



**BOARD OF DIRECTORS
REGULAR MEETING
DECEMBER 8, 2011**

1. CALL TO ORDER:

Vice-Chair Navarro called the meeting to order at 17:45 hours at the City of Millbrae Council Chambers, 621 Magnolia Avenue, Millbrae, CA.

2. ROLL CALL:

On roll call there were present, Rick Navarro, MD, Vice-Chair, Helen Galligan, RN, Secretary and Don Newman, MD, Past-Chair. Absent were Directors Ulyot and Cappel.

Also present were: Cheryl Fama, Chief Executive Officer and Kelly Molloy, District Community Outreach Coordinator.

3. CONSENT CALENDAR: The Consent Calendar consisting of the Regular Session minutes for October 28, 2011 were presented.

DIRECTOR GALLIGAN MOVED AND DIRECTOR NAVARRO SECONDED THE MOTION TO APPROVE THE CONSENT CALENDAR AS PRESENTED. THE MOTION CARRIED UNANIMOUSLY.

4. ORAL COMMUNICATIONS:

Pat Giorni, Burlingame: Commented on the recent C.N.A. strike at MPHS. She did not appreciate Sutter's decision to prolong the strike for five days. She said that action could have led to poor care and possibly patient harm. She asked if the District Board could and would voice concern to MPHS leaders and ask that they not extend any future nurses strikes beyond the one or two days. She also noted that many of the issues raised by the nurses are related to the closure of services such as acute rehab, pediatrics and the SNF.

5. COMMUNITY EDUCATION: MILLS-PENINSULA QUARTERLY PERFORMANCE REPORT:

Delores Gomez, Chief Operating Officer, MPHS

Ms. Gomez focused on the MPHS performance pillars of Quality, Finance, Community, and People.

Quality: MPHS was one of 65 hospitals out of 1200 awarded the Leapfrog Award for quality, patient safety, and resource utilization. It is the second year in a row and really speaks to the quality of care given to the patients at MPHS. The emergency team just received the Quest for Zero Award for their implementation of best practices. Dr. Brody, the Medical Director in the ED, reported that this is a major achievement for MPHS physicians in the ED. MPHS also continues to be in the Health Grades top 5% of hospitals across the US for performance in number of clinical areas.

A *Transitions of Care Program* has been launched. This is a collaborative process with physicians, hospital staff, and community partners to identify ways to better coordinate care across the continuum. The goal is to improve support for discharged patients in order improve recovery time and reduce re-hospitalizations. There will be a pilot program launched soon for discharged patients between the ages of 68 – 69 years who have many co-morbidities; they will be followed intensely the for the first month after discharge and then on an ongoing basis.

MPHS continues to be on a Magnet Hospital Journey to become a nursing center of excellence. The goal is not necessarily about attaining magnet status; it is about patient outcomes, patient engagement, the best quality of care, and the best place for all of the staff to practice.

Service Excellence: Zani Webber, the VP for Patient Experience, heads up the Patient Family Advisory Council which has been in place for about one year. The participants include community members and the forum is used to provide valuable feedback on how to improve the patient and family experience. The new facility has had a

significant positive impact on patient experience. There has been a tremendous increase in patient satisfaction survey scores.

People: The annual employee “environment of work survey” was just completed and had a 69% participation rate - a little lower than past years because phone and paper surveys were eliminated and employees were required to participate on line. The employee vacancy rates remain very low which is true across the industry.

Finance: Reduced reimbursement and cost management is on everyone’s healthcare agenda preparing for healthcare reform and the affordability agenda that is attached to healthcare reform. As referenced by the previous speaker, we have been looking closely at all programs for opportunities to reduce costs and with the intention of keeping them in and available to the community, but not managed by MPHS. A Letter of Intent was recently signed with the Jewish Homes who will manage the MPHS SNF in Burlingame and the Long Term Care facility in. The sale of the Outpatient Dialysis services to De Vita went through in July and are still being provided in the same location. In addition, all departments and management positions are being reviewed.

Community: The 2012 Community Grant program is in process; \$300K was awarded last year and the plan is to grant about the same amount this year. \$25K was donated to Second Harvest Food Bank in November. December 3, the hospital’s African American Health Advisory Committee hosted a conference featuring Beverly Johnson, the first African American Super Model. There were more than 450 in attendance. A prostate cancer screening day was recently held and over 100 people were screened for prostate cancer.

