models for that population.

TAB #6 REVIEW: Board Advocacy Communication Toolkit

Patricia Barrera, J.D., Director of Legislative Affairs & Community Advocacy, reviewed the content and use of the Board Advocacy Toolkit and discussed how ACMC executives can customize materials for specific audiences.

Trustee Huen asked that we add information about the quality of our services; the UCSF based teaching program in surgery/trauma, the Emergency Medicine residency program and our well-regarded language and cultural competency skills.

The toolkit color palettes will also be corrected.

Trustee Zorthian recommended that the Advocacy Toolkit be presented to the next Board of Trustees for all members to use as needed. Mr. Lassiter confirmed that the Toolkit would be provided to all Trustees at the July 31, 2012 meeting.

TAB #7 UPDATE: Healthcare Reform / Legislative & Regulatory Update

Ms. Barrera and Mr. Lyons discussed health care reform developments including the Supreme Court decision and actions by the California Health Benefit Exchange. The committee inquired as to how the ACMC budget would be impacted. Discussion ensued to the possible ramifications of legislation and budget scenarios.

TAB #8 INFORMATIONAL READING

Mr. Lyons referred to two information reading items for special attention. The California Health Benefit Exchange issued key questions and answers that explain their directional approach to enroll new exchange members. The Moody's downgrade of Washington Township Health Care districts' revenue bonds comments on losses due to flat surgery growth and significant losses in their newly formed physician foundation. This downgrade and negative outlook could affect their approach to partnerships and affiliations in Alameda County.

Mr. Lassiter added that the Washington bond downgrade may have implications that the Board will want to discuss in the future.

TAB #9 INFORMATION: Issue Tracking & Follow-up

Mr. Lyons reported that there were no new tracking issues at this time.

TAB #10 REPORT: Legal Counsel's Report on Action taken in Closed Session

Douglas B. Habig, General Counsel, reported there was no Closed Session.

Public Comments: None.

Board of Trustees Remarks:

Trustee Schiffman inquired about changes that might occur to the Ralph M. Brown Act and how that would affect the agencies that are required to comply with the legislation.

Mr. Habig responded that his understanding was the rules would not change radically; he would however research the issue and report back to the committee.

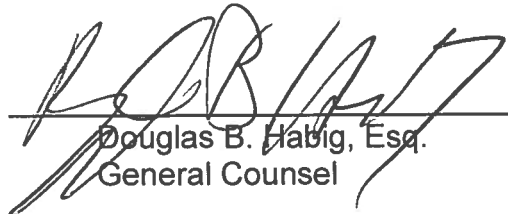
ADJOURNMENT: The meeting was adjourned at 6:36 p.m.

Respectfully Submitted by:

Barbara L. McElroy,
Clerk of the Board

APPROVED AS TO FORM:

Reviewed by:



Douglas B. Habig, Esq.
General Counsel