BOARD OF DIRECTORS MEETING

Thursday, October 1, 2015
8:00 AM – 10:00 AM

SAN MATEO MEDICAL CENTER

EXECUTIVE BOARD ROOM

Second Floor, Administration Wing
BOARD OF DIRECTORS MEETING
October 1, 2015        8:00 – 10:00 AM
Executive Board Room – Second Floor, Administration Wing

AGENDA

A. CALL TO ORDER

B. CLOSED SESSION
   Items Requiring Action
   1. Medical Staff Credentialing Report
      Dr. Janet Chaikind
   2. Quality Report
      Dr. Janet Chaikind
   Informational Items
   3. Medical Executive Committee
      Dr. Alex Ding

C. REPORT OUT OF CLOSED SESSION

D. PUBLIC COMMENT
   Persons wishing to address items not on the agenda

E. FOUNDATION REPORT
   Bernadette Mellott

F. CONSENT AGENDA
   TAB 1
   Approval of:
   1. September 3, 2015 Meeting Minutes
   2. Burlingame Long Term Care Report

G. MEDICAL STAFF REPORT
   Chief of Staff Update
   Dr. Janet Chaikind
Meetings are accessible to people with disabilities. Individuals who need special assistance or a disability-related modification or accommodation (including auxiliary aids or services) to participate in this meeting, or who have a disability and wish to request an alternative format for the agenda, meeting notice, agenda packet or other writings that may be distributed at the meeting, should contact the executive secretary at least two working days before the meeting at (650) 573-3533 (phone) or mlee@smcgov.org (e-mail). Notification in advance of the meeting will enable San Mateo Medical Center to make reasonable arrangements to ensure accessibility to this meeting and the materials related to it.
### Board Members Present

- Supervisor Adrienne Tissier
- John Maltbie
- Louise Rogers
- Dr. Susan Ehrlich
- Dr. David Lin
- Dr. Janet Chaikind
- John Thomas
- Carl Hess
- Bernie Mellott
- Cecilia Diaz
- Liz Evans
- Conrad Fernandes
- Dr. Bryan Gescuk

### Staff Present

- Michelle Lee
- David McGrew
- Angela Gonzales
- Glenn Levy
- Dr. Alpa Sanghavi
- Tosan Boyo
- Naomi Yunker
- Joan Spicer
- Sandra Santana-Mora
- Felix Levy
- Nancy Lapolla

### Members of the Public

- Naomi Yunker
- Joan Spicer
- Sandra Santana-Mora
- Felix Levy
- Nancy Lapolla

### Item

<table>
<thead>
<tr>
<th>ITEM</th>
<th>DISCUSSION/RECOMMENDATION</th>
<th>ACTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Call to Order</td>
<td>Supervisor Tissier called the meeting to order at 8:00 AM, and the Board adjourned to Closed Session.</td>
<td></td>
</tr>
<tr>
<td>Reconvene to Open Session</td>
<td>The meeting was reconvened at 8:15 AM to Open Session. A quorum was present (see above).</td>
<td></td>
</tr>
<tr>
<td>Report out of Closed Session</td>
<td>Medical Staff Credentialing Report for September 3, 2015. Medical Executive Committee Minutes for August 11, 2015. QIC Report from July 28, 2015.</td>
<td>Glenn Levy reported that the Board unanimously approved the Credentialing Report. It also accepted the Medical Executive Committee minutes.</td>
</tr>
<tr>
<td>Public Comment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foundation Report Bernadette Mellott</td>
<td>The Foundation Golf Tournament held on August 24, 2015 at Sharon Height Golf and Country Club was the largest tournament in the Foundation’s history. Over 150 golfers and the amount raised was over $150,000. Special thanks to John Thomas for his constant and avid support and Felix Levy for photographing the event. October 30, 2015 will be the Foundation’s Masque Ball at the Peninsula Golf and Country Club. Proceeds will benefit the expanded Infusion Center at SMMC.</td>
<td>FYI</td>
</tr>
</tbody>
</table>
| Consent Agenda | Approval of:  
1. Hospital Board Meeting Minutes for August 6, 2015.  
2. Medical Staff Committee Rules and Regulations; Surgery Chair; and Medical Staff Committee Chair updates | It was MOVED, SECONDED and CARRIED unanimously to approve all items on the Consent Agenda. |
| Governing Board Vacancy | SMMC Hospital Board approved Deborah Torres for the public member seat. |        |
| Medical Staff Report  
Dr. Janet Chaikind | Dr. Chaikind discussed the new Pharmacy policy and reported that Dr. Scott Oesterling was elected to the Chair of the Surgery Department. |
|-----------------|---------------------------------------------------------------------------------------------------------------|
| Quality Report  
Medicine Department | Medicine Department presented by Dr. Bryan Gescuk and RN Gloria Lau.  

