San Joaquin General Hospital
Interim Board of Trustees

AGENDA

Wednesday March 13, 2013
4:30 p.m.

Health Plan of San Joaquin
7751 South Manthey Road
French Camp, CA 95231

1. Call to Order & Roll Call Supervisor Bestolarides

2. Approval of February 13, 2013 Interim Board of Trustees Meeting Minutes Supervisor Bestolarides

3. Executive and Finance Committee Report of March 7, 2013 Meeting Bill Jeffery
   A. Strategic and Capital Planning Options

4. Chief Executive Officer Report David Culberson
   A. Level III Trauma Program Survey
   B. Chief Medical Officer and Chief Financial Officer Recruitments
   C. EMTALA Update and Action Plan
   D. OSHPD Project Update

5. Public Comments

6. Trustee Comments

7. Adjournment to Wednesday, April 10, 2013, 4:30 p.m. Supervisor Bestolarides

Note: If you need disability-related modification or accommodation in order to participate in this meeting, please contact the Clerk of the Health Commission at (209) 461-2257 at least 48 hours prior to the start of the meeting. Government Code Section 54954.2(a).

Materials related to an item on this agenda submitted to the Board of Trustees after distribution of the agenda packet are available for public inspection by contacting the Clerk of the Health Commission at 7751 South Manthey, French Camp, Ca. during normal business hours.
Call to Order & Roll Call
Interim Board of Trustees

Action Item

Approval of February 13, 2013

Interim Board of Trustees Meeting Minutes

Action Item to be Considered: **March 13, 2013**
Minutes of the
San Joaquin General Hospital (SJGH) Interim Board of Trustees
February 13, 2013
Health Plan of San Joaquin - Community Room
7751 South Manthey
French Camp, CA

Board of Trustees Present:

Steve Bestolarides, Chair
Ed Schroeder, Vice Chair
Nicholas Arismendi
Ken Cohen
Bill Jeffery
Joseph Harrington
Cyril Seligman

Board of Trustees Absent:

Carlos Villapudua
Don Wiley
Ramiro Zuniga, MD

Staff Present:

David Culberson, SJGH Chief Executive Officer
Alan Germany, CFO, San Joaquin General Hospital
Manuel Lopez, County Administrator
David Wooten, County Counsel
Sue Nakata, Executive Assistant, Health Plan of San Joaquin
1. Chairman Bestolarides called the meeting to order at 4:34 p.m. Roll call was taken with a quorum to proceed with the meeting.

2. **Approval of the January 16, 2013 Interim Board of Trustees Meeting Minutes**

A motion was made, seconded and approved (7-0) to accept the January 13, 2013 meeting minutes as presented.

3. **Executive and Finance Committee Report – Steve Bestolarides**

Chairman Bestolarides reported that the Executive and Finance Committee met on February 7, 2013 to review and approve the following reports:

- December 2012 Financial and Operating Summary for SJGH
- FY 2011-2012 Audited Financial Statements
- FY 2013-2014 Operating Budget Calendar

Chairman Bestolarides presented to the Interim Board the Executive and Finance Committee’s recommendation not to proceed with the 1932 Tower Building replacement but continue with establishment of or participation in an integrated delivery system. He reported in reviewing the staff’s recommendation there is not sufficient data for the Board of Supervisors’ approval of the proposed action. He requested the executive team to submit a new proposal with updates and include additional information on potential models and options. This report is to be submitted to both the Finance Committee and the IBOT within 30 days.

Extensive discussions were held regarding the transformation/remodel of the tower. The Board of Trustees addressed their concerns, highlighting the following:

(1) The need to include and review various options before submitting the final recommendation to the Board of Supervisors.

(2) The plan needs to include specific uses of the old tower and a recognition that greater outpatient focus is very important to be successful in the future.

