

Open Session

Monday, December 9, 2019 Regular Meeting

Board Members Present:		Members Excused		Legal Counsel Not Present	Also Present
Robert Deutsch, MD Tracy Jensen		Gayle Codiga Dennis Popalardo	Michael Williams	Tom Driscoll	Debi Stebbins
		Submitted by: Debi Stebbins, Executive Director			
Topic			Discussion	Action / Follow-Up	
I.	Call to Order			The meeting was called to order at 5:35 p.m.	
II.	Roll Call			Roll had been called prior to the start of the closed session. A quorum of Directors was present.	
III.	Report from Closed Session			Director Popalardo noted that there were no actions taken in Closed Session.	
IV.	General Public Comments			There were no comments from the general public.	
V.	General Public Comments	Regular Agenda			
A.	YTD AHS Reporting				
	1)	Mr. Luis Fonseca, COO Alameda Health System presented an update on improvements and new technology implemented throughout the System and Alameda Hospital as provided in a power point presentation. -CA. Department of Public Health conducted an on site licensing survey on April 15, 2019. Updated policies were approved and submitted to CDPH. A new CT scanner was approved for use in April and put into use on April 22, 2019. This scanner supports the facility's stroke program.		No action taken.	

-MRI Trailer delivered to hospital on July 23, 2019.

While the new scanner area was being constructed, the MRI unit was temporarily relocated to San Leandro Hospital.

1. Fire Marshal is re-licensing
2. Submission of forms and packet to CDPH Central Processing Unit approved.
3. Site visit scheduled
4. MRI trailer is now operating on consecutive days at both Alameda and San Leandro Hospitals.

A. Contract for MRI use was re-negotiated. Working with Alliance, scans are now paid on a per scan basis, a change from the per-diem rate. This maximizes under the prior contract, accountability and usability, and provides incentives to ensure the equipment is scheduled to its' capacity.

-CMS Survey was conducted May 13-16. Several deficiencies were identified:

1. Patient Consent
2. Restraints
3. Use of antipsychotics
4. Verbal Orders
5. Care Plans
6. Reassessment after pain medication

These deficiencies affected patient care, nursing and physician workflows. Changes made to work flows until Title 22.

7. Received CMS Statement of Deficiencies on July 3, 2019

8. Plan of correction developed and implemented

9. POC accepted. Follow up revalidation survey was done October 15-17, 2019. On October 17, 2019, the resurvey by CDPH found the hospital in compliance with applicable Conditions of Participation. On October 31, 2019, CMS notified the hospital Deemed status was restored

- In August 2019, Alameda Hospital was recognized by The American Heart Association and American Stroke Association with the "Target Stroke Gold Plus Elite Award

- EPIC Medical Records System went live on September 28, 2019. Recognized all the staff who contributed to this project. Tracy Jensen asked how many systems were impacted- there were a total of 16 disparate systems consolidated with implementation of EPIC.

- Billing Cycle: AHC management is analyzing

workflows that impact the billing cycle and revenues. Delay of cash flow during implementation was expected.

-Newsweek published, in October 2019 list of "Best Nursing Homes in California". Alameda Hospital recognized as #3 facility in the state. Event scheduled to recognize and thank the staff who contributed to this award. Deborah Stebbins recommended that *Alameda Magazine* be contacted and made aware of this award. Louise Nakada to follow up.

- CNA Work Stoppage on September 20: affected both Alameda and San Leandro Hospitals with a 10 day notice for a 24 hour strike.

- CNA negotiations are ongoing. SEIU began November 2019 with the contract expiring March 2020

Budget Update for October 2019:

-Gross patient service revenue under budget by \$7.3 million (2.5%) in October and 1.3% YTD. This is

due to lower outpatient volume and pro-fee EPIC

- Net patient service revenue below budget by \$9.3 million (17.6%) in October and 2.2% YTD
- Collection %: NPSR was 17.7% which was lower than budget, 17.9%
- Supplemental Revenue: under budget by 2.1% budget in the month and \$1.1 million (0.9%) YTD

EXPENSES

1. Salary/wages and registry under budget \$1.5 million (3.2%) due to low volume and less overtime. YTD variance below budget by \$2.4 million (1.4%)
2. Total Operating Expenses: under budget by 2.7% and 0.7% YTD
3. FTE: below budget by 165 FTE's (3.7%) and 105 FTE's (2.4%) YTD.

Kimberley Miranda was recently hired as CFO. She is working with all departments in her new role and will plan to attend a future boards meeting.

