



**MINUTES OF THE JANUARY 14, 2016 SPECIAL MEETING OF THE
PETALUMA HEALTH CARE DISTRICT BOARD OF DIRECTORS**

CALL TO ORDER

President Hempel called the meeting to order at 5:30 PM in the lobby conference room at 1425 N. McDowell Blvd.

PRESENT

Fran Adams, RN, BSN, Secretary
Elece Hempel, President
Robert Ostroff, MD, Vice President
Josephine S. Thornton, M.A., Treasurer
Joseph Stern, Board Member at Large

ALSO PRESENT

Ramona Faith, CEO, PHCD	Karen Nau	Jean Knoll
Erin Howseman, Admin. Assnt., PHCD	Ramon Pons	Nina Arbour
Andrew Koblick, PHCD Controller	Ransom Stephens	Jean Noll
Julie Cooper	Colleen Flynn	Angel Leete
Jim Carr	Nancy Corda	Ala Van Horn
Brooke Cooper, RN	Jean Marie Zak-Mangon	Bill Rhodes - SEIU
Guillol Rojas	Ron Mangon	Ray Criscitiello
Paco Cano	Eileen Jensen, RN	Roger Chevalier
Kathy Neiberding	K Langdon	Kenna Lee
Chris Fallay	Phil Granert	Abraham Solar
Nina Arbour	Liz Wellen	Dr. Rajesh Ranadive
Cathy Thomas	Pat Andersen	Lazaro Gabriel
Marie Pragza	D.J. Fines	John Henningby
Shem Oster	Robert Cruz	Patricia Early
Jeff Oster	Gale Valentini	Nurit Licht
Craig Sheffer	Kathy Ficco	John Wertz
Bob Curry	Wally Bragdon	Gordon Blumenfeld
	Jim Carr	

MISSION AND VISION

Director Adams read the mission and vision of the Petaluma Health Care District.

The mission of the Petaluma Health Care District is to improve the health and well-being of our community through leadership, advocacy, support, partnerships and education.

Petaluma Health Care District envisions: A healthier community; a thriving hospital; local access to comprehensive health and wellness services for all.

CONSENT CALENDAR

A motion was made by Director Adams to approve the January 14, 2016 agenda and the January 6, 2016 board minutes. Director Ostroff requested to amend the minutes to read “Petaluma Valley Hospital should be compared to other hospitals in the area”, not “to Healdsburg Hospital”. With that amendment, Director Ostroff seconded the motion to approve the January 6, 2016 minutes. This motion was passed by a vote of 5 ayes (Directors: Hempel, Ostroff, Thornton, Adams, Stern) and 0 noes.

PUBLIC COMMENTS

There were no public comments.

BOARD COMMENTS

There were no board comments.

PROPOSED DECISION CRITERIA TO DETERMINE FUTURE HOSPITAL OPERATOR

The decision criteria to determine the future hospital operator was presented by CEO Ramona Faith who noted that the criteria presented was a draft and was in no order of priority. CEO Faith noted that the proposed/draft decision criteria was shared with the PVH physicians on November 24, 2015, and meetings were held in January for Petaluma Valley Hospital staff and volunteers to provide input into the decision making criteria. In the coming months the board will consider input received from the public, further define and prioritize the criteria, and formulate a recommendation on the future operator of the hospital.

The proposed/draft decision criteria presented by CEO Faith is included at the end of these minutes. The public was invited to comment.

PUBLIC COMMENTS

Bob Curry: Board trustee of SJH, commented that St. Joseph Health has been a contributing partner in many of the community benefits organizations he has been involved with, such as Healthy Communities Consortium, Petaluma Coalition on Youth Alcohol, Family Abuse Committee, and homeless outreach. SJH has touched thousands of lives in Petaluma and Mr. Curry thanks them for loving spiritual assistance. He supports the continuation of SJH as the operator of the Petaluma Valley Hospital.

