PLEASE USE MICROPHONE

Board of Trustees Meeting

March 28, 2019

Audio Recording in Progress
Updates

01 True North Metrics Dashboard
02 System Updates
03 SAPPHIRE January Performance Status Update
04 Closing Reflections
# Fiscal Year 2019 - March 2019 Report: True North Metric Dashboard

**Data Current to February 2019**

<table>
<thead>
<tr>
<th>Pillars</th>
<th>True North</th>
<th>Baseline</th>
<th>FY 19 Target</th>
<th>Current Performance</th>
<th>FY19 YTD</th>
<th>Desired Direction</th>
<th>Trend</th>
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<tbody>
<tr>
<td><strong>Access Time measures in Hour:Minute</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Ambulatory Appointment: Check-in to Discharge Time - Primary</td>
<td>1:15</td>
<td>1:09</td>
<td>Feb 2019</td>
<td>1:10</td>
<td>1:11</td>
<td>↓</td>
<td></td>
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<tr>
<td>Ambulatory Appointment: Check-in to Discharge Time - Specialty</td>
<td>1:34</td>
<td>1:26</td>
<td>Feb 2019</td>
<td>1:16</td>
<td>1:21</td>
<td>↓</td>
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<tr>
<td>Acute Med/Surg Observed to Expected Length of Stay</td>
<td>1.1</td>
<td>1.08</td>
<td>Feb 2019</td>
<td>1.21</td>
<td>1.12</td>
<td>↑</td>
<td></td>
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<tr>
<td>Median Time from Decision to Admit to Inpatient Bed (HGH ED Admitted Pts)</td>
<td>8:54</td>
<td>7:07</td>
<td>Feb 2019</td>
<td>20:52</td>
<td>13:26</td>
<td>↓</td>
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</tr>
<tr>
<td><strong>Sustainability</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>EBIDA Margin</td>
<td>2.2%</td>
<td>4.6%</td>
<td>Jan 2019</td>
<td>1.3%</td>
<td>3.0%</td>
<td>↑</td>
<td></td>
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<tr>
<td>AHS Cash Collections as a Percent of Expected Net Revenue</td>
<td>91.4%</td>
<td>92.4%</td>
<td>Jan 2019</td>
<td>102.1%</td>
<td></td>
<td>↑</td>
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<tr>
<td>AHS Gross Days in Accounts Receivable</td>
<td>65.50</td>
<td>67</td>
<td>Jan 2019</td>
<td>72.20</td>
<td></td>
<td>↓</td>
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<tr>
<td>Expense Per APD</td>
<td>$2,787</td>
<td>$2,846</td>
<td>Jan 2019</td>
<td>$2,881</td>
<td>$2,723</td>
<td>↑</td>
<td></td>
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<tr>
<td>Worked Hours Per APD</td>
<td>21.86</td>
<td>22.36</td>
<td>Jan 2019</td>
<td>20.20</td>
<td>20.50</td>
<td>↓</td>
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<tr>
<td><strong>Quality</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>PRIME Metrics on Target</td>
<td>55</td>
<td>54</td>
<td>Jan 2019</td>
<td>43</td>
<td></td>
<td>↑</td>
<td></td>
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<tr>
<td>QIP Metrics on Target</td>
<td>N/A</td>
<td>18</td>
<td>Jan 2019</td>
<td>15</td>
<td></td>
<td>↑</td>
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<tr>
<td>Acute: All Cause 30 Day Readmits</td>
<td>12.59%</td>
<td>12.23%</td>
<td>Jan 2019</td>
<td>13.07%</td>
<td>12.76%</td>
<td>↓</td>
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<tr>
<td>Hospital Acquired Infections Index</td>
<td>10.80</td>
<td>9.72</td>
<td>Jan 2019</td>
<td>4.78</td>
<td>6.44</td>
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<tr>
<td>Hospital Acquired Harm Index per 1000 discharges</td>
<td>3.05</td>
<td>2.76</td>
<td>Jan 2019</td>
<td>1.63</td>
<td>1.99</td>
<td>↑</td>
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<tr>
<td><strong>Experience</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>HCAHPS- % Rate Hospital 9 or 10</td>
<td>72.1%</td>
<td>72.79%</td>
<td>Jan 2019</td>
<td>74.1%</td>
<td>68.5%</td>
<td>↑</td>
<td></td>
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<tr>
<td>HCAHPS- % Rate Care Transitions Domain &quot;Strongly Agree&quot;</td>
<td>46.0%</td>
<td>47.60%</td>
<td>Jan 2019</td>
<td>47.2%</td>
<td>46.4%</td>
<td>↑</td>
<td></td>
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<tr>
<td>CG CAHPS- % Rate Provider 9 or 10</td>
<td>73.6%</td>
<td>76.78%</td>
<td>Dec 2018</td>
<td>72.6%</td>
<td>73.2%</td>
<td>↑</td>
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<tr>
<td>Inpt Behavioral Health Mean</td>
<td>79.90</td>
<td>80.50</td>
<td>Jan 2019</td>
<td>77.80</td>
<td>79.20</td>
<td>↓</td>
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<tr>
<td><strong>Network</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Rehospitalization during the first 30 days of Home Health</td>
<td>13.64%</td>
<td>14.40%</td>
<td>Feb 2019</td>
<td>4.28%</td>
<td></td>
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<tr>
<td>Wellness Center Avoidable Out-of-network referrals for Ortho Back, General Surgery and Gastroenterology</td>
<td>11.46%</td>
<td>10.31%</td>
<td>Feb 2019</td>
<td>1.56%</td>
<td>4.28%</td>
<td>↓</td>
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<tr>
<td><strong>Workforce</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Workplace Injury Reduction</td>
<td>303</td>
<td>288</td>
<td>Feb 2019</td>
<td>21</td>
<td>179</td>
<td>↓</td>
<td></td>
</tr>
<tr>
<td>Turn Over</td>
<td>11.40%</td>
<td>11.09%</td>
<td>Feb 2019</td>
<td>9.05%</td>
<td>10.80%</td>
<td>↓</td>
<td></td>
</tr>
</tbody>
</table>

