



# REGULAR MEETING OF THE BOARD OF DIRECTORS

## MINUTES

Tuesday, February 24, 2015 at 4 p.m.  
Tahoe Truckee Unified School District (TTUSD) Office  
11603 Donner Pass Rd, Truckee, CA

### 1. **CALL TO ORDER**

Meeting called to order at 4:00 p.m.

### 2. **ROLL CALL**

Board: Karen Sessler, President; Chuck Zipkin, Vice President; Greg Jellinek, Secretary; Dale Chamblin, Treasurer; John Mohun, Director

Staff: Virginia Razo, *Interim* Chief Executive Officer; Crystal Betts, Chief Financial Officer; Jayne O'Flanagan, Director Human Resources; Patricia Barrett, Clerk of the Board

Other: Steve Gross, General Counsel; John Hawkins

### 3. **CLEAR THE AGENDA/ITEMS NOT ON THE POSTED AGENDA**

No Changes to items 1 – 7.

### 4. **INPUT AUDIENCE:**

None.

### 5. **DESIGNATE MEDICAL OFFICE BUILDING SUITE 210 REAL PROPERTY NEGOTIATOR(S)**

Chief Facilities Development Officer, Rick McConnell, shared with the Board that Dr. Kitts has indicated an interest in selling his Medical Office Building suite #210. Mr. McConnell requested that he be designated as real property negotiator.

General Counsel provided background related to the purpose of appointing a negotiation, noting that the Board is not committing to anything by doing so.

**ACTION: Motion made by Director Zipkin, seconded by Director Jellinek, to designate Rick McConnell as Medical Office Building Suite 210 Real Property Negotiator. Roll call vote taken. Approved unanimously.**

*Meeting adjourned at 4:05 p.m.*

### 6. **CLOSED SESSION:**

Discussion held on privileged matters.

### 7. **DINNER BREAK**

**APPROXIMATELY 6:00 P.M.**

### 8. **OPEN SESSION – CALL TO ORDER**

*Meeting reconvened at 6:03 p.m.*

**9. CLEAR THE AGENDA/ITEMS NOT ON THE POSTED AGENDA**

**ACTION: Motion made by Director Zipkin, seconded by Director Jellinek, to approve the agenda as posted. Roll call vote taken. Approved unanimously.**

**10. INPUT – AUDIENCE**

Community member addressed the Board related to a survey she received dated February 12 and signed by Mr. Schapper. Concern was expressed regarding the content of the questions and that Mr. Schapper's signature was used after his date of departure. A copy of the written statement will be provided to the Clerk of the Board.

Dennis Chez, addressed the Board related to the issues presented at the last board meeting. Dr. Chez shared that at 3pm [the date of this board meeting] that he received a hand delivered letter from the interim CEO related to a new policy pertaining to freedom of choice by patients. Dr. Chez expressed that a change in CEO was all it took to have the issue addressed and thanked the Board.

Pete Rivera addressed the Board related to agendas. Mr. Rivera stated that the praise of the former CEO should have been stopped at the last meeting as it was not included on the agenda; adding that if the Board cannot run the meeting the way it should be run, the issue should be addressed.

Director Sessler shared that the Board conducts a board self assessment at the end each meeting. One of the goals of the Board is to improve community involvement. One of the places that much of the work gets done is in board committee. No action is taken at the committee level, but recommendations are made to the Board. The committee schedule and agendas will be posted on the TFHD.com website. The Board invites and welcomes the community to attend the committee meetings.

A summary of agenda topics for this evening's Board meeting was provided by Director Sessler.

**11. INPUT FROM EMPLOYEE ASSOCIATIONS**

None.

**12. MEDICAL STAFF REPORT**

**12.1. Approval of the Medical Staff Consent Agenda**

Dr. Dodd provided a summary of the February MEC meeting. Consent items included policy and procedure items presented for approval.

At the request of Director Mohun, Dr. Dodd provided some background related to the Orthopedic Advisory Committee.