Nancy Corda: questioned if the decision on the future operator is required to be put to a public vote, and voiced concern that special interest groups could drive the outcome of the election.

Ron Mangon, a patient in the ER at PVH, related that his wife is an employee of PVH, and he has health insurance through her plan. After getting treatment at the PVH ER, he was billed \$500 for using an out of network doctor, and he questioned how a doctor working in the ER at PVH could be out of network. He learned that if he had gone to SJH Memorial Hospital in Santa Rosa, he would not have been out of network.

Jeane Marie Zach Mangon, ICU nurse at PVH, commented on her concern with budget cutting affecting staffing issues. She recounted a recent incident in the ICU where she urgently needed backup and there were no available nurses to help her. This was partly because her supervisor is also required to give breaks as well as to help nurses when there is a crisis. Ms. Mangon stated that she should not have to make three phone calls to get a doctor at the patient's bedside.

Brook Cooper, a Petaluma native, currently a RN in Texas, commented that the PVH volunteer program and the leadership of Stephanie Bodie was very important for her career. She participated throughout her high school years and learned a great deal about nursing, healthcare and caring for others. She was able to work in the OB, working with nurses, mothers and babies. She would like to see the program continue.

Bill Rhodes, research analyst for SEIU, stated that he was there on behalf of thousands of workers from Sonoma County. Mr. Rhodes stated that after considering the draft criteria, he would like to offer some points for the board to consider. The members of the SEIU believe that the future hospital operator's integrity should be a primary factor in the decision process. In addition, the union also believes that the following criteria are of particular importance: the commitment to maintaining the hospital as a quality community-based hospital with all core services; commitment to continue serving the under/uninsured; commitment to provide the same level of charity care; a long term commitment to operate the hospital for 20 years; a commitment to hospital employees and allied professionals. In addition, the operator should allow the board to have meaningful input into issues of hospital governance and quality performance.

Wally Bragdon, board member of the Hospital Foundation, commented he was present to support Petaluma Valley Hospital staying with St. Joseph Health as the operator, and he urged the board to be careful of competitors and to make careful comparisons.

Roger Chevalier, Advisory Board member of Petaluma Hospice, commented that the board should research the other bidders and how they have been operating in other hospitals. He stated that the growth of Hospice to Santa Rosa and Healdsburg couldn't have happened without support from SJH. Although the partnership has not been perfect, it has been beneficial to Hospice, and he would like to see it continue. He noted that what gets measured gets done, and would like to see specific measurements used in the selection process of potential operators. Mr. Chevalier submitted a letter to the board, which is included in these minutes.

Kenna Lee, Petaluma Hospice night nurse and administrator, stated that although other hospices have outsourced night calls to call centers, St. Joseph Health does not, but rather instructed her to offer a visit for every call. She stated that the SJH has offered, through its management of Hospice, a concrete service to the community. Now as a supervisor, she noted that the core question asked by management is "what is the right thing for the patient?"

Abraham Solar; from St. Vincent de Paul Church, commented that he supports SJH for the care they provide to the Latino community in Petaluma. He noted the excellent quality of services, especially maternity and neo-natal services. He stated that SJH builds relationships with patients.

Dr. Rajesh Ranadive, Petaluma Valley Hospital physician for 12 years, commented that he was recruited by SJH, and was speaking on behalf of many other PVH physicians. He noted that the partnership with SJH

has not always been perfect, but the administration has been willing to work with and listen to doctors to see what the needs are; for example when the hospital needed an upgraded cardio machine this was provided by the Benedetti Foundation. He urged the board to look at the track records of other bidders, and asked how a for-profit operator could be a district partner if the hospital were to be sold. He stated that regarding Sutter at Marin General, the contract was nullified for breach of contract. SJH has invested millions into the hospital and the community, and the physicians at PVH would like to see SJH continue as the operator.