† Results are annualized to allow for comparison

Performance not at Desired Target
Performance Target Met or Exceeded
Care for the Future

S·A·P·P·H·I·R·E
SYSTEMWIDE ACCESS PROMOTING POPULATION HEALTH INTEGRATION RESILIENCE & EQUITY

ALAMEDA HEALTH SYSTEM
Linked Learning Award
AHS Recruitment Team receives 2019 Diversity Spirit Achievement Award
EMRA Residency Director of the Year

Dr. Charlotte Wills
Detailed Annual Strategic & Financial Planning and Reporting Cycle

1. **Finance**: Roll out budget/benchmarks for new FY  
   **HR**: Annual Performance Reviews/Build in new FY goals  
   **Planning and Operations**: New FY Dashboard Metrics  
   **Board**: Approves FY Goals and dashboard

2. **Finance**: Commence review of plan based on audit and current performance  
   **HR**: Effect Annual salary incr.  
   **Planning and Operations**: Annual forecast, Assess and develop volume forecasts for new FY, Plan Dec ELT retreat  
   **BOT Retreat (end Oct)**

3. **Finance**: Establishes financial targets for next FY/Capital Budget  
   **HR**: -  
   **Planning and Operations**: Internal volume forecasts and develop annual goals/ objectives plan draft with SBUs/ELT through Jan- Management retreat Feb ; ELT retreat  
   **Board**: Establishes budget targets (Feb).