**ACTION: Motion made by Director Zipkin, seconded by Director Mohun, to approve Medical Staff Consent items as presented. Roll call vote taken. Approved unanimously.**

**13. CONSENT CALENDAR:**

These items were routine and non-controversial.

**13.1. Approval of Minutes of Meetings:**

01/08/2015, 01/13/2015, 01/26/2015, and 1/27/2015

**ACTION: Motion made by Director Jellinek, seconded by Director Mohun, to approve consent item 13.1. Roll call vote taken. Approved unanimously.**

**13.2. Financial Report: January 2015 Financials**

At the request of Director Chamblin the Financial Report was pulled from the Consent Agenda for discussion. Director Chamblin stated that despite the weak winter season, the District has a positive financial report. Director Mohun asked for clarification related to the professional fee amounts. The CFO provided clarification and reviewed steps being taken to curtail this area.

Community member, Gaylan Larson, addressed the Board. Mr. Larson attended the February Board Finance Committee meeting and commented on his observations related to Multi-specialty Clinics (MSC). Mr. Larson provided a summary of what he understands triggered the development of the MSC formula and his conclusion that the hospital probably incurred losses as a result of the MSC but increased business. Mr. Larson believes the practice is a serious problem and needs to be corrected.

Community member, Jack Cashton, asked that clarifications be sought related to the whether under the district law, the contracts that provide incentive used to recruit and retain physicians have a 3 year maximum term.

**ACTION: Motion made by Director Chamblin, seconded by Director Mohun, to approve consent items 13.2. Roll call vote taken. Approved unanimously.**

**13.3. Contracts:**

At the request of Director Mohun all contracts were pulled from the Consent agenda for discussion.

Director Sessler indicated she would recuse herself from the discussion related to Dr. Barta's contract due to the potential of a perceived conflict.

**13.3.1. New**

- a. *Krause\_Rural PRIME Site Clerkship Director*
- b. *Krause\_Rural PRIME Site Medical Director*
- c. *Samelson\_PSA Medical Director Medical Education Committee*

**13.3.2. Auto Renew**

- a. *Brown\_Medical Director Pediatric Health Clinic*

**13.3.3. Amendment**

- a. *Barta\_Tahoe Center for Health and Sports Performance  
Diabetes Medical Director*

Director Mohun applauded Management for development of the contract routing form. A review of the routing form was provided by Director Mohun. Calling attention to policy ABD-21 referenced on the contract routing form, Director Mohun indicated that all professional services agreements (PSA) will be developed between the District CEO and the health professional, and the health professional will sign the contracts prior to presenting for approval to the Board.

Director Sessler provided background as discussed in the Governance Committee. The interim CEO indicated the District is in the process of complying with the policy as stated.

Director Mohun expressed concerns related to the sign off of FMV and Commercial Reasonableness as he did not recognize the initials of the signer and requested to be provided the supporting documentation confirming the contracts are within FMV and commercially reasonable.

Discussion took place regarding contracts that go into effect prior to the next board meeting. It was agreed that if a special meeting is required to revisit the contracts presented for approval, the Board would be in favor of a special meeting.

Director Zipkin indicated he has issues with the language of certain contracts. Specifically, the contract language related to unrestricted privileges. The Interim CEO provided background related to the Krause contract, indicating that Dr. Krause declined to continue certain privileges but retains other privileges related to his contract. Director Zipkin noted that language in Dr. Samelson's contract pertaining to quality review as a purpose of a medical education director needs to be removed.

A question was presented related to Dr. Brown's contract signature date reflected in the contract provided for review. Clarification was provided regarding how auto renew contracts are processed.

Discussion took place related to the insurance provision in contracts. The Interim CEO indicated that the verbiage would have been provided by an attorney. Staff will review language to ensure accuracy and consistency.

