



CITY OF ALAMEDA HEALTH CARE DISTRICT

Minutes of the City of Alameda Health Care District Board of Directors
 Open Session
 Monday, April 2, 2012 Regular Meeting

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

Topic	Discussion	Action / Follow-Up
I. Call to Order	The meeting was called to order at 6:07 p.m.	
II. Roll Call	Ms. Thorson called roll noting a quorum of Directors was present.	
III. Adjourn into Executive Closed Session	The meeting was adjourned into Executive Closed Session at 6:08 p.m.	
IV. Closed Session Agenda		
V. Reconvene to Public Session	The meeting was reconvened into public session at 7:31 p.m.	
A. Announcements From Closed Session	<p>Director Battani stated that the Minutes were reviewed and approved from the March 5, 2012 meeting. The Board Quality Committee Report for January 2012 was reviewed and accepted as presented. The Board approved the Credentialing Recommendations of the Medical Staff as outlined below. No other action was taken.</p>	

Initial Appointments – Medical Staff

Name	Specialty	Affiliation	

Topic	Discussion	Action / Follow-Up
• Susan Cha, MD	Radiology/Teleradiology	Bay Imaging
• Henry Turkel, MD	Emergency Medicine	CEP

Reappointments – Medical Staff

Name	Specialty	Staff Status	Appointment Period
• Darien Behravan, MD	Pain Management	Courtesy	05/01/12 – 04/30/14
• Eric Dovichi, MD	Radiology	Courtesy	05/01/12 – 04/30/14
• William Sellman, MD	Family Medicine	Active	05/01/12 – 04/30/14
• Naini Sharma, MD	Internal Medicine	Courtesy	05/01/12 – 04/30/14
• Charles Shih, MD	ENT/Plastic Surgery	Courtesy	05/01/12 – 04/30/14
• Michael Zimmerman, MD	Family Medicine	Active	05/01/12 – 04/30/14

Reappointment - Allied Health Professional

There were no applications submitted for reappointment to Allied Professional status.

Resignations

Name	Specialty
• Benjamin Hornik, MD	Plastic Surgery (Kaiser)
• Jane Kim, MD	Plastic Surgery (Kaiser)
• Sophia Kung, MD	Teleradiology

VI. Regular Agenda

A. Special Presentation

Topic	Discussion	Action / Follow-Up
	<p>1) Annual Auxiliary Report to the Board</p> <p>Linda Lingelser, Auxiliary President, presented the Annual Auxiliary Report. She reported that there are currently 85 members and are beginning a drive to increase membership. In response to President Battani's question regarding the Tele-Chat program, Ms. Lingelser stated that "Tele-Chat" is a new program being initiated. Volunteers will make friendly calls to people free of charge. The program will focus on persons living alone and with health concerns. The auxiliary team is also planning on assessing needs for volunteers at Waters Edge.</p> <p>Ms. Lingelser presented Ms. Stebbins with a check in the amount of \$40,000 as a donation to Alameda Hospital from the Alameda Hospital Auxiliary.</p>	
B.	Consent Agenda	
	1) Acceptance of March 5, 2012 Regular Meeting Minutes	Director Deutsch made a motion to approve the Consent Agenda as presented. Director McCormick seconded the motion. The motion carried.
	2) Approval of Annual Appointment of Committee Membership of the Community Relations and Outreach Committee	
	3) Approval of Amendments to the Medical Staff Rules and Regulations, Article I-A, Section B.1 and Article 16, Section H	
	4) Ratification of Appointment of District Board Member Elliott Gorelick to ACHD 2012-2013 Education Committee	
C.	Action Items	
	<p>1) Acceptance of February 2012 Unaudited Financial Statements and March 28, 2012 Finance and Management Committee Report</p> <p>Director McCormick reviewed his notes from the March 28th committee meeting noting the following:</p> <p>The February 2012 Unaudited Financial Statements were reviewed for discussion and analysis at the Finance and Management committee meeting of March 28, 2012.</p> <p>The positive impact of higher activity made it possible to exceed February's budget by \$169,000. A negative \$6,000 was budgeted and a positive \$175,000 was realized. Gross revenues were above budget for the second month in a row with inpatient</p>	Director Chen made a motion to accept the February 2012 Unaudited Financial Statements as presented. Director Deutsch seconded the motion. The motion carried.