4. **Finance**: Present Budget to BOT (March/April Draft, May Final)  
   **HR**: Management performance plans/calculate and communicate annual awards/Develop goal weighting (May/June)  
   **Planning and Operations**: Develop Operational plan/ TNM Dashboard (June)  
   **Review of current year metrics/targets/ BOT & Retreat**: Confirms Strategic/FY Operational Plan & Approves budget

**QTR 1**: July-Sept  
**QTR 2**: Oct-Dec  
**QTR 3**: Jan-Mar  
**QTR 4**: Apr-June
Our Challenge
Balancing Mission and Margin

Declining Revenue and continuing shortfall
Supplemental Revenues projected to decline
Increased Expenses (Anticipated and Unanticipated)

Population Health Manager

Engaged Workforce
Throughput
Continue delivering on our Operational Plan

Quality Care
Increased Access
Patient Experience

Build the Foundation

ALAMEDA HEALTH SYSTEM
Our Fiscal Challenge

REVENUE / EXPENSE PROJECTIONS (in thousands)

- Actuals running under budget!!!
- Projected increases of $75M due to wage increases and training costs
- Declining Supplementals: $41M
- NPSR: no anticipated volume growth
- NPSR Shortfall $33 M

BUDGET FY19

- Net Patient Service Revenue: 662,335,830
- Supplemental Revenue: 396,029,106
- Total Operating Expenses: 1,026,444,212

PROJ FY2019 (based on Actual run rate)

- Net Patient Service Revenue: 628,558,192
- Supplemental Revenue: 407,922,818
- Total Operating Expenses: 976,223,632

BUDGET FY20

- Net Patient Service Revenue: 641,698,793
- Supplemental Revenue: 366,444,784
- Total Operating Expenses: 1,101,932,784
Closing thoughts

- **Efforts to bend the healthcare cost curve are continuing**

- **These risks threaten the sustainability of the value-based delivery model that AHS and similarly motivated organizations**
Care for the Future

System Transformation

**Current**
- Episodic Care
- Fee for Service

**Future**
- Population Health Mgmt

**AHS Strategic Plan**
In 3-5 years, AHS will transition to becoming a population health manager.
AHS Policy Priorities

- DSH Cut Delays
- Protecting 340B
- Waiver Renewal
Further efforts to achieve “systemness”

Productivity Standards

AHP/Oakcare Merger

SAPPHIRE

Acute License Consolidation

Labor Negotiations
Capital Planning Process - GSA

• Meeting held with GSA Director on January 14th
  – Working to have a finalized process by end of February
• Re-use plan of FMT Bldg. H
  – Options for County use
  – Flex space for SNF improvement
• Considerations for available County Space on Zhone Way
Kitchen Relocation and Seismic Planning

• Completing contract with Webcor Construction for project assessment
• GMP scheduled to be complete March – April
• Completion Target date – June 2020

• Seismic Compliance Committee
• Kaufman Hall Assessment Status
Project Update
OVERALL PROJECT STATUS

Satisfactory

OVERALL SCORE: 4.0/5.0

AVERAGE EPIC CUSTOMER SCORE FOR
PHASE 1: 4.0/5.0

GO-LIVE DATE:
September 28, 2019

RECIPIENTS

To: Delvecchio Finley, Luis Fonseca, Ghassan Jamaleddine, MD, Mark Amey, David English, MD, Katya Osipova, Bernadette Jensen, Nick Volosin, Palav B Babaria, MD, Tanvir Hussain, MD, Tangerine Brigham, Sylvia Lozano, Mike Moye, Nancy Kaatz, Terry Lightfoot, Craig Carlson

From: Trina Johnson, Implementation Director

cc: Elaine Kavvadias, Stewart Traiman, Quinn Cordae, Krish Doppalapudi, Gerrie Teo, Sid Patwardhan, Sukhpal Cheema, Donna Warfield

OVERVIEW

The overall project status remains at Satisfactory this month because application teams completed application testing on time and are on track with interfaces and integrated area work. In addition, experienced Epic staff not assigned to the Alameda Health System team completed an independent review of the Alameda Health System build and identified that build is on track for this point in the install. Most teams remain on track for the next build deadline due March 22.

