



CITY OF ALAMEDA HEALTH CARE DISTRICT

Minutes of the City of Alameda Health Care District Board of Directors  
Open Session  
Monday, January 9, 2012 Regular Meeting

Board Members Present	Management Present	Legal Counsel Present	Guests
Jordan Battani Stewart Chen, DC Robert Deutsch, MD Elliott Gorelick	Deborah E. Stebbins Kerry J. Easthope Robert Anderson	Thomas Driscoll, Esq.	N/A
		Medical Staff Present	Excused
		Jim Yeh, DO	J. Michael McCormick
Submitted by: Erica Ponce, Administrative Secretary			

Topic	Discussion	Action / Follow-Up
I. Call to Order	The meeting was called to order at 6:08 p.m.	
II. Roll Call	Ms. Thorson called roll noting a quorum of Directors was present.	
Director Gorelick made an objection to the Closed Session Agenda, <i>Public Performance Evaluation Title: Senior Executives</i> , indicating that discussion regarding compensation should occur in open session and not in Closed Session. Director Battani stated the evaluation of performance criteria is appropriate to discuss in Closed session, however the material that was distributed combined both performance evaluation criteria and compensation in the document that was distributed in the Closed Session packet. The purpose of the discussion tonight is to talk about performance evaluation criteria because staff has recommended a change to the way the evaluation criteria for awarding the bonus will work. All discussion relating to compensation will be discussed in closed session. Mr. Driscoll confirmed that it was appropriate to have these discussions in Closed Session.		
III. Adjourn into Executive Closed Session	The meeting was adjourned into Executive Closed Session at 6:10 p.m.	
IV. Closed Session Agenda		
V. Reconvene to Public Session	The meeting was reconvened into public session at 7:07 p.m.	
A. Announcements From Closed Session	Director Battani stated that the Minutes were approved from December 5, 2011. No other action was taken.	

Topic	Discussion	Action / Follow-Up
I. General Public Comment	<p>a. Irene Dieter: Ms. Dieter wanted to clarify that the comments she made at the November 2011 District Board Meeting. She suggested that the Alameda Health Care District Board of Directors follow the format that other Boards and Commissions in Alameda follow. Ms. Dieter suggested that on the alamedahospital.org website, the Agenda should be only one to two pages with links to each agenda item, with a separate PDF associated with each agenda item.</p>	
II. Regular Agenda		
A. Consent Agenda		
1)	Acceptance of December 5, 2011 Regular Meeting Minutes	Director Deutsch made a motion to approve the Consent Agenda as presented. Director Chen seconded the motion. The motion carried unanimously.
2)	Approval of Administrative Policy No. 83 – Community Care Guidelines and No. 83a – Self Pay or Uninsured Patient Cash Payment Discounts	
B. Action Items		
1)	<p>Acceptance of October 2011 Unaudited Financial Statements and November 30, 2011 Finance and Management Committee Report.</p> <p>Director Deutsch reviewed the notes from the January 4<sup>th</sup> committee meeting noting the following:</p> <p>November Unaudited Financial Statements were reviewed, noting the Average daily census (ADC) was 81.5 versus 83.8 budgeted, Acute ADC was 28.3 versus 29.6 budgeted, Sub-Acute ADC was 31.1 versus 33.0 budgeted, and Skilled Nursing ADC was 22.1 versus 21.2 budgeted. Outpatient registrations were 1,996 versus 1,948 budgeted. Overall gross revenue was \$1.5M unfavorable to budget. Case Mix Index showed a marked improvement from October and was higher than prior November; year to date was below prior year to date due to low September/October 2011 Operating expenses were \$111,000 under budget with unfavorable variances in salaries, benefits and professional fees that were offset by favorable variances in registry and supplies. The operating loss for the month was \$681,000 versus budgeted loss of \$71,000.</p> <p>In the CEO Report, Ms. Stebbins and Teresa Jacques (HFS Consultant and project manager) reviewed the Revenue Cycle Work plan highlighting key areas of focus such as in department reorganization, billing issues and tasks, Collections, Bad, debt and Charity Care as well as other areas. Associate Administrator Kerry Easthope updated the Committee on Waters Edge as well as the Wound Care Center. Ms. Stebbins informed the committee that CHA filed for an injunction on AB 97 and the judge acted in favor of the injunction. The hospital will continue to book the lower rate in case the injunction is reversed.</p>	Director Gorelick made a motion to accept the November 2011 Unaudited Financial Statements as presented. Director Chen seconded the motion. The motion carried unanimously.