PATIENT VOLUMES

1. Overall, patient activity trended upward
2. Acute Patient Days: above budget by 1% and at budget YTD.
3. ALOS: below budget in October by 9% and 10% YTD
4. Long Term Care Days: Shows below budget in October due to EPIC issue. This is an error which will be corrected in the next report.
5. Park Bridge Days in September (33) vs. October (27). AT budget YTD. ALOS below budget by 13% and 18% YTD.
6. Emergency Visits: at budget in the month, below budget by 7% YTD
7. Surgery Cases: below budget by 39% due to EPIC issue with process/build. Reported 135 cases vs. actual cases of 227. Management is meeting with the EPIC team to resolve discrepancy.

Tracy Jensen commented that it is good to see ALOS decreasing. Some of the data needs to be readjusted. The reduction in surgeries for October is a data recording issue (this is across the system) and is being reviewed.

SEISMIC RETROFIT UPDATE

Seismic Compliance and Kitchen Relocation Project/ Occupational Therapy Relocation is underway. Photos were shared of the current work.

FACILITIES

NURSE CALL PROJECT: Kick off in July 2019. Work on the infrastructure completed, then coordination with patient care areas will be needed. Permanent installation of system done on November 30, 2019. Staff training began December 4, 2019. Go Live expected December 13, 2019. CCU unit installation expected to begin December 16, 2019. Medicine/Surgical units scheduled to begin January 2020. This system replaced the nurse call bell.

PATIENT EXPERIENCE DATA

As of September 2019, exceeded goal in January, March, August, September. Data is shared monthly to physicians and staff. Auditing of hourly rounding, call light response, and no pass zone began in November. FY20 goal is 57.00, September result is 59.20. Goal is to support a culture of support and high level of patient care.

		<p>COMMUNITY HEALTH AND WELLNESS EVENTS</p> <p>Listed several community Health and Wellness events scheduled in December 2019 and January 2020.</p> <p>Dennis Popalardo commended the hospital’s team on the recent awards and implementation of the building projects. He suggested that a press release be drafted and sent to local news outlets, informing the community. Luis Fonseca will follow up.</p> <p>Discussion regarding the closure of the operating rooms and ED departments in November and early December. Issue was caused by a faulty air handler. A temporary fix was identified and state inspectors notified. The state requested a “full diversion” of ED services. Hospital management informed the state of the temporary plan and the state revised its’ recommendation to only a “surgical diversion”. The ED was shut down for 1 ½ days and the operating rooms for 17 days. The board members would like to be notified (in advance) in the future when issues such as this arise. Gayle Codiga asked if an Emergency Preparedness Report/Procedures manual was available to assist board members in answering questions should a similar event occur. Luis Fonseca to coordinate with Deborah Stebbins on “Point of Contact/ Procedures”. Luis Fonseca committed to informing the board of any future similar event.</p>	
B.		Alameda Hospital Medical Staff Update	
	1)	<p>Joseph Marzouk, MD provided update on EPIC installation which will improve patient care and processes.</p> <ul style="list-style-type: none"> - New GI physicians are starting who will provide ER coverage system-wide. - Pathology and Lab services integrated by Dr. Eng at Alameda and San Leandro Hospitals. - Seeking to bring in new anesthesiologists and to form an integrated group system wide. The contract expired in November, coverage will continue. Deborah Stebbins asked if the Anesthesiology contract would be put out to bid- Luis gave additional detail: A new provider is being recruited (long term) to provide system coverage. The current provider is staying on as a contracted service. Head of Anesthesiology Dept, Dr. Newmark has identified several candidates. 	
	C.	District & Operational Updates	
	1)	District Liaison Reports	
		a. President’s Report- no report as President Williams was not in attendance	No action taken.
		b. AHS-District Joint 2030 Planning Committee- Gayle Codiga reporting	
		Gayle Codiga met with Ross Peterson to set an agenda. The 12/9 meeting had been postponed, rescheduled for 12/13	No action taken.
		c. Alameda Health System Board Liaison Report- Tracy Jensen reporting	No action taken.