**ACTION: Motion made by Director Jellinek, seconded by Director Mohun, to have contracts made fully compliant with policy ABD-21 and resubmitted to the Board for approval. Roll call vote taken. Approved unanimously.**

#### **14. ITEMS FOR BOARD DISCUSSION AND/OR ACTION**

##### **14.1. Patient and Family Center Care**

Dr. Standteiner introduced the Patient and Family Center Care (PFCC) team including, Tammy Melrose, Eileen Knudsen and Trish Foley. Dr. Standteiner provided an overview of the PFCC model. Tammy Melrose reviewed the patient and family centered principles.

Trish Foley provided background related to the Patient and Family Advisory Council representing a collective voice of patients, patient families, staff and administrative representative.

The PFCC team would like approval of the PFAC charter. If approved, the PFCC team will work with management to develop a budget for consideration into the next fiscal year. Budget considerations may consist of: additional staff hours, funds to support PFAC meetings, and annual PFCC conference attendance/reimbursement.

Discussion took place related to the presence of this process or councils thorough the industry. It was shared that this international program has been progressing over the last ten years, but has become more prominent over the last couple of years.

Director Zipkin asked for clarification related to ensuring HIPAA compliance with the participants. The team was recognized for their efforts.

**ACTION: Motion made by Director Mohun, seconded by Director Zipkin, to approve the PFAC charter as presented. Roll call vote taken. Approved unanimously.**

#### **14.2. Wellness Neighborhood**

Caroline Ford addressed the Board regarding requested approval of proposed Community Health Priority Issues and Community Health Improvement planning work by the Wellness Neighborhood and Community Health Programs.

Major findings necessitating either corrective action or attention included:

- High rates of alcohol consumption
- Prescription drug misuse
- Access to and availability of mental health services
- Health care costs and affordability
- Oral health care access barriers
- Vaccination rates among adults and children
- Access to care ethnic disparities
- Transportation to services

Ms. Ford reviewed some disturbing trends related to youth and substance use gathered during the survey.

Assessment findings and clarifications leading to board recommendation of 2015 priority health issues include:

- Optimizing Community Health
- Substance Use and Abuse
- Mental/Behavioral Health
- Access to Care and Preventive/Primary Health Services

Director Sessler asked Ms. Ford to expand on the concept of collective impact.

Five major pieces of the collective impact approach that resonate with the work of the wellness neighborhood were reviewed.

Director Sessler summarized the requested approval item presented to the Board and confirmed that the intent is to have TFHD identified as a backbone organization.

Director Zipkin recognized Ms. Ford and her team for their efforts. Director Mohun inquired about the buy-in by the medical community. Dissemination of the information is complex and will require more one on one communication. Members of medical staff are very supportive and have started some related initiatives on their own.

Director Chamblin inquired about strategies adopted by other community to address these issues. Ms. Ford and Ms. Knudsen are reviewing this area and will be attending a quality conference to engage with others working on similar initiatives.

Director Jellinek requested feedback related to whether there is a recognizable correlation between the substance use and mental health issues identified. Feedback was provided related to self injury paired up with alcohol or drug use; the Board was referred to the mental health report included as part of the needs assessment for additional data.

Director Sessler acknowledged the work done by Ms. Ford and her team in identifying the four key priorities.

**ACTION: Motion made by Director Mohun, seconded by Director Zipkin, to approve the priority health issue umbrellas of: Optimizing Community Health, Substance Use and Abuse, Mental/Behavioral Health, and Access to Care and Preventive/Primary Health Services as the focus of the 2015 Community Health Improvement Plan. Roll call vote taken. Approved unanimously.**

Discussion took place regarding next Wellness Neighborhood presentation.

### **14.3. Board Education**

#### **14.3.1. Co-Management Agreements**

John Hawkins introduced himself to the Board and provided background related to his knowledge of the area and TFHD.

TFHD's management team continues to explore contractual arrangements with physicians to achieve the Institute for Healthcare Improvement's Triple Aim for the health care industry; improved quality and patient satisfaction, improved access and reduced costs. While most states allow for direct hospital employment of physicians, California does not.

Mr. Hawkins provided an overview of what Co-Management Agreements are, and how hospitals have used them to align hospital and physicians around common goals.