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	<p>Finance Report: The Daily Reporting tool was reviewed by Bob Anderson. The tool helps management monitor key statistics on a daily basis. Bob Anderson, Interim CFO provided a brief update on the Case Mix Index and some areas that he has identified that may be affecting the case mix as compared to prior years. There was discussion amongst the committee members, specifically the physicians regarding this topic.</p> <p>The next Finance and Management Committee will be held on January 25<sup>th</sup>.</p> <p>Discussion took place at the Board meeting concerning the October Case Mix Index, acuity levels, registration issues, collection of revenue, and ratio comparisons. Director Battani suggested that Interim CFO Bob Anderson make a presentation at the next Finance and Management Committee for an explanation of the Case Mix Index.</p>	
2)	<p>Approval to Enter into a Contract with Rossi Builders for Construction of Wound Care Center</p> <p>Kerry Easthope reviewed the bid process noting that plans and a bid packet for the Wound Care Center Project at Marina Village were provided to contractors in December. A bid conference was held on December 8, 2011. The bid deadline was December 29, 2011 at 4:00 p.m. at which time four of the seven prequalified bidders submitted bids for review. One of the bidders, retracted their bid, which left three bidders, Rossi Builders, Q  Builders, and BNBuilders. Rossi Builders was the lowest responsible bid and is being recommended as the contractor for the project. The bid is \$755,609 higher than budgeted due to previously unknown factors such as the HVAC system expenses.</p> <p>Discussion took place involving Directors Battani, Gorelick, and Chen along with Mr. Easthope regarding financing with the Bank of Alameda, cost of the project, timing of payments, inspections from the City, permits, and contingency plans.</p>	<p>Director Deutsch made a motion to approve entering into a contract with Rossi Builders contingent upon securing building permit and financing as originally described. Further, if there is a change in the financing with the Bank of Alameda, the Board of Directors will be so apprised before the award of the contract. Director Chen seconded the motion. The motion carried unanimously.</p>
3)	<p>Approval of Election of District Board Officers</p> <p>Nominations were made for the Board Officer positions:</p> <ol style="list-style-type: none"> <li>Director Deutsch nominated Jordan Battani for President. Director Gorelick abstained from voting. The nomination carried.</li> <li>Director Chen nominated Robert Deutsch, MD for 1<sup>st</sup> Vice President. Director Gorelick abstained from voting. The nomination carried.</li> <li>Director Gorelick nominated Stewart Chen, DC for 2<sup>nd</sup> Vice President. The nomination carried unanimously.</li> <li>Director Deutsch nominated J. Michael McCormick for Treasurer. The nomination carried unanimously.</li> <li>Director Chen nominated Elliott Gorelick for Secretary. Director Gorelick asked if a nomination could be declined and if a Director could hold multiple offices. Mr.</li> </ol>	

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	Driscoll confirmed that a Director could decline a nomination and could hold multiple offices. The nomination carried unanimously.													
The Board recessed for a brief break and returned session at 8:30 p.m.														
4)	<p>Approval of Board Member Appointment and Committee Chair Selection for Board Designated Committees</p> <p>Director Battani noted that two Board members are needed for each committee. Nominations were made for the Board Officer positions:</p> <p>a) Board Quality Committee:</p> <p>i) Director Chen nominated Director Deutsch to be Committee Chair and a Voting Member. The nomination carried unanimously.</p> <p>ii) Director Deutsch nominated Director Chen to be a Voting Member. The nomination carried unanimously.</p> <p>b) Finance and Management Committee:</p> <p>i) Director Deutsch nominated J. Michael McCormick to be Committee Chair and Voting Member. The nomination carried unanimously.