Ramon Pons, a priest at St. Vincent de Paul Catholic Church, commented that the board needs to be aware that the health and well-being of one affects the whole community. He supports SJH because of its outreach to the Hispanic community.

Eileen Jensen, RN, St. Joseph Health employee for 20 years, commented that management has partnered on many initiatives with the staff. She urged the board to look at other items on the criteria list, such as: Urgent Care which decreases the impact in the emergency room; population health metrics using more teach-backs so that patients understand their roles in their own health care; outpatient surgical needs; greater outpatient care for the behavioral health population in the county; more Hospice respite for family care givers; and expansion of cancer support groups to Petaluma.

Ranson Stephens, physicist, commented that SJH has provided high quality effective care, but since SJH is a Catholic organization, it does not provide all legal services to patients. For example, end of life services and birth control options are limited, because the institution is governed by religious objectives. Mr. Stephens asked if SJH might in the future ask doctors and nurses to sign morality clauses. He would like to see a contract that requires the operator to provide the full suite of legal health services according to the patient's desires and the doctor's advice, regardless of religion, with no morality clause required of staff.

Lorenzo Gabriel, PVH employee, commented that he supports SJH community garden initiative which supports families in the community.

John Henney, long time resident, commented that he has been treated several times at PVH for heart attacks, and was transferred by ambulance to San Francisco and to Santa Rosa. Mr. Henney stated he would like to see full cardiac care in Petaluma because time is critical for cardiac patients. He stated he would like to see the continuation of St. Joseph Health.

Patricia Early, Medicare insurance agent in Petaluma, commented she works with seniors and they do not like change. She was present on their behalf, asking to keep St. Joseph Health.

Nurit Licht, Chief Medical Officer of Petaluma Health Center, commented that she was speaking on behalf of providers and patients, and said the spectrum of care from inpatient to outpatient care is crucially important. PHC is looking for a commitment to collaboration in the process, and coordination of care that includes human interaction, technology solutions, and innovation solutions. Health information exchanges are crucial, such as sharing electronic medical records and quality data.

John Wertz, commented that the board should take into consideration the youth volunteer program, and stated that his son is now at Harvard partly because of the help he got from PVH staff. Mr. Wertz hopes the program will continue.

Gordon Blumenfeld, board member of Petaluma Valley Hospital, commented that a hospital cannot be all things to all people, due to limited financial resources, and has to concentrate on what it does best. He also noted that the practice of "stabilize and transport" is a way of life, and PVH needs to be part of a network

where some services can be provided at other nearby hospitals. Mr. Blumenfeld urged the board not to try to have services that the community cannot afford, but to use resources wisely.

Jean Noll, commented that she has seen Petaluma Valley Hospital Community Benefits grow with over \$9 million funding for the uninsured from SJH. She stated that she believes non-profits are mandated by law to fund community benefit programs. She believes the board should look at this area carefully, and supports the continuation of SJH.

Kathy Ficco, previous SJH employee, commented that she would like to see palliative care added to the criteria list, and she thinks SJH excels at this.

Jim Carr commented that the Community Benefits services help the less fortunate and also reduce the use of the ER room. He said that SJH is very focused on community involvement and on the goal of preventing people from getting sick.

Nina Arbour, manager of Community Education and Volunteer Services for Hospice Services of SJH, commented that regarding community involvement, one of the integral parts of hospice is community volunteers, and SJH has provided encouragement to participate in all levels of the program.

Dr. Loren Fong, PVH ER Medical Director, commented that he has been at PVH for 23 years, and from a quality of care standpoint for hospital services and ER services and programs for cardiac care, acute MI, stroke, sepsis, Petaluma is getting big city medicine in a small town. He stated that he supports SJH, but whoever the operator will be, it is important to maintain current level of service.

President Hempel thanked the community members for coming and sharing comments.

BOARD DISCUSSION

President Hempel stated that the board will include input from the public and add it to the draft criteria.