Growth: The Behavioral Health consolidation on the Mills campus has increased available inpatient beds and they have been busy. The OB volume has been up, in spite of the countywide declining birthrate, because of the incredible marketing and the new facility. In surgical services, the integrated OR’s and advanced technology has contributed to an up-tick in surgical services. In the MOB, Phase II move-in occurred at the end of November. There are plans to replace one of the Linear Accelerators in the cancer center and upgrade another which will provide expanded functionality to treat specific cancers that we do not typically see at our cancer center. In addition, there is one OR in the Peninsula Campus that is not built out because we wanted to create a hybrid OR. The design documents are in the final stages and ready for the sign off from physicians. This hybrid OR will allow for more minimally invasive cardiovascular surgical procedures with full back up capability immediately available.

There being no questions, **Vice-Chair Navarro** thanked Ms. Gomez for her presentation.

6. COMMITTEE REPORTS:

A. Long Term Planning: No Meeting since last report.

B. Sutter Oversight: No meeting since last report.

C. Community Health Investment: Director Galligan, Chair

The District’s annual community partners’ event will take place January 26 at which three community leaders and all 2012 PHCD grant recipients will be honored. The community leaders to be honored are:

- Dr. Stuart Viess, Medical Director for Samaritan House and a private practice physician for over 30 years.
- Rosalyn Koo, a life time volunteer, social activist, and key driver for the Self Help for the Elderly program,
- A Community Volunteer from one of the grant organizations to be selected from their nominees

The recommended grant recipients will be presented under New Business.

9. NEW BUSINESS (Was taken out of order due to accommodate the guest participants.)

A. Community Health Investment Committee Grant Recommendations: Director Galligan

Director Galligan’s power point presentation is appended to and made part of these minutes. It summarized the Board’s health priorities, FY 2012 budget distribution (PY grant commitments, FY ’12 grants, RN loans, MD Recruitment, and CEO Discretionary Fund), the committee’s process and its recommended grant recipients. The Committee unanimously recommended the following grants for Board approval:

- American Red Cross, San Bruno Resource & Recovery Center \$72,500
- California Donor Transplant Network for community education \$10,000

➤ Catholic Charities, Adult Day Health	\$25,000
➤ Caminar, Bridges to Wellness	\$40,000
➤ Children’s Health Initiative	\$750,000
➤ JFCS, Seniors at Home	\$ 46,000
➤ Mid-Peninsula Boys & Girls Club Nutrition & Fitness	\$ 30,000
➤ MPHS Senior Focus	\$180,000
➤ North Peninsula Neighborhood Services	\$ 10,000
➤ Ombudsman Services of San Mateo County	\$ 60,000
➤ Pathway’s – Chronic Disease Management	\$ 12,500
➤ Peninsula Rebuilding Together – “Safe at Home”	\$ 15,000
➤ Peninsula Volunteers Adult Day Health	\$ 20,000
➤ Samaritan House Medical / Dental Clinics	\$220,000
➤ San Mateo Medical Association – Hep B Free	\$ 20,000
➤ StarVista Insights Program and Crisis Center	<u>\$ 25,000</u>
	\$1,536,000

Grant recommendations to be paid in FY2013 are:

➤ Children’s Health Initiative	\$750,000
➤ CHNU – OB	\$100,000 (One year extension)
➤ PJCC Senior Transport	\$ 20,000
➤ SMC Co SMART Program	<u>\$ 40,000</u>
	\$910,000

Most of the recipients are receiving less than they requested. Seven of the recommended organizations are first time District recipients. The CHI proposal is a significant increase over prior years and will cover 100% of eligible children living in the District for *calendar* year 2012. The FY 2013 requests seek approval now to allow the organizations to plan services and budgets starting in July 2012.

Vice-Chair Navarro asked Ms. Fama about the CHNU OB program and mentioned there had been issues in the past with reporting and getting enough information and asked if that had been rectified before the funding is extended into another year? **Ms. Fama** responded “Yes, that has been resolved to my satisfaction.” She then went on to explain that the Board originally approved a 3-year grant for a total of \$1.1M to support approximately 300 deliveries per year. If this extension is approved and used, the total amount provided by the District would be \$250,000 of that original amount. The program had a very slow start due to the complex structures and operating procedures that needed to be developed and then put into place; this was further complicated by changes in the physician organization and a new electronic billing system; *and* a steep decline in the county-wide birth rate. Over the last three months, several meetings were held with Dr. Ehrlich, Mr. Hortop and Mr. Robinson – key program leaders - to go over the program experience to date and the current report format. Ms. Fama stated the reports now meet the reporting and accountability expectations that were set at the outset.

