



Peninsula Health Care District

BOARD OF DIRECTORS REGULAR MEETING Thursday, June 25, 2009

The Board of Directors of the Peninsula Health Care District was called to order on Thursday, June 25, 2009 at 17:00 hours at the Peninsula Health Care District Office, 1600 Trousdale Drive, Burlingame, CA.

ROLL CALL: On roll call there were present Dan Ullyot, MD Chair, Don Newman, MD, Past Chair, and Larry Cappel, PhD, Director. **Absent:** Helen Galligan, RN, Secretary and Rick Navarro, Vice-Chair.

Also present were: Cheryl A. Fama, Chief Executive Officer, Colin Coffey, General Legal Counsel, and Jan Matejcek, District Administrative Assistant.

CONSENT CALENDAR: The Consent Calendar consisting of the minutes for the May 28, 2009 Regular Meeting, May 28, 2009 Closed Session Meeting and the unaudited Financial Statements for May 2009 were presented.

DIRECTOR NEWMAN MOVED AND DIRECTOR CAPPEL SECONDED THE MOTION TO APPROVE THE CONSENT CALENDAR. THE MOTION CARRIED UNANIMOUSLY.

ADMINISTRATION OF THE OATH OF OFFICE: Chair Ullyot invited Ms. Barbara Cappel to come up and do the honors. Lawrence W. Cappel, PhD, appointed by the Board to fill the remaining term of Susan S. Smith, was sworn in as the new Director by his wife, Barbara Cappel. Chair Ullyot welcomed him to the Board. **Ms. Fama** noted that the notarized Oath of Office was administered on June 9, 2009, well before the appointment deadline.

COMMUNITY EDUCATION:

Palcare Nutrition Program – Lisa Kiesselbach, Executive Director

Chair Ullyot introduced Lisa Kiesselbach. **Ms. Kiesselbach** opened by thanking the Board for the opportunity to present and complimented the District on its Website, explaining that her final report for her recently completed Master's degree was on grant writing; she used the District Website as a model which was very helpful. **Ms. Kiesselbach** then distributed copies of her presentation for all present. (A copy is appended to and made part of these minutes.) She provided background on Palcare: its history and mission, and then focused on its Nutrition Program, which was a recipient of a District FY 09 grant... The program provides two hot meals a day to all of the children enrolled and while only about 35% of Palcare's children come from low-income families, all children need and receive the hot meals. "Chefables" was chosen to supply the food because everything is tasty, healthy and fresh. The Nutrition Program runs \$13,000 per month; however, Palcare leadership is committed to the program because it goes

beyond just eating. The children are taught to participate in the preparation, setting the table, and the important socialization aspects of eating together. She then opened to questions.

Ruth Jacobs, Burlingame asked how many of the young children (3-months) can be taken in any month. **Ms. Kiesselbach** responded they have one classroom dedicated to infants with a maximum capacity of sixteen. Since Palcare's hours go from 6:30 AM until 11:00 PM, there is the possibility of having two shifts of infants every day.

Ms. Jacobs asked if they were mainly the children of Airport employees. **Ms. Kiesselbach** responded that their biggest contract is still with the SF Airport; their second biggest partner is Mills-Peninsula. The current waiting list is predominantly Mills-Peninsula employees. Priority is given to employer partners and parents with other children in Palcare. Without priority, the wait is two to three years.

Chair Ulyot asked how much time the children spend under her supervision. **Ms. Kiesselbach** responded that Palcare has flexible scheduling to meet the needs of the parents.

Ms. Jacobs asked if Ms. Kiesselbach knew that Palcare had a very good reputation and she responded affirmatively.

Ms. Giorni, Burlingame commented she was very impressed with their nutrition program.

Ms. Fama acknowledged **John Delaney**, Palcare Board member present in the audience.

Chair Ulyot thanked Ms. Kiesselbach for her presentation. He then noted that Dr. Giamonna had not arrived yet and he would continue on with the Board meeting until she arrives.

ORAL COMMUNICATIONS: None were offered.

COMMITTEE REPORTS:

Long Term Planning, Dr. Navarro, Chair

In Director Navarro's absence, **Ms. Fama** reported on a request to support the recruitment efforts of Dr. Bruce Allen, a premier Surgeon in the area, in bringing a female Oncological Surgeon with phenomenal credentials to the mid-Peninsula. Through its Physician Recruitment program, the District's goal is to secure and retain the specialties needed for our community. She then reported on the status of committee member recruitment activities.

Community Health Investment, Ms. Galligan, Chair

In Ms. Galligan's absence, **Ms. Fama** reported on three issues: committee member recruitment is in process to fill the two seats vacated by Supervisor Groom and new Director Cappel; \$2500 was approved, out of the normal cycle, for a current RN loan recipient who needed an additional semester at USF to complete her course work; and lastly, she reported that the total dollars awarded to grant recipients in FY 2009 will not hit the budgeted \$2M because the Community Health Network for the Underserved (CHNU) OB Project is finalizing its infrastructure and has not drawn upon the \$185,000 approved for this fiscal year. CHNU is projecting that the program should be up and running by September 2009.

