

Board of Directors
Thursday, November 17, 2005

The Board of Directors of the Peninsula Health Care District met in Regular Session on Thursday, November 17, 2005, at 7:53 hours in the Sierra Rooms, at Peninsula Medical Center, 1783 El Camino Real, Burlingame, California 94010.

ROLL CALL: On roll call there were present: Directors: Donald E. Newman, Chair; Daniel J. Ullyot, Vice Chair; Susan S. Smith, Treasurer; Lola Thompson, Secretary; and Rick Navarro, Board Member.

Also present were: Staff: Colin J. Coffey, Esq., General Legal Counsel, of Archer Norris; Maureen A. Mignacco-Dutil, Assistant Secretary; Consultant: Courtney Lodato, Communications Consultant, of Singer Associates.

Guests Present: Margaret Taylor, Children's Health Initiative of San Mateo County; Judy Lynch, RN, BS, Director of Seniors-At-Home of the Jewish Family and Children's Services.

Absent & Excused: Consultants: Michael P. Lawson, FACHE; Adam Alberti, Vice President, Singer Associates.

ORAL COMMUNICATIONS: Chair Newman called upon the public for any Oral Communications on items not on the Agenda for this evening and within the purview of this district. There were no Oral Communications received.

CONSENT CALENDAR: The Consent Calendar, consisting of the Minutes of the Meeting of October 27, 2005, the Treasurer's Report for October 2005, the Disbursement Register for October 2005 and Financial Statements at October 2005 were duly noted as received and in the board package.

Ruth Jacobs, Burlingame: Mrs. Jacobs voiced a query on the item of the Disbursement Register and asked that it be removed from the Consent Calendar.

It was then moved by Director Smith and seconded by Director Ullyot to approve the Consent Calendar items as noted with the removal of the Disbursement Register. Motion unanimously carried.

In response to Mrs. Jacobs inquiry on the Disbursement Register, Director Smith noted this report has been included in the board packages for approximately three months. Director Smith reminded of the recommendations the Board received and approved from its auditors several months ago and related inclusion of this Disbursement Register, or Monthly Banking Activity Report, was one such recommendation. Mrs. Jacobs inquired as to the expenditures to Mills-Peninsula of \$2,700 each with Director Smith indicating they reflect salary paid to the Secretary for the month of September and October 2005. Mrs. Jacobs then inquired as to how many Newsletters the District issued this year? Director Smith responded that one Newsletter was sent out and they are in process of producing a second issue.

CHILDREN'S HEALTH INITIATIVE PROPOSAL FOR 2006: Chairman Newman welcomed Margaret Taylor from the Children's Health Initiative for presentation of their proposal for the 2006 year as part of the District's Community Health Care Grants.

Mrs. Taylor stated the Children's Health Initiative Coalition is here this evening to again request continued funding for the Healthy Kids program for children ages 6 to 18 within the Peninsula Health Care District. Since the program's inception three years ago, they have been successful in insuring over 50% uninsured children within the County. Mrs. Taylor noted there are now 22 other Counties within California who also have programs such as this one. Mrs. Taylor noted the provision of their proposal and advised they are seeking \$682,250 in funding, which is the same as the previous year. This requested amount does not meet the total cost of the program of \$720,000, but there are grant applications out to Blue Cross, Blue Shield, and a number of foundations to fill the gap. Within the District itself, about 46% of the 6 to 18 year olds will be insured if the District continues its funding at the current level. She commented that children 0 to 5 years old are covered completely by the First Five San Mateo County Commission, which was started by Rob Reiner under Proposition 10. Mrs. Taylor reported that 1,355 of the Peninsula Health Care District's children have been signed up in the Healthy Kids Program, plus many more of the children from the district have been signed up for MediCal and Healthy Families.

In the proposal, Mrs. Taylor cited the Evaluation of the program, which states that 94% of the members signing up for Healthy Kids do not have access to any kind of employer-based health insurance care. Most of the participants are seasonal workers, day workers, elder care, gardeners, etc. Nearly 80% of the families are at the 150% of poverty level, which is under \$20,000 per year for a family of three. 92% of the families signed up have lived in the county more than one year. Mrs. Taylor related they have been very successful in their outreach to the community to sign-up for the program and continue in the program. Education is a very important part of the program in showing the families how to use primary care doctor and how to use preventive care facilities for children and how to avoid the emergency room. Areas that need continued work are in Dental Care where there are insufficient dentists willing to see these children and the other is mental health services for children's behavioral problems.

