



**BOARD OF TRUSTEES MEETING  
TUESDAY, July 29, 2014**

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

**THE MEETING WAS CALLED TO ORDER AT 4:35PM**

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

Kirk E. Miller, Kinkini Banerjee, Joe DeVries, Michele Lawrence

Valerie D. Lewis, Esq., Anthony B. Varni and Dr. Barry Zorthian were excused.

Non-Voting Members present: Drs. Taft Bhuket, Emmons Collins and Steven Rosenthal

**MINUTES**

**(General Counsel Announcement as to purpose of Closed Session)**

**TAB #1 CLOSED SESSION**

***Reconvene to Open Session***

**TAB #2 COMMITTEE REPORTS**

**Audit & Compliance Committee Report**

Kirk E. Miller, Committee Chair reported for the Audit and Compliance Committee. The Committee received reports from both the internal and external auditors. The internal auditor reported they have adequate resources and approved the compliance of the audit plan for the coming year. A schedule for the external audit was established. The Committee received a report from an outside consultant on compliance. The essence of that report was the plan that we have now is not well understood throughout the system and we'll need additional work to become a true compliance plan. Guidance was provided to AHS about the need for an approach to a more fulsome compliance plan. Work is in progress to develop the plan further.

### **Finance Committee Report**

Jim Lugannani, Committee Chair reported for the Finance Committee. The Committee Chair welcomed the new Chief Financial Officer, David Cox and thanked the interim CFO Rich Gianello for his service. San Leandro hospital and Alameda Health District reported a loss of 2.2 million dollars in May. Alameda health District reported a loss of 1 million dollars. The Committee received a report on RehabCare and approved one contract for 14.9 million dollars extending laundry services to San Leandro Hospital and Alameda Health District.

### **Strategic Planning Committee Report**

Kinkini Banerjee, Committee Chair reported for the Strategic Planning Committee. The Committee received a report regarding Alameda Health Partner's (AHP). AHS has completed negotiations with twenty four managed care companies and contracts are being created for each facility. Hayward Wellness center is scheduled to open August 18<sup>th</sup> at Southland Mall. Vintage Foster, AMF presented to the Committee; he gave a brief update of AHS' internal and external marketing goals. The Committee discussed the topic of AHS Corporate office space.

### **Quality Professional Services Committee Report**

Barry Zorthian, MD, Committee Chair reported for QPSC. The peer review process is being reviewed for the system; San Leandro and Alameda Hospital reports were not included. Minutes, Policies and procedures, credentials and privileges were reviewed and approved. The Committee had discussion regarding system access, clinical service alignment, zero harm, population health management. The Committee agreed to continue with LEAN updates and progress updated of AHS patient engagement.

### **Governance Committee Report**

No report.

### **TAB #4 UPDATE: Chief Executive Officer Update**

Wright Lassiter III, CEO introduced AHS' new Chief Financial Officer, David Cox; new Vice President for Ambulatory Services Tyler Bennett and Mark Fratzke as the new Chief Operating Officer. The Board agenda will be re-organized to fit the strategic objectives of the organization rather than individual topical items. Each Board meeting will have a quick dashboard to display targets for the year and progress; Committees will discuss in more detail. An operational finance summary will be presented to the board at each monthly meeting and a "mission moment" will be incorporated into the board meetings to make sure we remember why we're here and what we're trying to accomplish. The Board had discussion regarding how to better organize their mission and goals. Mr. Lassiter highlighted five major areas of focus: 1) meeting at least once a year to discuss the long term financial plan 2) managed care program at San Leandro Hospital 3) debt restructuring 4) Alameda Alliance and how their struggle is affecting us and 4) IT strategy (IT strategy, finance strategy and planning committee).

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**TAB #5    INFORMATION: Medical Staff & Operations Reports**

**Highland Hospital / Fairmont / John George / Ambulatory**

The MEC reduced the number of non-billed or delinquent medical records at Highland from 6 million to 1 million. 3 goals were discussed 1) develop a structure that will improve the interface, communication and collaboration in the senior administration 2) foster a clinical driven system to prioritize the clinical changes and improvements 3) create an environment for shared learning amongst the medical leaders, administration and clinical.