</p> <p>ii) Director Chen nominated Elliott Gorelick to be a Voting Member. Director Chen, Director Gorelick, and Director Battani voted to approve this nomination. The nomination carried.</p> <p>iii) Director Deutsch nominated himself to be a Voting Member. Director Deutsch voted to approve this nomination. The nomination did not carry.</p> <p>c) Community Relations and Outreach Committee:</p> <p>i) Director Deutsch nominated Stewart Chen, DC to be Committee Chair and Voting Member. The nomination carried unanimously.</p> <p>ii) Director Chen nominated Jordan Battani to be a Voting Member. The nomination carried unanimously.</p> <p>The following table represents the approved committee membership.</p> <table><tr><th></th><th>Finance &amp; Management Committee</th><th>Board Quality Committee</th><th>Community Relations &amp; Outreach Committee</th></tr><tr><th>Committee Chair</th><td>Michael McCormick</td><td>Robert Deutsch, MD</td><td>Stewart Chen, DC</td></tr><tr><th>Voting Member</th><td>Elliott Gorelick</td><td>Stewart Chen</td><td>Jordan Battani</td></tr></table>			Finance & Management Committee	Board Quality Committee	Community Relations & Outreach Committee	Committee Chair	Michael McCormick	Robert Deutsch, MD	Stewart Chen, DC	Voting Member	Elliott Gorelick	Stewart Chen	Jordan Battani
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	Ex-Officio	Jordan Battani	Jordan Battani	N/A	
5)	<p>District Board Participation on ACHD Standing Committee</p> <p>Director Battani stated that ACHD is looking for volunteers to participate on their standing committees. ACHD is asking that hospital boards authorize their Board Members to participate. Director Battani clarified that District Board Members do not act on behalf of the District individually, only as a whole Board. She proposed that the Board approve any Board Members to participate if they so choose on an ACHD standing committee. If they are selected and invited to participate, the District Board to ratify that appointment. If there is an appointment, the District Board will decide what responsibilities would be in regards to informing the Board of the activities and information from ACHD. Participation on an ACHD standing committee would be in addition to the responsibilities of the District Board Committees that Board Members are a part of.</p>				<p>Director Gorelick made a motion to approve District Board Members be authorized to apply for participation in volunteer opportunities with ACHD committees. Director Chen seconded the motion. The motion carried unanimously.</p>
6)	Acceptance of FY 2011 Executive Performance Metrics Summary				Item was deferred to a future meeting.
C.	<p>President's Report</p> <p>Director Battani had no President's Report to present at this meeting.</p>				No action taken.
D.	<p>Medical Staff President Report</p> <p>The Medical Staff CME program for January will be "Hearing Loss: New Causes – Need for Early Amplification: An Update for the General Practitioner" by Melissa Amorn, MD. This event will take place on Tuesday, January 24, 2012 at 12:15 pm in Conference Room A. The Medical Staff Party on Friday, January 6 2012 was a great success. Thank you to Dr. Deutsch for organizing the event.</p>				No action taken.
E.	<p>Community Relations and Outreach Committee Report</p> <p>Director Chen presented the following report.</p> <ul style="list-style-type: none"> <li>The Community Relations Committee did not meet in December.</li> <li>Community Outreach Organizer Intern Program is ready to be implemented. The Intern candidate has completed a "Tola" Fellowship program and is expected to start the week of January 17, 2012. The intern will work approximately eight hours per week for 12-16 weeks and will focus on outreach, social media and communication activities.</li> <li>Management had an initial meeting with representatives from FACES for the Future, the Public Health Institute and AUSD regarding the possibility of instituting a volunteer/mentoring program for high school students. Discussions are continuing.</li> <li>Alameda Hospital will be hosting an international student contingency from Shanghai on January 25, 2012. The university students will be learning about public organizations in the</li> </ul>				Stewart Chen, DC