Mrs. Taylor recognized Mr. Bob Taylor, Vice President of MPHS, who is a long-term member of the Children's Health Insurance Coalition, and Sarah Meier, from the Health Department of the County of San Mateo. Mr. Hortop indicated he would like to emphasize that the program has grown and has achieved a sense of stability in terms of the rapid growth of the number of kids covered under the program. They are now focusing efforts on what kind of impact this insurance has on the health care of the kids. Preventative programs are being initiated as well as measurements so as to uncover the impacts this programs has on the health of the children. He noted that many Bay Area Counties have similar or like programs so there is no reason for someone to move into this County to obtain this type of health insurance coverage when it is also offered in adjacent counties, i.e., San Francisco, Santa Clara, and others. Chair Newman inquired as to the data being collected and asked if visits and usage of the insurance within the district will be tracked. Mr. Hortop indicated they will be able to report data same as that from an insurance carrier. Director Ulyot inquired as to the structure of the insurance company, how it is administered, the administrative costs, scope of policy and the like.

He further asked if there is a guarantee of certain benefits under the plan. Mr. Hortop advised the program is designed to recruit kids who do not have any coverage, but might be eligible for coverage through an existing program, such as Healthy Families or MediCal. Administration of the plan is being performed by the health Plan of San Mateo County. Mr. Hortop related the majority of children interviewed are eligible for MediCal or Healthy Families, which is funded partially from the State and the Federal government. There is a very high medical ratio, which is 84 to 85% of the premium goes to kids health with administration expense at approximately 15%. The design of the benefits looks like the other programs available under MediCal and Healthy Families. Mrs. Taylor advised that the benefits provided are duplicative in scope to those provided under the Healthy Families Program through the State of California. This includes dental care, vision care, mental health care, preventative care, immunizations, medical care and hospital care. If a child has a very serious childhood illness such as extended cancer, birth defects, there is the ability to move out of this program and into the State's program of California Children's Services. Director Thompson cited the statistic in the report that hospital admissions are down 23% and inquired if this decrease in hospital admissions is a result of the health care insurance? Mrs. Taylor responded in the affirmative. Director Smith commented on the sustainability of the CHI program noting it was introduced as a 5-year program and with this being year three, the program has two years left? Mrs. Taylor agreed, indicating that there is one possibility and that is if the State of California is moves forward with a Child Insurance Program. There are two bills going through the legislature now and one proposed initiative. It is hoped that the bills or the initiative will pass. This program, CHI, has enough money to get through the 5 years of the program. If the bills/initiative fail, they would have to back-off on this Children's Health Initiative program. However, they would continue the 0 to 5 age group as they have ten years worth of funding from the First Five Commission for that particular program. A family vignette story was then provided as an example of the assistance under the Healthy Kids Program insurance. Director Ulyot asked if private physicians are participating in the program with the response in the affirmative. Mr. Hortop noted there are 20 to 30 new physicians taking the kids with this insurance.

Pat Giorni, Burlingame: Mrs. Giorni expressed her view that this is a fine program. She noted the 1,355 children enrolled in the District for the program, and in doing the math in their premium coverage, she believes the District is getting its money's worth in providing this health insurance coverage.

Ruth Jacobs, Burlingame: Mrs. Jacobs noted that Sequoia Healthcare District is also listed as a participant, and asked if Mills-Peninsula is participating? Mr. Hortop responded that like Sequoia, Seton, and San Mateo General, Mills-Peninsula is indeed participating in the program as they see the patients and participate in staff support of the program.

Chair Newman extended a Thank You to Margaret Taylor and Bob Hortop for their participation in the presentation. He noted the decision on this funding by the District would occur at the December meeting of the Board of Directors.

PROPOSAL FROM WOMEN'S RECOVERY ASSOCIATION FOR 2006: A complete proposal from the Women's Recovery Association for the Dual Diagnosis Services to Women in the amount of \$22,500.was next addressed. This proposal is requesting assistance from the district to support their 2006 Dual Diagnosis Residential program, which provides specialized treatment to

women who are diagnosed with co-occurring disorders of substance abuse and mental illness. The \$22,500 grant support would assist in providing critical services to women suffering from both mental health and substance abuse disorders by subsidizing residential treatment episodes and individual counseling sessions in the Program. The needs of this program and the dual Diagnosis Program Objectives and Outcomes were noted together with the Program Approach and its financial budget.