This month, your Training Manager went on leave, and Raluca Ciocan took over as the interim training lead. Raluca is working closely with Principal Trainers and the Epic training team to identify gaps with the course schedule and curriculum. We worked together to establish a detailed plan to resolve issues in preparation for training registration opening March 25.

Although you filled outstanding principal trainer roles this month, there are still staffing gaps on the Ambulatory, Clin Doc and Tapestry teams as well as an outstanding ASAP Principal Trainer role. Katya Osipova is working with AHS managers to fill these gaps next month to not impact future build and testing milestones.

ISSUES NEEDING EXECUTIVE INTERVENTION

There are no issues needing executive intervention at this time.

ISSUES NEEDING EXECUTIVE OVERSIGHT

We previously planned for Credentialed Trainer and Super User recruitment to occur during February and March prior to training registration opening. Due to an additional job description review by the unions, this activity was delayed and started approximately a month later than planned. You are now aiming to finalize credentialed trainers and super users by April 30. This area needs to be closely monitored because further delays could impact upcoming milestones to train credentialed trainers and finalize super user support schedules in June.
TESTING (January 2019 – July 2019)

- Complete robust testing
- Begin go-live preparations
- Complete preparations for training
- Demonstrate final workflows during Workflow Walkthrough and other change management activities
Project Major Accomplishments

• Testing efforts:
  – Application testing complete on February 22
  – Integrated testing scripts review began on March 5
  – Charge testing is in progress
  – Large scale data conversion validation complete
  – Interface functional testing for major 3rd party systems complete
• Project is on track and favorable to budget
• Delivery of Epic February 2019 Quarterly upgrade
• Great progress continued in Medical Device Integration testing – more integration as part of go-live than originally expected
• Training efforts:
  – Training Curriculum Review Boards (CRBs) reviews 95% complete
  – Course Catalog complete and posted online on March 1
  – Learning Management Training (LMS) initiated on March 18
  – Class registration opened on March 25
Focus for April