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	<p>U.S. and comparing them with China.</p> <ul style="list-style-type: none"><li>Free Stroke Risk Assessments is being offered again on Friday, January 27, 2012 from 8:30 to 11:30 a.m.</li><li>The next Community Relations Committee meeting is scheduled for January 24, 2012.</li></ul>																																																																									
F.	Chief Executive Officer's Report																																																																									
1)	<p>Monthly CEO Report</p> <p>Ms. Stebbins thanked Dr. Deutsch and the Medical Staff for organizing and underwriting the Holiday Party. It went well and included over 40 people from the Waters Edge staff. Ms. Stebbins informed the Board that Alameda Hospital Foundation President, Bill Withrow's wife, Peggy Withrow, passed away; arrangements are being handled by Greer Mortuary.</p> <p>Ms. Stebbins included a written CEO report, which will be a standing report each month and asked if there were any questions regarding the material presented.</p> <p>Director Gorelick asked for clarification regarding the IGT numbers. Management answered his questions, spoke about the statistics, and highlighted Case Mix Index information.</p> <p>Ms. Stebbins reported that Alameda Hospital is talking with Select Therapies to manage physical therapy program which will add to the quality of patient care. When finalized, that information will be brought the District Board for approval.</p>	No action taken.																																																																								
2)	<p>Monthly Volume Statistics</p> <p>Ms. Stebbins reviewed the monthly volume statistics.</p> <table><tr><th></th><th>December Preliminary</th><th>December Budget</th><th>% Δ compared to Budget</th><th>% Δ compared to November</th><th>November Actual</th></tr><tr><td>Average Daily Census</td><td>83.2</td><td>84.94</td><td>-3.1%</td><td>1.0%</td><td>81.47</td></tr><tr><td>    Acute</td><td>28.29</td><td>30.23</td><td>-6.4%</td><td>0.1%</td><td>28.27</td></tr><tr><td>    Subacute</td><td>33.00</td><td>33.00</td><td>0.0%</td><td>6.0%</td><td>31.13</td></tr><tr><td>    South Shore</td><td>21.03</td><td>21.71</td><td>-3.1%</td><td>4.7%</td><td>22.07</td></tr><tr><td>Patient Days</td><td>2,552</td><td>2,633</td><td>-3.1%</td><td>4.4%</td><td>2,444</td></tr><tr><td>ER Visits</td><td>1,409</td><td>1,426</td><td>-1.2%</td><td>4.4%</td><td>1,349</td></tr><tr><td>OP Registrations</td><td>1,698</td><td>1,929</td><td>-12.0%</td><td>-14.9%</td><td>1,996</td></tr><tr><td>Total Surgeries</td><td>167</td><td>186</td><td>-10.2%</td><td>-15.2%</td><td>197</td></tr><tr><td>    Inpatient Surgeries</td><td>36</td><td>44</td><td>-18.2%</td><td>-2.7%</td><td>37</td></tr><tr><td>    Outpatient Surgeries</td><td>131</td><td>142</td><td>-7.7%</td><td>-18.1%</td><td>160</td></tr><tr><td>Case Mix Index</td><td>1.2841</td><td></td><td></td><td></td><td>1.3230</td></tr></table>		December Preliminary	December Budget	% Δ compared to Budget	% Δ compared to November	November Actual	Average Daily Census	83.2	84.94	-3.1%	1.0%	81.47	Acute	28.29	30.23	-6.4%	0.1%	28.27	Subacute	33.00	33.00	0.0%	6.0%	31.13	South Shore	21.03	21.71	-3.1%	4.7%	22.07	Patient Days	2,552	2,633	-3.1%	4.4%	2,444	ER Visits	1,409	1,426	-1.2%	4.4%	1,349	OP Registrations	1,698	1,929	-12.0%	-14.9%	1,996	Total Surgeries	167	186	-10.2%	-15.2%	197	Inpatient Surgeries	36	44	-18.2%	-2.7%	37	Outpatient Surgeries	131	142	-7.7%	-18.1%	160	Case Mix Index	1.2841				1.3230	No action taken.
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3)	<p>Monthly Quality Metrics</p> <p>a) SNF/SA Data and Findings of State Survey</p> <p>Alice Martin, RN, MSA, Sub-Acute Nurse Manager reported on SNF/SA Data and Findings of State Survey. Ms. Martin spoke about quality improvement, error reduction and infection prevention. A handout was distributed to the Board and will be included with the original Board packet.</p>	No action taken.
4)	<p>Recommendation relating to December 5, 2011 District Board Referral – Assessment of Cost and Operational Impact of Implementing Changes to Public Notice and Disclosure Standards</p> <p>Management recommended continued compliance with public records requirements by staying with our current schedule of information distribution. Finance Committee is the exception: The report for that committee will be distributed 5.5 days in advance rather than the current distribution schedule of 4.5 days in advance.</p> <p>Director Battani suggested that Management and Staff strive to improve the timing of all meeting notices and information when possible.</p>	No action taken.
5)	<p>Recommendation relating to December 5, 2011 District Board Referral – Assessment of Cost and Operational Impact of Improving the Alameda Hospital Website Functionality and Access to Public Documents</p> <p>Management recommended Option One (see enclosure), which will allow ease of access to agenda items. The cost is modest in comparison with the other options. Refer to enclosure for full information. Discussion took place regarding the website and updates. Management and staff will implement the changes identified.</p>	No action taken.
G.	<p>Operations and Facilities Report</p> <p>1) Waters Edge Transition Planning Update</p> <p>Mr. Easthope updated the District Board regarding the licensing application status and the transition of Waters Edge. Target date was for the transition is anticipated for early February, but most likely will be later than that. The Human Resource Department will be processing employees from Waters Edge this week. Management is looking at three candidates for the Long Term Care Director. Director Gorelick inquired about the tracking of self-pay census. Mr. Easthope replied that the census was down slightly for self-pay and that it would be a good idea to begin tracking that specifically.</p> <p>Director Gorelick also inquired as to what will be done to communicate to, market to and reach out to other area hospitals. Mr. Easthope replied that those areas of communication will be an</p>	No action taken.

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	<p>important part of the Director's job. There will be also be someone hired as a marketing director (or similar role) whose responsibility will be to go out and visit referral sources and build relationships.</p> <p>Director Gorelick inquired as to the St. Rose situation and asked if they were shutting down their facility. Management replied that they are unsure of that situation.</p> <p>2) Wound Care Center Update Due to the discussion of the Wound Care Center earlier in the meeting, Mr. Easthope did not have anything further to report.</p>	
VII.	General Public Comments	
	No public comments were given.	
VIII.	Board Comments	
	<p>A. Director Gorelick spoke about self-pay accounts being an issue for the Hospital. He suggests that negotiating early and often while offering discounts could help to gain a higher collection rate. Ms. Stebbins replied that it was a good suggestion and discussed strategies that Management is implementing through the Business Office improve patient accounts and increase payments.</p> <p>B. Director Chen requested that Management consider people of diversity when hiring for top level executive positions.</p>	
IX.	Adjournment	Being no further business, the meeting was adjourned at 9:30 p.m.

Attest:

\_\_\_\_\_  
Jordan Battani  
President

\_\_\_\_\_  
Elliott Gorelick  
Secretary