**Director Mohun departed the meeting at 8:10 p.m.**

**Director Mohun rejoined the meeting at 8:13 p.m.**

The idea of Alignment refers to the ability of Hospitals and Physicians to pursue common goals while limiting conflicts of interest, lack of trust or other impediments to success.

For Physicians, participation as co-managers provide them a means to supplement declining reimbursement and to have a greater voice in the operation of Orthopedic Service Line related to their particular field of expertise.

For Hospitals, they gain from this expertise as well by granting the physicians greater responsibility for the oversight of work done at the hospital resulting in motivating staff and implementing new procedures for insuring efficient, high quality of care.

Discussion took place regarding co-management agreements and incorporated physician incentives. Dr. Dodd addressed the quality metrics included in the agreement.

Discussion took place related to the management component of the agreement. Physicians are the leaders, but are not managers in this arrangement. HCAHPS are part of the pay for performance. An example of physician payment of incentive compensation under a co-management agreement was reviewed. Data mining would be the responsibility of the hospital. A review of the payment criteria was provided.

A summary of how an orthopedic co-management agreement may work was provided.

- Co-management is designed to manage and improve quality and efficiency in the Orthopedic Service Line.
- The agreement provides for a base payment consistent with Fair Market Value “FMV” on the time the orthopedist dedicates to service line management, development, implementation and oversight.
- The agreement also provides bonus payments of pre determined amounts for meeting specific and measurable quality improvement and efficiency goals. These goals are called “Performance Measurements.”
- Base payments are generally paid monthly whereas the incentive payment is paid 90 days after the Term of the agreement ends. Usually, term is for 12 months.

Director Sessler inquired about Mr. Hawkins’ experience in response to physicians who are not participating in co-management agreements. Mr. Hawkins indicated that specialties are easy to do, but Primary Care is all over the board which makes it challenging.

Discussion took place related to whether there are conflicts with co-management agreements.

Discussion took place related to the contractual arrangement and whether payor agreements will need to be renegotiated.

**Director Zipkin departed the meeting at 8:41 p.m.**

**Director Zipkin rejoined the meeting at 8:43 p.m.**

TFHD service line administrator is well placed with both clinical and administrative background.

It was noted that the key is to craft an agreement that is clear to all parties related to metrics. The agreement delineates the benefits from the costs; there are opportunities for hard and soft revenue.

## **15. PRESENTATIONS/STAFF REPORTS [potential action items]**

### **15.1. Citizen's Oversight Committee Annual Report and Amended Bylaws**

Gerald Herrick, Chair of the Citizen's Oversight Committee, presented the Citizens Oversight Committee (COC), annual report of its activities during the year. This annual reporting is required per the COC Bylaws established by the Tahoe Forest Hospital District Board of Directors.

Included in the report are:

- A statement indicating whether the District is in compliance with the letter and intent of Measure C
- A summary of the Committee's proceedings and activities for the preceding year

The COC believes that the District is in compliance with the letter and intent of Measure C based on the detailed oversight exerted during the past year.

A request to approved amendment to the COC Bylaws was presented. The Committee is required to remain as a committee until all dollars are spent. The committee has asked the Board to amend the COC Bylaws so that the current Chair and Vice Chair can remain in their offices until the project is wrapped up.

**ACTION: Motion made by Director Mohun, seconded by Director Sessler, to modify the bylaws to extend the term limitation to three terms instead of two. Roll call vote taken. Approved unanimously.**

Mr. Herrick recognized staff for helping the project to be successful; specifically, Ted Owens, Crystal Betts, Carey Hood and Bob Schapper.

### **15.2. Facilities Development Plan Quarterly Update**

The Chief Facilities Development Officer and Mike Genet, Construction Manager, presented a quarterly update of the Facilities Development Plan including the status of current capital projects.



The quarterly update prepared on September 30, 2014 was scheduled to be presented to the Board at the December 2014 meeting and was deferred to February 2015 meeting.