Topic	Discussion	Action / Follow-Up
	<p>revenue up 4.2% and outpatient revenue up 0.8%. Inpatient surgeries were above budget by 11.4%. YTD is below budget by 8.6%. Emergency revenues were above budget and contributed to a rise of outpatient volumes (which had been showing a below budget YTD of 6%) rising to below budget of 1% for the month. Case Mix Index rose above budget for the second month in a row to 1.3572%. Expenses continue to outperform budget. YTD expenses are down \$98,000. Days-cash-on-hand went from 13.8 days to 12.4 days. However, March daily collections are expected to be up considerably partly due to a change in the charge master to more appropriately price our services which will improve reimbursements and lead to an increase in days-cash-on-hand in the next quarter.</p> <p>Current Ratio (current assets divided by short term liabilities) moved upward from an unhealthy 0.99 to a slightly less unhealthy 1.03. Therefore, we have met the bank's benchmark of 1.0 which enables us to continue the Wound Care project with funding on track.</p> <p>At the end of February 2011, the District's YTD was at a loss of \$337,000. At the end of February 2012, the District's YTD loss is at \$711,000. This time next year, with the addition of both Water's Edge and the Wound Care Center in a maturing operational mode, it is reasonable that the revenue generated should offset today's YTD budget loss. It should also move us closer to a conservatively projected financial position at the breakeven point and a more balanced projected financial position of almost safely in the black.</p> <p>There was a short discussion with clarification given by management regarding information found in the report.</p>	
2)	<p>Approval to Establish a Comprehensive Orthopedic Program at Alameda Hospital and Approval to Enter into Professional Services Agreements with Two Orthopedic Surgeons</p> <p>There was a speaker card presented with a request to speak regarding the establishment of an orthopedic program. President Battani introduced the speaker, Pat Reynolds, Operating Room Manager of Alameda Hospital. Ms. Reynolds spoke in favor of a Comprehensive Orthopedic Program and in favor of the two orthopedic surgeons the Hospital is considering.</p> <p>Ms. Stebbins stated that management has identified that creating a strong orthopedic program will be a benefit to the Hospital. This program was discussed in detail at the recent Finance and Management Committee which recommended it to go forward as a</p>	<p>Director Gorelick made a motion to move forward with management's recommendation to establish an orthopedic program and to negotiate as per management's recommendation with Dr. DiStefano and Dr. Pirnia. Director McCormick seconded the motion. The motion carried.</p>

Topic	Discussion	Action / Follow-Up
	<p>presentation to the District Board. Ms Stebbins introduced Tony Corica, Director of Physician Relations and Mary Bond, RN, Executive Director of Nursing. Mr. Corica and Ms. Bond gave a PowerPoint presentation and also handed out material for review.</p> <p>Director Gorelick asked if the purpose of the presentation was to approve management to move forward with negotiations. Mr. Corica responded that if authorized, they would move forward with negotiations tomorrow. Ms. Stebbins added that management feels they will reach an agreement and asked Mr. Corica to speak about the specifics of the contracts, noting that it is a standard form which the Hospital has used in the past.</p> <p>Mr. Corica then reviewed the proposed contract beginning on page 56 of the Board Packet highlighting details which pertain to compensation including base salaries and incentive compensation. Discussion continued regarding details of the professional services agreement. Mr. Driscoll clarified that the contract between Alameda Hospital and each physician will be “employment-like” but is not a traditional employment contract. In the State of California, hospitals do not have employment contracts with physicians and our agreement will be a Professional Services Agreement that would contain reporting and accountability standards between the Physician and the Hospital. Alameda Hospital management will be responsible to assist in the set-up and maintenance of the practice, while not dictating how the physicians will practice medicine. Management will provide guidance and oversight.</p> <p>Director Chen questioned the purpose for the two physicians coming to Alameda Hospital. Mr. Corica answered that Alameda Hospital presents an opportunity to the physicians to develop an orthopedic program. These physicians have a positive history with the Hospital and the surgical staff. They both have worked well with our staff in the past. Ms. Stebbins added that the physicians are attracted to the area and the demographics are great for establishing a new practice. Ms. Bond stated that there are great market opportunities for establishing a new group, and their salary and benefits are clearly identified, unlike if they were to enter into a private practice on their own. This situation is beneficial to the physicians as well as Alameda Hospital.</p> <p>Director Chen asked if current staffing levels could support the increased volume. Discussion followed regarding additional staff required to support this program. Ms. Bond stated that the current staffing levels are sufficient to support the projected volumes outlined in the pro forma.</p> <p>President Battani raised concerns regarding productivity standards, incentive base for work RVU’s and salary. She requested that the contract reflect specific detailed language in these areas for the purpose of accountability on behalf of both the</p>	