Sutter Health Oversight Committee, Dr. Newman, Chair

Director Newman filed his report from the Hospital Building Committee stating that we are actually seeing the end of the building phase for the new hospital project. All construction should be completed by next year. There are three phases to this project. One is the building phase,

which is 148 days behind. Second is the financial phase which is within \$500,000 of target, but way over the original figure. The third phase is the actual move in of furniture, technology, etc. **Director Newman** affirmed that it will be a state-of-the-art facility; truly an asset to the community. He then noted some controversy that has come to the Board's attention about the new hospital only having single patient rooms. He stated that this is the future of hospitals and noted that the hospital wards of the past, housing 20 or 30 patients, was a primitive way to run a hospital. The new electronic health record (EHR) was discussed. **Director Newman** commented that, while electronic health records seem to be an important advancement, there are some issues which don't get fully discussed and there may be problems in the future, but if it stops medication errors and improves communication between physicians it will be a boon to health care.

Ruth Jacobs, Burlingame asked if the new hospital only having single-patient rooms would exclude certain patients from being able use this hospital. **Director Newman** responded that the single-patient room has nothing to do with being able to afford this hospital. They may not have appropriate coverage, but that is another issue. He reiterated that in the future single-bed rooms will be the standard.

Pat Giorni, Burlingame, stated she heard there were a couple of glitches with the new EHR and asked Director Newman if there was anything he could elaborate on and if there was any breach of privacy issues. **Director Newman** responded that with paper or electronic records there was always a concern about privacy and the hospital is putting in security measures to prevent any breach. **Chair Ulyot** noted that the issues with the EHR system were due to the learning curve of the new system and **Director Newman** agreed.

Chair Ulyot reported on the Mitigation Monitoring Panel which meets regularly to listen to the concerns of neighbors who are in direct proximity to the construction. When the new hospital opens in 2010 the old hospital will be demolished and the question at hand is what is the District going to do with that land? **Chair Ulyot** stated that the District is in a long term process of developing its land and has made no decisions at this time.

Ruth Jacobs, Burlingame asked about possible senior housing being built on that land. **Chair Ulyot** responded there are all kinds of needs and good opportunities, such as senior housing, and the Board wants to take a thoughtful, open look at what would be best to do with the land.

COMMUNITY EDUCATION (Continued) **Chair Ulyot** noted that Dr. Mary Giamonna had arrived and that this would be a good place to go back to Community Education. He introduced **Dr. Giamonna, Medical Director, Health Plan of San Mateo (HPSM)**

SHAPEDOWN Childhood Obesity Program

Dr. Giamonna opened by noting that she understood the meeting start time to be 17:45 hours and apologized for being late. She then introduced her co-worker **Liliana Ramirez, Lead Health Educator for Childhood Obesity** and the SHAPEDOWN Program that Dr. Giamonna is here tonight to discuss. The HPSM was initially attracted to the SHAPEDOWN Program because it is one of very few that has been studied and shown to work. It is a weight management program for obese children ages 6-18 that was developed by a nutritionist and faculty member at UCSF.

HPSM has offered this program in English for 10-15 years and it works, but the teaching materials did not work for Latino families where the parents speak only Spanish and English was

a second language for the children. This was a challenge for HPSM as it covers a high number of Spanish speaking families with obesity issues. The statistics place Latinos right after Asian Pacific Islanders as the most obese population, and almost one-half of Latino children in our community are overweight. The SHAPEDOWN Program includes 6-8 weeks of weekly classes about food which is taught by two teachers and a nutritionist. The teaching materials are an integral part of the program and include four books for the different age ranges, and two for the parents of different age ranges. [A set of books was passed around the audience.] **Dr. Giamonna** then shared the saga of taking the idea of a Spanish language SHAPEDOWN Program from concept to reality. The journey was over two years long due to the challenges of securing funding, printing, and professional, technical, translation services. She noted that the District's \$50,000 grant was given early in the process and was very helpful in soliciting funding from the Sequoia Healthcare District. The first Spanish SHAPEDOWN Program was launched in May 2009 at the Willow Clinic. HPSM has received many inquiries about using the materials and so it looks like the translated edition has the potential for extending the program around the country. **Dr. Giamonna** presented the District with a set of SHAPEDOWN in Spanish books and opened for questions.

Chair Ulyot asked what the incentive for the children to participate was. Are you preparing a group of leaders in their age group to then go out and tell other kids? Basically, what are the dimensions of this program? **Dr. Giamonna** responded kids are referred to the program by their physicians and then the structure of the program attracts and retains the kids' interest by serving healthy foods, playing games and singing songs that reinforce learning, as well as, age-specific discussion groups to talk about their weight.