The quarterly update of the Facilities Development Plan (FDP) includes updates pertaining to the Measure C Projects and related Owner and Regulatory Scope Modifications.  
No construction disputes are pending.

Clarification was provided related to scope modification.

The next update will be provided at the March 31, 2015 meeting of the Board of Directors.

## **16. STRATEGIC INITIATIVE UPDATE**

Director Sessler shared that this part of the meeting had previously been listed as the various Chiefs' reports and has been re-crafted to have the data more closely tie to the strategic initiatives of the District.

A review of the strategic plan to identify key priorities for the interim CEO will take place at the board retreat. A more robust review would be best delayed until the long-term CEO is identified and would include engagement of medical staff related to future services that will benefit the community.

The interim CEO is working with the Director of Marketing to update the current strategic plan to identify the status of each goal to date.

## **17. BOARD COMMITTEE REPORTS/RECOMMENDATIONS[potential action items]**

### **17.1. Community Benefit Committee – No Meeting**

### **17.2. Finance Committee Meeting – 02/23/15**

The CFO provided an update related to the GO bond sale. The bond will be fully closed on March 9<sup>th</sup> and the CFO will work with Marketing to craft communication for the community.

### **17.3. Governance Committee Meeting – 02/13/15**

Director Sessler provided an update from the Governance Committee.

#### **17.3.1. Board Draft Goals**

An updated draft grid reflecting board goals was provided to the Board for reference. Goals will be discussed in detail at the board retreat.

#### **17.3.2. Board Retreat Planning**

Tentative dates for the retreat are March 16 – 17, 2015; no over-night planned.

The retreat will be at a different location within the District and held as an open public meeting. The retreat is a workshop for the Board and public can attend to observe but are not intended to be participants. Director of Community Development shared that the notification of the board retreat would be handled through the usual meeting posting process.

Request made by Director Mohun to consider changing the dates to March 17 -18, 2015 as he has a conflict on the 16<sup>th</sup>.

Draft retreat priorities were reviewed by Director Sessler.

### **17.4. Personnel/Retirement Committee Meeting – No meeting**

**17.5. Quality Committee – 02/10/15**

Director Jellinek provided an update from the Quality Committee meeting. Director Jellinek shared with the Board that a link to a video related to the PFCC will be provided to the board for viewing.

**18. AGENDA INPUT FOR UPCOMING COMMITTEE MEETINGS**

Director Mohun shared that he has been appointed to the Orthopedic Advisory Council (OAC) and there is benefit to consider having two board members assigned to this committee. Director Mohun would further recommend a report out to the Board on a set schedule. Director Mohun thanked Dr. Dodd and the OAC for the work done by the group.

Discussion took place related to having the other non-board committees on which there are board representatives present to the Board on the activities of their committees.

**19. ITEMS FOR NEXT MEETING**

a) **Radiology Contract**

The interim CEO provided an update related to the work being done to prepare for presentation to the Board noting that she is not confident that the work will be done in time for the March meeting.

Consideration will be given to including contract review as part of the retreat agenda as this would preclude the Board from having to call a special meeting prior to the retreat.

It was restated that the results of the employee survey will go first to the Personnel Committee prior to rolling up to the Board.

**20. BOARD MEMBERS REPORTS/CLOSING REMARKS**

ACHD legislative day is April 13 -14. Board members interested in attending are directed to coordinate with Director of Community Development.

**Meeting recessed at 9:34 p.m.**

**21. CLOSED SESSION CONTINUED, IF NECESSARY**

**22. OPEN SESSION**

**Open session reconvened at 10:47 p.m.**

**23. REPORT OF ACTIONS TAKEN IN CLOSED SESSION**

The Board authorized the law firm of Porter Simon to engage an outside investigator to investigate a complaint.

**24. MEETING EFFECTIVENESS ASSESSMENT**

The Board will identify and discuss any occurrences during the meeting that impacted the effectiveness and value of the meeting.

**25. ADJOURN**

**Meeting adjourned at 10:47 p.m.**