There was no discussion by the Board on this item nor was any Public Comment received. Chair Newman again noted that action on this proposal would occur at the Board's December meeting with any grant provided during the month of January 2006. It was agreed to encourage attendance by a representative from the Women's Recovery Association at the December meeting in support of their proposal and in order to respond to any questions the Board may have on this proposal.

PROPOSAL FROM JEWISH FAMILY & CHILDREN'S SERVICES FOR 2006: A completed proposal from the Jewish Family & Children's Services for a grant in the amount of \$50,850 to fund their Seniors-at-Home program was included in the Board package. Ms. Judy Lynch stated she is representing the Agency in this request and noted their Executive Director was unable to be in attendance due to a prior scheduled event.

This proposal is for funding of homecare services to 50 low-income elderly residing in the Peninsula Health Care District area. Support is requested for short-term in-home services designed to meet temporary post-hospitalization or respite needs that are endangering the elder's safety and ability to remain living independently. The care would be provided by the homecare workers through the Agency and home health aides utilizing care plans developed jointly by the senior and a geriatric specialist from the Seniors-at-Home division of Jewish Family & Children's Services. Ms. Lynch reviewed the need of the program its objectives and program outcomes. She stated they are asking the District to fund approximately 2/3 of the cost of providing the continuum of services to these high-risk seniors. The project activities involved in the care of these seniors at home was detailed and discussed at length.

Director Ulyot asked if this agency is non-denomination with Ms. Lynch replying in the affirmative. She noted they also provide services to Catholic Charities and many other agencies. Director Smith noted the services provided to the seniors is stated at 4 hours twice a week with Ms. Lynch indicating this is the normal time, however, it is adjusted according to each senior's needs.

Ruth Jacobs, Burlingame: Mrs. Jacobs commented she is well aware of this Agency and what they do in the community. She further noted that the senior group is often neglected and this is a good use of the District's resources in our community and she would so endorse it.

Pat Giorni, Burlingame: Ms. Giorni related that it costs approximately \$5,000 per month in MediCal funds to provide in-home care to individuals. She believes this program would provide needed services to keep these seniors independent and in their home and it is well worth the expenditure by the District to fund the program.

Chair Newman once again noted a decision on this proposal as well as the other proposals addressed this evening would be made at the December meeting and no action would be taken this evening.

COMMUNICATIONS OVERSIGHT REPORT: Director Ulyot indicated he had no formal report for this evening. He did announce that a draft of the District's Newsletter is in process and he had reviewed the outline for the forthcoming communication from the District. At this point, it is expected that the District's Newsletter would be published before Christmas.

PHYSICIAN RECRUITMENT COMMITTEE REPORT: Director Navarro shared with the Board an advertisement piece that would be placed in the New England Journal of Medicine in addition to the Journal of the American Medical Association. He also noted that publicity on the Internet would also be occurring. The ad piece looks sharp and it is expected it will generate responses to the District. Attorney Coffey noted the presence in the audience of Mr. Robert Hortop, Vice President, of Mills-Peninsula. Attorney Coffey advised that Mr. Hortop oversees the recruitment of physicians for Mills-Peninsula and asked him to share their experience with the District. Mr. Hortop indicated they have recruited 23 physicians to-date and six have left due to their spouses' relocation for other jobs. Mr. Hortop advised he received an application from a physician today that he would share with the District's committee for their information and would in the future share other physician prospects as appropriate. Mr. Hortop related he had sent three or four prior resumes on physicians to former board member, Tobin Schneider, for review by the District. It was noted these resumes were never shared with the District Board.

OLD BUSINESS: Chair Newman stated there was no Old Business on the evening's Agenda.

Pat Giorni, Burlingame: Mrs. Giorni inquired if follow-up letters had been sent by District's legal counsel to those nurses who received loan from the District but did not return to the District to work? Attorney Coffey stated those letters are in process to be sent out.