CEO Faith shared input received in January meetings from PVH employees, volunteers and practitioners.

- Maintain hospital as a quality community based hospital with the following core services

Input from Staff/Volunteer Meetings:

Cardiopulmonary Rehab Services, onsite business office, scheduling, Biomed, EVS, Engineering, HR, Employee Health, Medical Records on site, Clinical Dietician, Pharmacy, Materials Management, Lynch Creek Services, Volunteers, Medical Staff Services, Security, Education, Outpatient PT, PT Speech, Wound Care, Infusion Therapy, Hospital Foundation, Palliative Care Services, Lactation Services, Case Management, Dietary Services, Hospitalists

- Credible plan articulating a vision for population health and future health needs. The plan would need to allow for flexibility regarding services offered to respond to the changing needs in the community.

Input from Staff/Volunteer Meetings:

Bariatric Services

- Significant financial investment in physician services, clinical services and facility.

Input from Staff/Volunteer Meetings:

Medical equipment

- Credible plan for physician recruitment and retention with specific financial commitment.

Input from Staff/Volunteer Meetings:

This should include financial support for recruitment and retention for critical clinical positions, such as clinical lab scientist and nurses, and staff retention strategies.

- Commitment to hospital employees and allied professionals. Culture that fosters patient centered care; shared governance; staff input into decision making process that impacts their practice or work processes; best practices. Data points should be identified, ie. satisfaction scores; quality indicators; vacancy and retention rates.

Input from Staff/Volunteer Meetings:

Treated with respect and dignity; involved in the decision making process that impacts their work; shared governance structure; safe staffing

- Commitment to serving the uninsured/underinsured. Charity care will be provided in the manner consistent with current practices.

Input from Staff/Volunteer Meetings:

This would include access to resources, which is currently in place. Recommended evaluation of current process in place to assist residents with the financial cost of care provided currently.

Additional Input from PVH employees, volunteers and practitioners from January meetings:

Recommend District Board meet with Petaluma Health Center since majority of referrals come from there.

President Hempel noted the importance of being able to share medical records with other medical centers, primarily the Petaluma Health Center. Director Thornton noted that health care should be managed as a whole, and the interface with the hospital is important in future planning. Director Thornton also stated that the board should include the Latino population care as a separate item.

Director Ostroff questioned if the issue regarding the operator being required to offer the full suite of legal services to patients should be added to the criteria. President Hempel responded that the board will review the public input and when contract negotiations begin, the board can refer to the criteria that the community has helped to construct.

President Hempel stated that the board should add performance improvement and measurable outcomes to the criteria. Director Thornton wanted to underscore that the fundamental characteristic of a future operator must be integrity.

Director Ostroff noted that the science of metrics in medicine is in its infancy, but the inclusion of metrics in the next contract is important and should be included. Director Ostroff also noted that the items in the criteria, such as having an ICU, must be defined clearly, such as having a certain number of beds in the ICU or having doctors available to staff an ICU. Considering surgery, should PVH be able to perform complex surgeries or only simple surgeries?

Director Stern agreed that what gets measured gets done and that the board's next step is to decide how to create measurements and define the criteria, such as long term commitment.

Director Adams stated that it is important not only to maintain core services, but to keep them from dwindling and to try to keep as many patients as possible in our community.

ADMINISTRATIVE REPORT

President Hempel stated that there was no President's Report.

CEO REPORT

CEO Faith addressed the schedule and time frame for the due diligence process. The board's next steps will be to review and finalize the criteria, review the refined bids, research the potential operators and begin the negotiating process. The vote will likely be on the ballot in November 2016, since the measure needs to be submitted to the county in early August. CEO Faith stated that in the event the current lease may need to be extended, the board will be working on a contingency plan with the current operator. There will be other opportunities for the community to provide input in the due diligence process.

President Hempel noted that there have been questions from the community about why the board issued an RFP with options for a sale or a lease. CEO Faith stated that the board wanted to have as many options as possible to ensure a competitive process, without a preference for sale or lease.