Topic	Discussion	Action / Follow-Up
	<p>physicians and the Hospital.</p> <p>Director Deutsch expressed concern relating to the physicians' roles in management, marketing, networking and referrals. Ms. Stebbins reaffirmed that Hospital management would assist in marketing and management of the practice.</p>	
	<p>The Board recessed for a brief break at 8:49 p.m. and returned to session at 8:54 p.m.</p>	
<p>3)</p>	<p>Approval of Proposed FY 2012 Executive Performance Metrics and Incentive Compensation Plan</p> <p>Ms. Stebbins presented the proposed plan on pages 64-67 of the Board Packet, calling attention to the five general deliverables. Director Gorelick inquired as to which part(s) are not subject to pass/fail. Ms. Stebbins stated that Water's Edge would not be subject to pass/fail.</p> <p>There was discussion regarding wage increases to all staff. President Battani added that this discussion is not about financial decisions with other staff members and is not about whether or not to have an Executive Performance Compensation Plan. This plan is written into the contract of the Chief Executive Officer. She added that the Hospital needs to have the available funds to cover incentives. She stated that she does not think it is appropriate to waiver from pass/fail at this time.</p> <p>Director Gorelick stated that in his opinion, all incentives should be pass/fail. He does not feel that anything is at risk unless this standard is upheld and that every year prior was based on pass/fail.</p> <p>President Battani asked for two volunteers from the Board who will meet with Ms. Stebbins to draft a proposal which will reflect a method for a deferral of incentive payment which will be complete before the May District Board Meeting. Directors McCormick and Gorelick volunteered and will organize themselves and then consult with Ms. Stebbins. Ms. Stebbins suggested that the two Board Members consult each other to formulate a proposal first and then arrange a meeting with her.</p>	<p>Agenda item was deferred to a future Board Meeting. Directors McCormick and Gorelick will consult with each other and then schedule a meeting with Ms. Stebbins to draft a proposal to reflect the statements discussed.</p>
	<p>Director Gorelick excused himself from the meeting at 9:30 p.m.</p>	
<p>C. Board President Report</p>	<p>Director Battani did not have a report.</p>	

Topic	Discussion	Action / Follow-Up
D. Chief Executive Officer Report	<p>1) FY 2012 Goals and Objectives 2nd Quarter Update</p> <p>Directed Board Members to pages 68-77 in packet noting that updates are highlighted in yellow.</p> <p>2) Update on Management of Rehabilitation Services Management has met with Rehab Department Staff. It has been recognized that it is appropriate to separate long-term rehab from inpatient and outpatient rehab services. Management will continue to explore rehab management through Select Therapies with a thorough proposal including a financial analysis. A leadership role for inpatient and outpatient rehab services will be posted to see if there is an internal candidate first.</p> <p>3) Monthly CEO Report Ms. Stebbins called attention to the report found on pages 81-92 of the packet, adding that the AB-97 Resolution has statistical projections for March which turned out to be a less favorable month although average daily census seems to be picking up now.</p> <p>4) Monthly Quality Metrics A report on Alameda Hospital's Stroke Program was presented by Michael Baxter, RN, Stroke Coordinator. Information was handed out and is included in the Board Packet.</p>	No action taken.
E. Medical Staff President Report	<p>James Yeh, DO, Medical Staff President, stated that the CME programs for April are slated for April 10 and April 24 with the following speakers presenting:</p> <ul style="list-style-type: none"> • April 10 - John Salzman, MD – Breast Cancer and Radiation Therapy • April 24 - Speaker and topic to be announced 	No action taken.
F. Community Relations and Outreach Committee Report	<p>Director Chen reported on the March 27, 2012 Community Relations and Outreach Committee noting the following:</p> <p>Deborah Stebbins presented an update on Alameda Hospital at the committee meeting. She discussed challenges, the hospital's financial picture, strategies for growth and</p>	No action taken.

Topic	Discussion	Action / Follow-Up
	<p>partnering, program development and community outreach. Alameda Hospital has begun to utilize social media (Facebook and Twitter) to announce community events and programs. A direct mail postcard is being developed which will highlight Waters Edge and senior services. The Let's Move Alameda 2012 initiative will focus on a community-wide pledge for a healthy lifestyle. Community members and organizations throughout Alameda will be encouraged to take the pledge. A volunteer appreciation reception will be held on April 17, 2012 in Conference Room A. This event is to recognize volunteers including District Board members, Board committee members, Foundation Directors, and Alameda Hospital Auxiliary. The Alameda Hospital Foundation is accepting nominations for this year's Kate Creedon award. This annual award recognizes individuals who have made a positive impact on the health care of Alameda citizens and will be presented at the Foundation's Annual Fall Gala.</p>	
<p>VII. General Public Comments</p>	<p>There were no additional comments.</p>	
<p>VIII. Board Comments</p>	<p>There were no comments.</p>	
<p>IX. Adjournment</p>	<p>Being no further business, the meeting was adjourned at 9:47 p.m.</p>	

Attest:

Jordan Battani
President

Elliott Gorelick
Secretary