• Integrated Testing (Round 1) begins on April 16
  – Scale out End User Device Lab equipment to support integrated testing
• Continue Charge Testing
• Full Scale Validation (Round 1) begins on April 2
• Technical Dress Rehearsal (TDR) work effort kickoff on April 10
• Complete last Curriculum Review Boards (CRBs) reviews
• Continue with Credentialed Trainers, Super Users and Specialists Training Specialists recruitment efforts
• Continue Order Sets build and review
• Medical device integration validation and testing
• Continue with Go Live Readiness Assessment (GLRA) and Go Live planning
<table>
<thead>
<tr>
<th>Capital Budget Category</th>
<th>Budget</th>
<th>Beginning To Date Spent</th>
<th>Beginning To Date Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>C-01 - Epic Software License</td>
<td>750,000</td>
<td>750,000</td>
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<tr>
<td>C-16 - Epic Hosting</td>
<td>1,115,136</td>
<td>805,625</td>
<td>309,511</td>
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<td>C-20 - Epic Passthrough 3rdParty Software</td>
<td>62,000</td>
<td>37,194</td>
<td>24,806</td>
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<td>C-03 - Conversions</td>
<td>375,000</td>
<td>86,853</td>
<td>288,147</td>
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<td>C-04 - 3rd Party Software &amp; Interfaces</td>
<td>7,962,580</td>
<td>2,230,706</td>
<td>5,731,874</td>
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<tr>
<td><strong>Total Capital Software</strong></td>
<td><strong>10,639,716</strong></td>
<td><strong>3,910,378</strong></td>
<td><strong>6,729,338</strong></td>
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<td>C-05 - Hardware: Infrastructure, Network</td>
<td>2,956,652</td>
<td>1,011,810</td>
<td>1,944,842</td>
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<td>C-06 - Hardware: End User Devices</td>
<td>2,335,500</td>
<td>218,042</td>
<td>2,117,458</td>
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<td><strong>Total Capital Hardware</strong></td>
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<td><strong>1,229,852</strong></td>
<td><strong>4,062,300</strong></td>
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<td>C-07 - Labor - AHS FTE Implementation Team</td>
<td>15,407,268</td>
<td>13,340,217</td>
<td>2,067,050</td>
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<tr>
<td>C-17 - Labor - AHS SME Compensation</td>
<td>447,152</td>
<td>126,921</td>
<td>320,231</td>
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<td>C-26 - Labor - AHS Physician Compensation</td>
<td>651,894</td>
<td>116,415</td>
<td>535,479</td>
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<td>C-08 - Labor - AHS FTE Implementation Team Training and Education</td>
<td>1,001,250</td>
<td>349,521</td>
<td>651,729</td>
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<td><strong>Subtotal Capital AHS Labor</strong></td>
<td><strong>17,507,563</strong></td>
<td><strong>13,933,074</strong></td>
<td><strong>3,574,490</strong></td>
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<td>C-09 - Labor - Epic Implementation Fees</td>
<td>2,481,000</td>
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<td>C-10 - Labor - Epic Travel Expenses</td>
<td>2,550,000</td>
<td>745,580</td>
<td>1,804,420</td>
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<td><strong>Subtotal Capital Epic Labor</strong></td>
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<td><strong>3,226,580</strong></td>
<td><strong>1,804,420</strong></td>
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<td>C-11 - Labor - 3rd Party Consulting</td>
<td>3,050,380</td>
<td>379,049</td>
<td>2,671,331</td>
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<td>C-13 - Labor - Pre-Implementation Planning</td>
<td>500,000</td>
<td>428,536</td>
<td>71,464</td>
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<td><strong>Subtotal Capital Consulting Labor</strong></td>
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<td><strong>807,585</strong></td>
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<td><strong>Total Capital Labor</strong></td>
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<td><strong>17,967,239</strong></td>
<td><strong>8,121,705</strong></td>
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<td>C-24 - Project Team Space Lease</td>
<td>750,000</td>
<td>604,197</td>
<td>145,803</td>
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<tr>
<td>C-22 - AHS Project Miscellaneous Expenses (Room Rent, Parking etc.)</td>
<td>200,000</td>
<td>197,434</td>
<td>2,566</td>
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<tr>
<td>C-21 - AHS Project Food Expenses</td>
<td>143,585</td>
<td>37,996</td>
<td>105,589</td>
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<td>C-14 - Contingency</td>
<td>6,309,209</td>
<td>-</td>
<td>6,309,209</td>
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<tr>
<td>C-18 - Epic Project Transfer Funds</td>
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<td>-</td>
<td>0</td>
</tr>
<tr>
<td>C-19 - FQHC Grant</td>
<td>-</td>
<td>-</td>
<td>0</td>
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<tr>
<td>C-15 - CEO Scope Contingency</td>
<td>1,875,000</td>
<td>-</td>
<td>1,875,000</td>
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<td><strong>Total Capital Other</strong></td>
<td><strong>9,277,794</strong></td>
<td><strong>839,628</strong></td>
<td><strong>8,438,166</strong></td>
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<tr>
<td><strong>Total Capital</strong></td>
<td><strong>51,298,605</strong></td>
<td><strong>23,947,097</strong></td>
<td><strong>27,351,509</strong></td>
</tr>
</tbody>
</table>

*Some invoices have not been received yet
*Feb payroll hasn't been finalized in EPSi yet
*Payroll now includes 34% benefits (Jul '18-Feb '19)
You have truly made a difference Nancy Katz!!

Closing Thoughts
AHS Board of Trustees Meeting

CEO REPORT
MARCH 28, 2019
PLEASE USE MICROPHONE

Board of Trustees Meeting

March 28, 2019

Audio Recording in Progress