Vice Chair Navarro asked if there are any new trends. **Ms. Fama** invited Dr. Osterling, Chief of Staff at San Mateo Medical Center and head of the OB service to provide a program update. **Dr. Osterling** said the number of program participants is climbing; the hand-off from the SMMC clinic physicians to the participating District private physicians has been seamless. Diabetes among pregnant mothers has dropped by 30% and the popularity of the program is huge. **Dr. Jessica Verosko**, Medical Director for the OB program at MPHS, said in the first year the program saw three patients. In year two, the program saw 30 patients. As of right now, six months into year three, we already have seen 35 patients. The popularity of the program is growing exponentially. “The program is vital to our hospital and beneficial to our physicians and patients.” She then introduced a program patient **Nadia**, who is currently pregnant with her second child and had her first child with the program as well. She stated the convenience of using a hospital within her area was very helpful. She said most low-income women had to travel to Stanford for all their doctor’s appointments and subsequent birth. Having the ability to stay in her own neighborhood with a trusted physician has been a tremendous help to her and her family. She highly recommends the program to those who need these types of services.

PUBLIC COMMENT: **Pat Giorni** said she was disappointed that the list of all grant requests was not provided in the Board packet distributed prior to the meeting as has been done in the past. She requested to know how much each individual organization asked for vs. how much they were going to receive. **Vice-Chair Navarro** said this information was available and would be provided to her.

Director Newman questioned if the Community Health Investment Committee's meetings were public? **Director Galligan** said no. The committee is comprised of Director Navarro, herself and five community members. **Director Newman** suggested to Ms. Giorni remove herself from his committee and join Director Galligan's committee.

DIRECTOR GALLIGAN MOVED AND DIRECTOR NEWMAN SECONDED THE MOTION TO APPROVE THE ORGANIZATIONS AND GRANT AMOUNTS AS RECOMMENDED BY THE COMMITTEE, TO BE PAID OUT IN THE DISTRICT'S 2012 FISCAL YEAR. THE MOTION CARRIED UNANIMOUSLY.

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B. Healthy School Initiative:

Ms. Fama referenced the proposal summary distributed previously in the meeting materials. She provided background information on the genesis of this multi-year, major funding proposal relative to previous strategic planning Board discussions and noted its congruence with the District's vision, mission, and health priorities. The proposal is to facilitate and fund the development and implementation of a "healthy schools program" for children in the K-8 schools within the District. [San Bruno, Millbrae, Burlingame, and San Mateo/Foster City.] The program would be developed in full collaboration with the Superintendents and funding will be targeted to services that address access to basic care, physical activity, nutrition, mental health/counseling. This program provides an opportunity for the District to serve 20,000 children and their families living in the District.

Ms. Fama then invited **Millbrae Superintendent Linda Luna** to speak. **Superintendent Luna** offered her full support of this initiative; described the needs in her schools; and, shared her firsthand experience from her previous work in the Stockton area where a similar program was established in partnership with St. Joseph's Hospital. She described how impactful it was and how they were able to grow grassroots support and attract other funding sources. Today, 12 years later, the program is thriving and self-sustaining.

Principal Leslie Martin from Taylor Middle School in Millbrae was then invited to comment. Dr. Martin started in Millbrae in September 2011. Previously she worked in the San Carlos School District and was that District's Wellness Coordinator, charged with serving as their liaison to the Sequoia Healthcare District's Healthy Schools Program launched in 2010. She described her role and shared the broad range of programs and services she was able to develop, expand and coordinate from counseling and nutrition classes to the County's Safe Walk to Schools Program. **Director Newman** asked if the programs set goals. **Dr. Martin** responded affirmatively and shared some of the measures used to track progress.

Vice-Chair Navarro and Director Galligan spoke in favor of the District supporting programs that bring health and healthy habits to school age children, noting that prevention and healthy habits are the key to improving the health status of our community.