Director Cappel asked if the Program is open to only Health Plan of San Mateo referrals. **Dr. Giamonna** responded yes. He then asked if HPSM would consider opening up to a larger population since obesity is not just centered in the Health Plan of San Mateo. **Dr. Giamonna** responded that the HPSM covers all low income children in San Mateo County through Medi-Cal, Healthy Families and Healthy Kids. This represents a very broad coverage area; also, because the class is so intense, they can only take ten children at a time.

Director Cappel commented it was too bad the State hadn't done something like this earlier and suggested that school districts might be interested in learning about this program.

Chair Ulyot, noting that there were no further questions, thanked Dr. Giamonna for her presentation. He then asked that the minutes reflect that **Vice-Chair Navarro** arrived at 17:45 hours.

CEO REPORT, Ms. Fama:

- **Borel Private Bank and Trust Checking Account:** Ms. Fama reported that she was in the process of opening a checking account for routine operating business at Borel Private Bank and Trust headquartered in San Mateo. This decision was driven by a desire to work with an organization and staff in our local community. Our current bank is Bank of America. Our service representative is in Sacramento, the transaction representative is in LaBrea, and the branch address on our checks is in Walnut Creek. Borel has a strong reputation for personalized customer service, as well as, a track record of investing in the

broader health of the community. Due diligence prior to initiating this process included support from former Treasurer Smith and Chair Ulliyot, and consultation with Legal Counsel, Colin Coffey relative to compliance with public agency code, and Financial Advisor, Gary Hicks relative to Boral's ratings to confirm financial stability and strength.

- **AB646:** The Swanson bill, which would allow healthcare districts to hire physicians, will be heard at the Senate Committee on Business Professions and Economic Development on June 29th. Ms. Fama explained that this is critical for many rural districts that operate hospitals and find it nearly impossible to recruit and retain the medical specialties they need. It also would provide greater flexibility to our District in addressing physician needs.
- **Community Activities Report (Summary in Board packet):**
 - Correction to distributed report –The 6/22 Healthy Community Collaborative meeting was postponed until August.
 - Leadership San Mateo Graduation was 6/9; she introduced two fellow graduates present –Kathryn Haysbert, VP of Services, NAACP and John Delaney, VP Borel Bank, who was introduced earlier as a Palcare Board member.
 - Board Committee recruitment activities: The plan is to have committee members and meeting dates set and published by next meeting – maybe even a few committee reports by then.
 - Special Districts Association Governance Institute. Ms. Fama has now attended two of the three in the credential program: Administrative and Governance. The third on Finance is scheduled for October in San Diego and she highly recommends the programs to Directors. Useful resource manuals are provided and available for review in the District office.
 - “District in the news” – The SF Business Times ran Director Cappel’s announcement. On the Business Times’ *Largest Law Firms in the East Bay*, our legal firm, Archer Norris is number 3, and *Largest Accounting Firms in the Bay Area*, our audit firm Vavrinek, Trine, Day & Co. is number 35.
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- **CalPERS Health Plan**-Ms. Fama just received an announcement that the CalPERS rates are going to increase the lowest amount in fourteen years. That is an increase in the HMO Plan of 3.3% and an increase in the PPO Plan of 3.4% and in this arena that’s a modest increase. This reinforces the Board’s decision to switch from California Choice to CalPERS.

OLD BUSINESS:

San Mateo County BOS Finance and Operations Committee 6/17/09:

Ms. Fama referenced the Alan Biller Report – Lehman Analysis and Investment Function Review memo prepared for the Finance and Operations Committee meeting and included in the Board’s packet. The report and recommendations were presented and approved at the June 17th meeting of the Finance and Operations Committee. In summary, no wrong doing or inappropriate conduct was found. Recommendations focused on additional oversight and the feasibility of

hiring an independent money manager. Bottom line, it was concluded that Lehmann Bros. was a rare occurrence that could not have been anticipated and not a function of a poor Investment Policy or lack of attention. There will be some revisions to the County Investment Policy, which has not been published yet. When available, it will be reviewed for any potential impact on the District's policy.

NEW BUSINESS:

Chair Ullyot stated he is delighted to have Larry Cappel join the Board, and that his joining triggers our By Law requirement to review the committee structure and appointments.

Chair Ullyot stated he would like to go on record that the committee structure is being reconsidered and he will report on this at the next meeting.

CORRESPONDENCE:

Chair Ullyot referred to the material in the packet and asked if any needed comment. No comments were offered.

ADJOURNMENT:

Chair Ullyot invited everyone to a reception, to welcome Director Cappel, in the District Office immediately following the meeting. The meeting was adjourned by **Chair Ullyot** at 18:05 hours.

By:

Jan Matejcik, Administrative Assistant

Approved:

Helen C. Galligan, Secretary

Daniel J. Ullyot, M.D., Chair