		<ul style="list-style-type: none"> -There will be a joint statement from the District Board and the AHS representative released to the public in the near future - Tracy Jensen and Deborah Stebbins attended the December 9, 2019 Board of Supervisors meeting <ul style="list-style-type: none"> 1.AHS CEO Finley reviewed budget & financial info 2.Discussed San Leandro Acute Rehabilitation Unit 3.EPIC implementation 4.Progress on the 2030 Seismic Project - In November, the AHS Board of Trustees met and took action: <ul style="list-style-type: none"> 1. Approval and implementation of contract with the hospitalists group, through November 30, 2020 2. Four retreats to be scheduled in 2020- schedule will be shared once dates are confirmed 3.CAL AIM Program- this is a multi-year initiative to improve health care and outcomes for mainly MEDI CAL and other underserved populations. It will address the social deterrents to healthcare: <ul style="list-style-type: none"> 1. Manage and identify risks to the underserved and uninsured population 2. Expand the Whole Person Care System through AHS and other systems 3. Address the determinants of health -There will be one central place where patients can go to obtain all of their medical care and alleviate the current complicated process that MEDI CAL patients must go through. -Luis Fonseca added that this program is extremely important to the AHS system, providing a substantial revenue stream (20-25%) of total revenues. The current MEDI CAL 2020 waiver ends in September 2020, CAL AIM will take over afterwards. - Meetings recessed until January. A new Board Chair will be elected in January 2020. 	
		<p>d. Alameda Hospital Liaison Report- Robert Deutsch, MD reporting- no items to report</p>	<p>No action taken.</p>
		<p>Executive Director Report and Board Updates- Deborah Stebbins reporting</p> <ul style="list-style-type: none"> - Introduced Leta Hillman, new Office Administrative Assistant. - There is a new district website. Thank you to AHS and especially Kristen Thorson who helped with posting on the first site. Posted agendas range from 2014. If anyone wishes to obtain agendas prior to 2014, please contact the office and these can be sent. Contact the office if you wish to see additional documents posted - Deborah sits on the Mayor's Economic Development Panel and shared her experience. The Alameda area is strategically growing and attracting business in the areas of life sciences, green tech, blue tech (maritime) and other manufacturing companies. Alameda is attractive as a residential destination as people want to live closer to where they work. This growth will change the community's health care and revenue needs. Alameda is currently planning new residential units, which will increase the parcel tax. - The Leadership of LAFCO (organization that governs districts) has requested a presentation (history of the district, how it allocates funds, what the district does). Deborah Stebbins will prepare a report and present to LAFCO at 2pm on January 16, 2020 at The Dublin Civic Center. 	<p>No action taken.</p>
		<p>a. Alameda Hospital Strategic Facility Scenarios. Report from Kaufman Hall Consultants- Deborah Stebbins reporting.</p>	

-Data collected in early 2019 with assistance from AHS. Needed AHS cooperation and permission to obtain the data. This data was collected by AHS and reported to OSHPD. Kaufman Hall's role was to assist the Alameda Health Care District in the development and evaluation of strategic facility initiatives that affect the future role of Alameda Hospital. Kaufmann Hall looked at the marketplace and conducted eighteen interviews with AHS and District leadership were conducted to determine what the future would look like. The result is being called "Strategic Facility Scenarios" to address: what would the needs be for a facility to accommodate: acute care beds, emergency visits, and surgical visits. Separate "Facility Scenarios" developed with Ratcliffe (district's architectural firm). Additional details forthcoming. AHS to AH.

The Kaufmann Hall study originally was structured to study 3 scenarios for the year 2020.

- 1) Projection of current AHS – District relationship, including referrals from
- 2) Development of an optimal relationship between AHS and AH, including program placement and referral patterns
- 3) Projection in 2029 of AH as a standalone hospital not affiliated with any partner

MARKET SHARE: The Kaufman Hall study showed Kaiser covers 34% of Alameda Hospital's primary service area, a total population of 79,000, 47% of the available population are enrolled in public payors (Medicaid and Medicare), or are uninsured. Inpatient discharges are expected to decline by 2029 due to Kaiser's growth. Alameda Hospital's inpatient admissions have increased over three years (from 2147 to 2430), mainly due to increase in transfers from AHS. Future admissions are at risk due to:

1. Data from 2018: 70% of inpatient admissions are coming from the Emergency Department; these patients generally have less complex medical issues than similarly scaled hospitals
2. Significant portion of admissions are from transfers from AHS (27%). Highland Hospital intends to reduce the number of transfers through operational improvements.

MEDICAL STAFF PROJECTIONS: Due to size of the market, it will be difficult to recruit and sustain a full medical staff. With all specialties available in the absence of AHS being part of the system. The highest need areas projected are Orthopedics and Cardiology due to the aging population

- Majority of Alameda Hospital's inpatient admissions (70%) are from hospital's Emergency Department; 28% are from transfers from AHS. 100% of General Surgery admissions come from the Emergency Department.

KEY TAKEAWAYS: When the AHS and Alameda Hospital affiliation was started, there was a different vision. AHS wanted to expand focus to the commercial market, beyond its mission of providing care for the underserved population. Feedback shows that AHS hopes to decrease transfers, (specifically from Highland) in the future. However, the data shows this has not materialized.