The Medicine Department is made up of these areas: Cardiology, Dermatology, Endocrinology, Gastroenterology, Hematology, Hospitalist Medicine, Infectious Diseases, Musculoskeletal Clinic, Nephrology, Neurology, Oncology, Pain Clinic, Rheumatology, Pulmonary and Critical Care, and Palliative Care.  

SMMC Patient Volumes: Medical Clinic = 17,585. Hospital Admissions = 2,930.  

Quality of Care Measures:  
- Acute Myocardial Infarction  
- Congestive Heart Failure  
- Pneumonia  
- Flu Vaccine  
- Stroke  
- Blood Clot in Legs  

Things we are proud of:  
- Institutional commitment to excellence.  
- High level performance on core measures.  
- Sense of teamwork as we continually strive to improve. |
|-----------------|---------------------------------------------------------------------------------------------------------------|
| Operations Report  
John Thomas  
Chief Operating Officer | Resource Management presented by Felix Levy.  

RM is responsible for: In-patient Utilization Management, Discharge planning, Ensuring right level of reimbursement for an in-patient stay, and Support the work of the Right Care, Time, Place Initiatives. There are 3 case managers, 5 social workers, 3 support staff, 1 supervisor, and 1 director.  

Flow and Transitions Improvement Initiative reduced patient days with no medical necessity. Case manager or social worker coverage was increase to 7 days a week. And added ED coverage to assess effectiveness and to reduce readmissions.  

2015-2016 Goals  
- New format for Medical-Surgical Lower Level of Care Committee.  
- Develop and implement a Care Transitions Program for unfunded patients from the Sequoia Health District uninsured or without transitional care services coverage. |
|-----------------|---------------------------------------------------------------------------------------------------------------|
| Health System  
Louise Rogers  

Emergencies affect low income households disproportionately. Emergencies can create a vulnerable population from an otherwise self-sufficient population (independent living facilities). Low income combined with physical/medical conditions are vulnerable all the time. |

FYI
In San Mateo County:
Living below Federal Poverty Line (FPL) = 8% or 60,000
Independent Living - 65 and older = 14% or 105,000
Below FPL and physical/medical condition: = AAS: 14,000, BHRS: 13,500 (7,281 fragile) Total: 27,500

Health System Strategy and Tools:
- Prioritization
- Identification & welfare checks
- Medication Replacement
- SMMC licensed facility evacuation plans
  - Cordilleras
  - Burlingame Long Term Care
  - Canyon Oaks
- Stockpile to support all of the above

Financial Report
David McGrew, CFO
The July FY15/16 financial report was included in the Board packet and David McGrew answered questions from the Board.

Pillar Goals Update
Dr. Susan Ehrlich, CEO
Dr. Ehrlich presented the monthly Pillar Goals update to the Board and answered questions.

CEO Report
Dr. Susan Ehrlich, CEO
The CEO Report was included in the Board packet and Dr. Ehrlich answered questions from the Board.

Health System Report
Louise Rogers
Health System Chief
The Health System Monthly Snapshot for August 2015 was included in the Board packet.

County Manager
John Maltbie
Mr. Maltbie reported that the final budget hearing will happen on September 22, 2015.

Board of Supervisors
Supervisor Adrienne Tissier
No report.

Supervisor Tissier adjourned the meeting at 9:30 AM. The next Board meeting will be held on October 1, 2015.

Minutes recorded by:         Minutes approved by:
Michelle Lee, Executive Secretary       Dr. Susan Ehrlich, Chief Executive Officer
Survey Findings

- Facility is in compliance with:
  - F221, F251, F364, F368, and F371
- Facility will submit results of monitoring process to CDPH for compliance.
- Facility hired an ACSW and LCSW consultant
- Facility hired a DSM
- Food Satisfaction Survey findings include significant improvement from initial visit and 1st revisit. Residents find dining experience to be a complete change.
- A small number of residents still complain of dissatisfaction of dining experience. Two programs, Diner’s Club and Dining Committee, were created to seek and implement resolutions.
**2015 GOALS**

- Continue consistent and timely reporting of any unusual occurrences and any alleged incidents of abuse.
- Ensure all investigations are completed timely.
- Monitor residents for safety and continue post-incident care planning to identify any change of conditions to prevent recurrence.
## San Mateo Medical Center – Referral Report