- **Option 1**: Downsize model with fewer replacement beds may cost the same or perhaps be more expensive due to loss of capacity to retain the privately insured patients that SJGH needs to be successful. It is essential to complete a pro-forma on how this alternative would work. A pro-forma was updated in 2010 from the original model provided by the Camden Group in April 2008 on a downsize strategy (Information regarding this option is located on the hospital’s website).
- **Option 2**: Tear down the brick Towers building entirely and not replace any of its inpatient beds.
- **Option 3**: An 8-10 year strategic plan needs to be considered to limit bed capacity based on downsizing, which could strengthen the financial bottom line by concentrating on a smaller number of service lines. It may require a complete re-engineering to be successful under a new strategic model. It is also important to compare all of the hospital’s models to the Stanislaus’ model of contracting
with the private hospitals to meet the county’s indigent care obligation. A question was raised by Chairman Bestolarides if this option is possible given the current capacity of the areas’ hospitals.

(3) The old building is very expensive to maintain. From a safety perspective, is the hospital still able to utilize it for other purposes after 2020 or is it possible to keep operating in it under status quo with adoption of new legislation to allow occupancy beyond 2020?

Chairman Bestolarides noted if the hospital stays on track and operates within its budgeted targets it would make sense to justify the plans being presented. A smaller operating model may negatively impact the business model, which means that there will be a loss of staff. Newly updated studies will need to be made to estimate any effect on volume and FTEs.

To ensure that the executive team provides sufficient data on the revised model, several inputs/suggestions were made by the Interim Board members to review and incorporate the following:

- Review inpatient utilization rates being used to assure they are consistent with those projected after implementation of the Affordable Care Act.
- Consider modification or reallocation of $25M capital investment that includes an adequate outpatient service focus.
- Re-look at the financial reports in detail based on these assumptions moving forward.

4. Chief Executive Officer Report – David Culberson

Mr. Culberson provided an update on the following:

A. Trauma Program Update – SJGH will turn in its response to the Trauma Program RFP by Friday, February 15, 2013. The Board of Supervisors recently approved the addition of a Trauma Registrar and the hospital is actively working to fill the position. Hospital leadership is working to develop a second call team for an unencumbered response to operative cases. The trauma Medical Director is also working with all physicians to coordinate their roles. Current EMSA RFP guidelines require 15 minutes for the attending surgeons to respond; plans to meet this standard are being discussed by the hospital’s leadership team.

B. Governance recommendations presented at the February 12, 2013 Board of Supervisors Meeting - Approved as presented at and recommended by the Interim Board of Trustees at its January 16, 2013 meeting.

C. Chief Medical Officer & Chief Financial Officer Recruitments

- Both positions have 2-3 internal and external candidates who are beginning the interview process.
• A new Deputy Director of Human Resources, Lisa Lopez, has been hired. Her start date is February 25.

D. EMTALA Notification

• This is the federal act to prevent patient dumping.
  o SJGH has been notified that it did not meet in one instance the EMTALA requirement to perform a Medical Screening Exam on a patient who presented to the Emergency Department on three separate occasions within 13 hours in October 2011.
  o Patient had an abdominal aortic aneurism which is difficult to diagnose.
• The hospital has begun the training of all staff on all new forms and policies to be in compliance.
• Anticipate an audit within the next several weeks.
• Any potential fines have yet to be identified.

E. Primary Stroke Center Designation – Award letter received on February 1, 2013 from the Joint Commission on achieving Disease Specific Care Certification. The Stockton Record will also report on this achievement.

5. Public Comments

No comments.

6. Trustee Comments

No comments.

7. Adjournment to:

The meeting adjourned at 5:20 p.m. The next meeting of the SJGH Interim Board of Trustees is at 4:30 pm, Wednesday, March 13, 2013.
Interim Board of Trustees

Information Item

Executive and Finance Committee

Report of March 7, 2013 Meeting

A. Strategic and Capital Planning Options

Information to be Considered: March 13, 2013
Chief Executive Officer Report

A. Level III Trauma Program Survey

B. Chief Medical Officer & Chief Financial Officer Recruitments

C. EMTALA Update and Action Plan

D. OSHPD Project Update

Information Item to be Considered: March 13, 2013
Public Comments
Trustee Comments
Adjournment to
Wed., April 10, 2013
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