President Hempel stated that there had been questions about how the board could engage in better outreach to the community. CEO Faith responded that in response to public input, a direct email has been created to the District office, info@phcd.org. Also, on the PHCD website, www.phcd.org, there is a hospital page and a due diligence page, and the District contact information has been moved to the top of each page. The community was also invited to attend public PHCD board meetings, where there is always opportunity for public comments.

Director Ostroff asked a question about the emails from PVH staff which were included in the board packet. CEO Faith responded that these emails have been included in the board packet, which is available to the public.

CEO Faith stated that there will be additional PVH staff meetings in February, and flyers will be sent to hospital administration and staff members for posting, with at least with two weeks' notice.

ADJOURN TO CLOSED SESSION

President Hempel adjourned the meeting into closed session pursuant to: Government Code §54956.8 closed session; real property transaction; meeting with negotiator – 400 North McDowell Blvd.; The Camden Group.

ADJOURN TO OPEN SESSION

President Hempel adjourned the meeting into open session and reported that no action was taken in closed session.

ADJOURN

President Hempel adjourned the meeting at 9:30 PM.

Submitted by Fran Adams, Board Secretary

Recorded by Erin Howseman, Board Clerk

PROPOSED DECISION MAKING CRITERIA TO DETERMINE FUTURE HOSPITAL OPERATOR

Presented by Ramona Faith, CEO
January 14, 2016 PHCD Special Board Meeting

- Maintain hospital as a quality community based hospital with the following core services:
 - Emergency Services; Acute In-Patient Medical/Surgical Services; Intensive Care services, including ICU and CCU; Surgery/OR; outpatient surgical services; obstetrics, gynecology and neo-natal services; range of diagnostic cardiology services, diagnostic radiology services, clinical lab/pathology services and special diagnostic and therapeutic services at a level that is equal to or greater than services offered at comparable Northern California general acute care facilities; hospice services.
- Credible plan articulating a vision for population health and future health needs. The plan would need to allow for flexibility regarding services offered to respond to the changing needs in the community.
- Commitment to investing in the operations of the hospital.
- Any discontinuation of core services would require approval of the District Board.
- Significant financial investment in physician services, clinical services and facility.
- Significant financial investment in Community Benefit Programs within the District (current level of investment maintained or exceeded). District will participate in the discussions of how such funds are expended. Funds are allocated for community engagement and outreach personnel (boots on the ground).
- Credible plan for physician recruitment and retention with specific financial commitment.
- Credible plan for the future of surgery at Petaluma Valley Hospital, which would include a commitment to recruit and retain surgeons for PVH.
- Commitment to hospital employees and allied professionals. Culture that fosters patient centered care; shared governance; staff input into decision making process that impacts their practice or work processes; best practices. Data points should be identified, ie. satisfaction scores; quality indicators; vacancy and retention rates.
- Commitment to serving the uninsured/underinsured. Charity care will be provided in the manner consistent with current practices.
- Focus on Petaluma community care and services.
 - core services maintained
 - long term commitment
 - good stewardship

- financial investment in hospital services and community need
- Commitment and track record for clinical quality measurement (accreditation).
- On site Senior Level Administrator with hospital operations oversight, authority and a member of the executive team.
- Hospital operator is financially sound – ethically sound.
- A long term commitment.
- Structure/partnership that allows for District input in hospital governance, quality performance.
- Serves as a strategic partner, engaged collaborator. Active partnership between District and hospital operator in the strategic planning process to align and support efforts.
- Agreement will enable the District to continue to invest resources in the health of the community.
- Hospital operator will not offer services or programs that compete with hospital or district services/programs. Active partnership between the District and the hospital operator in development of services.
- Support current and future District service lines.
- Mission alignment.

Insurance product that drives demand/access to hospital services and credible plan to encourage employers to offer insurance alternatives.