NEW BUSINESS:

A) Letter of Resignation from Director Lola Thompson, effective December 15, 2005. Chair Newman advised it is with regret that the Board receives this Letter of Resignation from Director Thompson. Director Thompson has been on the board now for 3 years of her 4-year term and is relocating to Eugene, Oregon with her husband. Director Thompson related it has been a special experience to be on the board and a rich experience. She has enjoyed the work and opportunity to be part of the Board and the District community and thanked the individual board members. Directors Smith, Ulyot and Navarro extended their very best wishes to Lola and her husband, Jim, in Oregon and all acknowledged it was a pleasure to serve and work with her. It was then moved by Director Smith and seconded by Director Ulyot to accept with much regret the resignation of Lola Thompson as Director of the Peninsula Health Care District effective December 15, 2005.

Ruth Jacobs, Burlingame: Mrs. Jacobs extended her thanks to Lola Thompson for her service on the board.

Margaret Taylor, San Mateo: Ms. Taylor commented on the skill of Lola as the Vice President of Nursing for the San Mateo Community Hospital and the extraordinary contributions she brought to the district. Ms. Taylor stated Lola is a credit to the nursing community and the district community.

On a call of the motion, it was unanimously passed.

- B) Resolution No. 2005-03, Resolution of Appreciation to Lola Thompson” was presented and read in its entirety by Chair Newman. The Resolution acknowledges Lola’s contributions to the District Board, expresses appreciation, and extends thanks on behalf of the Board members. It was then moved by Director Smith and seconded by Director Ulliyot to approve Resolution No. 2005-03 as presented and read. There was no Public Comment on the Resolution. On a roll call of the Board, the following votes were cast:

Ayes, and in favor: Directors: Smith, Newman, Ulliyot and Navarro

Noes: None

Abstain: Director Thompson

Resolution No. 2005-03 unanimously adopted. A round of applause then ensued by the Board of Directors and members of the Public in honor of Lola Thompson.

- C) Summons & Complaint: Irene Sterling vs. Mills-Peninsula Hospital District, Mills-Peninsula Health Services and Peninsula Health Care District for Personal Injury.

- D) Summons & Complaint: Lupe Perez vs. Mills-Peninsula Hospital District, Mills-Peninsula Health Services and Peninsula Health Care District for Personal Injury.

Both Summons & Complaint involve an injury at 50 So. San Mateo Drive in San Mateo. Attorney Coffey indicated he would handle both Complaints and would respond on behalf of the District. It was pointed out that 50 South San Mateo Drive is a medical office building, which is owned by Mills-Peninsula

CORRESPONDENCE:

The following Correspondence was noted.

- (1) Notice from Office of Controller, County of San Mateo, dated 10/26/05, re: 2005-2006 Estimated Property Tax Revenue for Peninsula Health Care District (\$3,456,071).
- (2) Invitation from the Ombudsman Services of San Mateo to attend a “Workshop on Culture Change” on 11/18/05 at College of San Mateo
- (3) Notice of Public Hearing from City of Burlingame re: Peninsula Hospital Replacement Project on Monday, November 14, 2005 at 7:00 PM

Chair Newman also read a Letter of Thanks he personally received from Harriet Friedman, wife of Emanuel Friedman, M.D., a former director of the District. Mrs. Friedman thanked the Board for their Resolution of Sympathy in memory of Doctor Friedman and also thanked the Hospital for dedicating the Library at Peninsula in Doctor Friedman’s name and memory.

Chair Newman announced that a committee of the whole of the Board would be looking into the future of planning for the Peninsula Health Care District. Two specific items would be addressed and that is: (1) What is the District Board's role should Mills-Peninsula/Sutter not follow through and build a replacement hospital at the Peninsula campus; and (2) How would the District secure and protect the funds that would be needed should some catastrophic event happen to Mills-Peninsula/Sutter so that they cannot complete the replacement hospital after they commit themselves to building the new facility. Chair Newman would like the Board to direct their attention to solving these two issues in the not too distant future

Ruth Jacobs, Burlingame: Mrs. Jacobs inquired if there would be public input/involvement in these issues. Chair Newman responded in the affirmative, noting the discussion and information would be at public board meetings and appropriate consultants and expertise would be invited and utilized in addressing them.

There being no further business, the meeting was adjourned at 1900 hours.

By:

Maureen A. Mignacco-Dutil, Assistant Secretary

Approved:

DONALD E. NEWMAN, Chair