Ms. Fama stated the Action requested of the Board is to approve the concept of funding this program as a major, strategic, three-year investment. With that approval, she will continue her work with the Superintendents and develop a business plan and budget to be presented at the February 23, 2012 Board meeting with the goal of receiving final Board determination in time for inclusion into the school districts' and PHCD budgets for FY 2012.

PUBLIC COMMENT: **Ms. Giorni** said she was all for any program that could help the schools and thought the Board should go forth and approve the idea.

There being no further questions or comments, **Vice-Chair Navarro** called the question.

VICE-CHAIR NAVARRO MOVED AND DIRECTOR GALLIGAN SECONDED THE MOTION TO APPROVE THE PROPOSAL TO DEVELOP AND IMPLEMENT A HEALTHY SCHOOL INITIATIVE AND PROGRAM TO BE PRESENTED AT THE FEBRUARY 2013 BOARD MEETING. THE MOTION CARRIED UNANIMOUSLY.

- C. Proposal to engage Cain Bros.:** **Ms. Fama** referenced the proposed Cain Bros. Engagement Letter distributed at the start of the meeting. She was requesting approval to retain the services of Bill Pomeranz of Cain Bros. to assist the District with an accelerated, two-phased process to build upon the past year's work and to continue the momentum on the Board's decision to develop an assisted living and memory care facility at 1600 Trousdale. Mr. Pomeranz is a nationally recognized expert in the senior housing and financing arena. Most recently he headed up the MPHS RFP process in their search for a new operator for their SNF on Trousdale. He has met with and reported to the Board's Long Term Planning Committee on senior housing trends, models, and financing structures. Phase 1 would be "Assessment and Transaction" – which involves confirming massing and square footage capacity under current zoning, preliminary responses from Burlingame land use staff, budget projections, etc. and would result in a detailed RFP proposal package. Phase 2 would be assisting the CEO with managing the RFP process, selecting a finalist, conducting due diligence, and drafting a Letter of Intent. The Engagement Letter also proposes a Phase 3 which is optional. Compensation would be a \$15,000 monthly retainer for 6 months with an incentive bonus if work is completed within 4 months of signing. Both the District and Cain Bros. can terminate this agreement upon written notice.

Vice-Chair Navarro asked if Chair Ulyot and Director Cappel support the proposal. **Ms. Fama** responded affirmatively adding that it was at the October 25th Long Term Planning Committee meeting, after Mr. Pomeranz presented, that both Directors Ulyot and Cappel requested such a proposal from Mr. Pomeranz. The Letter was also reviewed by Counsel.

Director Newman expressed his support of the Letter.

PUBLIC COMMENT: **Ms. Giorni** said she also approved.

VICE-CHAIR NAVARRO MOVED AND DIRECTOR GALLIGAN SECONDED THE MOTION TO APPROVE THE LETTER OF ENGAGEMENT WITH CAIN BROTHERS AS SUBMITTED, FOR PHASE 1 & 2 OF THE SENIOR HOUSING CAMPUS DEVELOPMENT AT 1600 TROUSDALE. THE MOTION CARRIED UNANIMOUSLY.

- 7. CEO REPORT, Cheryl Fama:** **CEO Fama** referenced the summary report distributed with the meeting materials.
- She reiterated the date and plan for the Board's 4th annual community partners meeting 1/26/12.
 - She provided updated information on Adult Day Health funding by the State. It will not terminate in December 2011 as planned; funding is extended to February 2012.

8. OLD BUSINESS:

A. Peninsula Guardians, Inc. vs. PHCD – Appellate Court Ruling:

Ms. Fama reported. On October 21, 2011, the Court of Appeal ruled the District's materials mailed out prior to the Measure V ballot in August 2006, were informational and not campaign materials and therefore, did not violate the constitutional restrictions on government speech. Ms. Fama referenced the *Summary of Court of Appeal Decision* that was written by Mark Olsen of Archer Norris and distributed previously in the meeting materials. It provided a more thorough explanation of the ruling.

10. CORRESPONDENCE/MEDIA:

Of note was the 11/4/11 San Mateo Daily Journal article on the Appellate Court Ruling discussed earlier.

11. ADJOURNMENT:

There being no further business, the meeting was adjourned at 19:16 hours.

By:

Kelly Molloy, Community Outreach Coordinator

Approved:

Helen C. Galligan, Secretary

Daniel J. Ulliot, M.D., Chair