**San Leandro Hospital**

In the months of May and June, there was an increase of ambulance visits and more volume in the ED. During the month of June, the census mortality rate in San Leandro Hospital was zero. During the last 2 weeks of July, the amount of patients leaving due to not being seen dropped from 7% to 2.6%. The goal is 2% or less. Throughput to provider has been 41 minutes for the last 10 weeks; the goal is 30 minutes. Discharge from the emergency department went from 226 minutes to 198 minutes; goal is 192 minutes from arrival to discharge.

**Alameda Hospital**

Alameda Hospital will continue to work on the stroke program and will conduct Quality Assurance for wait. The Emergency Department visits surpassed the budget of 1242 with 1299 patients in July. Surgeries are below the budget of 270 cases with 109. Wound care exceeded the budget by 28%. Alameda Hospital received an “A” rating from the American Heart and Stroke Associations.

**TAB #6    WORKFORCE**

**DISCUSSION/ACTION: AHS Incentive Compensation Program**

The Board discussed the need for additional triggers to achieve Board approved minimum threshold (patient safety, true north metrics and reduced number of calendar days to the 3<sup>rd</sup> next available appointment to increase access). Wright Lassiter III, CEO, agreed and stated that if there are no improvements in access and quality, there shouldn't be variable compensation paid out to middle management, senior management and or gain sharing for staff. No action was taken.

**ACTION: Resolution 2014-016** (Resolution to Transition Authority as Plan Administrators of Alameda Hospital Benefit Plan from the Alameda Health Care District to the AHS Retirement Plans Committee)

**ACTION:** *Upon motion made and seconded, the Board approved Resolution 2014-016 (Resolution to transition authority as Plan Administrators of Alameda Hospital Benefit Plan from the Alameda Health Care District to the AHS Retirement Plans Committee.*

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**TAB #7 SUSTAINABILITY**

**County of Alameda Debt Restructuring**

David Cox, CFO discussed the County of Alameda Restructuring proposal and the intention to meet with the County Auditor to discuss the structure and the needs of the County. Mr. Cox needs more time to review before making a recommendation to the Board. The Board delegated this matter to the Finance Committee for approval.

**LEAN Result for FY2014**

Wright Lassiter III, CEO, reported his intention to do an annual report review of the result in July. Due to the lateness, they will post-pone and come back in September for a more thorough report.

**TAB #8 INTEGRATION**

The Board requested a report from the CMO at a later date; no action was needed.

**TAB #9 NETWORK/COMMUNITY**

**Legislative Affairs/Local Government Strategy**

Terry Lightfoot, Director of Legislative and Community Affairs was introduced to the Board; the Board encouraged his openness to get a sense of the Trustee's view of what's important about government relations and taking those views into his approach to the job.

**TAB #10 ACTION: CONSENT AGENDA**

**A.** Approval of the Minutes from the May 27, 2014 Board of Trustees Meeting

***ACTION: Upon motion made and seconded, the May 27, 2014 Minutes were approved.***

**B.** Approval of the Minutes from the June 24, 2014 Board of Trustees Meeting

***ACTION: Upon motion made and seconded, the June 24, 2014 Minutes were approved.***

**C.** Approval of Contracts and Authorization by the CEO to Execute the Following Operating Contracts:

***ACTION: Upon motion made and seconded, the Contract Amendment with Angelica for AHS Supply Chain System wide Linen and Laundry Services, for the period of August 1, 2015 through July 31, 2019, not to exceed the amount of \$14,854,454 was approved.***

**D.** INFORMATION: Approved Contracts and New Grants Within the Range of \$500,000 to \$1,000,000

Information item only, no action taken.

**E.** Approval of Medical Staff / Organizational Policies and Procedures  
*Recommendation by the Quality Professional Services Committee*

***ACTION: Upon motion made and seconded, the Medical Staff and Organization Policies and Procedures for July 2014 were approved.***

**TAB #11 Legal Counsel's Report on Action Taken in Closed Session**

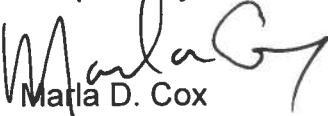
Doug Habig, General Counsel reported that in closed session the board approved and negotiated labor agreements with the building and trades counsel. (SCIU 10-21 at San Leandro Hospital).

**Public Comments - None**

**Board of Trustees Remarks – None**

**ADJOURNMENT 6:25 p.m.**

Respectfully Submitted,

  
Maria D. Cox  
Clerk of the Board

APPROVED AS TO FORM:

Reviewed by:

  
Douglas Habig, Esq.  
General Counsel