- What is the motivation for the affiliation? What are the goals, have they changed? AHS to place greater focus on ambulatory services and focus on post-acute care. The main challenges to providing potential acute care services for Alameda Hospital are:

		<p>1. Achieving and maintaining adequate emergency department coverage 2. Recruiting for the availability of key specialties</p> <p>The study was based on:</p> <p>MARKET ASSUMPTIONS: Kaiser growth at 4.1% annually. Market inpatient utilizations rates will decline -0.8% annually over next 10 years. Overall population to grow 1.0% annually over next 10 years. Medicare eligible population to increase 3.9% annually</p> <p>FINANCIAL PROJECTIONS: - 2018 Data outlines three scenarios: current 2029 projection with AHS 2029 standalone. Discussion about “Income available to cover AHS support allocation or a contribution margin”.</p> <ol style="list-style-type: none"> 1. Current- \$8.6 million 2. 2029 with AHS Pro Forma- \$10.4 million 2029 enhanced Pro Forma- \$18 million 3. 2029 standalone Pro Forma- (\$17.7 million) 2029 enhanced Pro Forma- (\$13.5 million) <p>There has been some dispute about the accuracy of 2018 numbers, including the validity of overhead allocations made from AHS to Alameda Hospital. Deborah Stebbins recommended that the Joint Committee take another look at this financial analysis. There has been an impression among AHS trustees that Alameda Hospital, based on prior financial presentations at AHS, is a financial drain on the system. The data would direct the Joint Committee to look at how Alameda Hospital can capitalize on the AHS relationship. Is there a way to expand long term care (nursing homes) and add or increase services and programs needed by the East Bay population?</p>	
	2)	<p>Kaufman Hall Annual Leadership Symposium Tracy Jensen Presented</p> <p>- Tracy Jensen attending the Chicago conference in October. The conference was targeted to financial managers. The sessions about HR/Cost Allocation and Artificial Intelligence were the most engaging.</p> <ol style="list-style-type: none"> 1. AI in Healthcare: will make machines smarter, retrieve data faster and enable quicker diagnostics. AI can identify risks and help with surgical interventions 2. Raine Wilson delivered a presentation at the symposium about empathy and how to make employees feel valued by sharing a personal experience. 	
	D.	Consent Agenda	
	1)	Acceptance of Minutes of October 14, 2019	A motion was made, seconded and carried unanimously to approve the minutes of the board

				meeting of October 14, 2019.
E.	Action Items			
	1)	<p>Acceptance of Financial Statements for September and October 2019</p> <p>Deborah Stebbins highlighted several items in the financials that were requiring revisions in collaboration with our accountant.</p> <p>Total expenses are accurate and below budget. However, there are errors in the allocation of expenses to sub-categories.</p> <ul style="list-style-type: none"> 1. Executive Director Fees- under-reported \$9500/month \$35,000 (YTD) 2. Supplies- over-reported \$35000 \$3000 		Decision was made to hold off on approval until a later date following clarification from accountant
	2)	<p>Recommendation to approve True Up Distribution of Parcel Tax to AHS</p> <p>This is done once a year. Deborah Stebbins recommended the transfer of \$609,829 as the True Up to the final rectified parcel tax income.</p> <p>Previous transfer totaled \$4.77 million. The total collected for the year is \$5,902,624.00</p>		<p>To Approve for 2018-2019</p> <p>*True Up for Parcel Tax to AHS of \$609,829</p> <p>It was so moved, seconded and approved</p>
	3)	<p>2nd Review and Adoption of District Board of Directors Meeting Schedule for 2019-2020</p> <ul style="list-style-type: none"> 1. Changes were made to the April and August dates 		Schedule approved It was so moved, seconded and approved
	4)	<p>Facility Tour Recommendation</p> <p>Tracy Jensen requested a tour of the hospital's working projects at the February 2020 board meeting</p>		Tour will be scheduled at the February Board Meeting
F.	February 2020 Agenda Preview			
	Action Items			No action taken.

	1)	Acceptance of December 9, 2019 Minutes			
	2)	Acceptance of Financial Statements: November and December, 2019			
	3)	Recommendation to Approve Distribution of Jaber Funds to Support AHS Capital Equipment Expenditures.			
	4)	Facility tour of new projects			
	Information Items:				No action taken.
	4)	YTD AHS Reporting (CAO/Hospital, Quality, Financial, Medical Staff Reports)			
VI. General Public Comments				None	
VII. Board Comments				None	
VIII. Adjournment				There being no further business, the meeting was adjourned at 7:15 pm	

Approved: _____