- **Referrals: 27**
  - A. Admitted to Burlingame: 9
  - B. Admitted to Another SNF: 5
  - C. Refused Admission to Burlingame: --
  - D. Still in SMMC 1A / 2A / 3AB, etc.: 4
  - E. Pending Admission to Burlingame: --
  - F. Discharged to Lower Level of Care: 2
  - G. Required non-SNF Level of Care: 2
  - H. Other: 5
There is an expected increase in the use of anti-psychotic medications as residents admitted to the facility already have or have mostly psychiatric diagnoses and/or have dementia with psychotic features.
GOAL(S):

- ZERO USE OF ANTI-PSYCHOTIC MEDICATIONS FOR PATIENTS WITH DIAGNOSIS OF DEMENTIA ONLY.
Monthly Quality Indicators Report
FALLS

REPORT

* Continue implementation of the Falling Leaf program to reduce falls and/or prevent injury.
* Utilization and assessment of a resident’s risk for fall upon admission
* IDT to continue oversight of the Falling Leaf program and discuss RCA (root-cause analysis) post-fall.
* Continue implementation of the Safety Bingo program for staff.

GOALS

* NO INJURIES FROM FALL
Monthly Quality Indicators Report
HEALTHCARE-ACQUIRED INFECTIONS
**Monthly Quality Indicators Report**

**READMISSIONS**

- **Re-hospitalization Rate**
  - Reduced to meet benchmark set nationally at 12.5%.
  - Past six months reduced readmissions by 25%.
- The implementation of a CHF program assisted in lowering our re-hospitalization rate.
- Monitoring weight gain.
- Utilizing an in-house nurse practitioner.
Customer Satisfaction » Pinnacle Survey

BURLINGAME LONG TERM CARE CENTER

July 2015

SHORT STAY SATISFACTION RATE
percentage that rated Recommend to Others as a 4 or 5.

81.5%

86.5% National Average

LONG TERM SATISFACTION RATE
percentage that rated Recommend to Others as a 4 or 5.

64.7%

79.7% National Average
## Customer Satisfaction » Pinnacle Survey

### Burlingame Long Term Care Center

**July 2015**

#### Resident vs. Responsible Party

<table>
<thead>
<tr>
<th>Category</th>
<th>Resident 12 Month Average</th>
<th>Resident National Average</th>
<th>Responsible Party 12 Month Average</th>
<th>Responsible Party National Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall Satisfaction</td>
<td>4.08</td>
<td>4.00</td>
<td>5.91</td>
<td>5.93</td>
</tr>
<tr>
<td>Food Service</td>
<td>4.00</td>
<td>4.00</td>
<td>4.23</td>
<td>4.25</td>
</tr>
<tr>
<td>Quality of Food</td>
<td>4.18</td>
<td>4.18</td>
<td>4.33</td>
<td>4.33</td>
</tr>
<tr>
<td>Individual Needs</td>
<td>4.20</td>
<td>4.20</td>
<td>4.36</td>
<td>4.36</td>
</tr>
<tr>
<td>Laundry Service</td>
<td>3.69</td>
<td>3.69</td>
<td>4.01</td>
<td>4.01</td>
</tr>
<tr>
<td>Communication</td>
<td>4.32</td>
<td>4.32</td>
<td>4.34</td>
<td>4.34</td>
</tr>
<tr>
<td>Response to Problems</td>
<td>4.17</td>
<td>4.17</td>
<td>4.26</td>
<td>4.26</td>
</tr>
<tr>
<td>Dignity and Respect</td>
<td>4.19</td>
<td>4.19</td>
<td>4.23</td>
<td>4.23</td>
</tr>
<tr>
<td>Recommend to Others</td>
<td>4.41</td>
<td>4.41</td>
<td>4.20</td>
<td>4.20</td>
</tr>
<tr>
<td>Activities</td>
<td>4.00</td>
<td>4.00</td>
<td>4.31</td>
<td>4.31</td>
</tr>
<tr>
<td>Professional Therapy</td>
<td>4.18</td>
<td>4.18</td>
<td>4.58</td>
<td>4.58</td>
</tr>
<tr>
<td>Admission Process</td>
<td>4.30</td>
<td>4.30</td>
<td>3.95</td>
<td>3.95</td>
</tr>
<tr>
<td>Safety and Security</td>
<td>4.36</td>
<td>4.36</td>
<td>4.29</td>
<td>4.29</td>
</tr>
<tr>
<td>Combined Average</td>
<td>4.04</td>
<td>4.04</td>
<td>4.51</td>
<td>4.51</td>
</tr>
</tbody>
</table>

#### Resident Satisfaction Rate

- **75.0%**
- 62.7% National Average

#### Responsible Party Satisfaction Rate

- **78.0%**
- 84.5% National Average
CUSTOMER SATISFACTION SURVEY

WHAT IS VALUED MOST?

- Attentiveness
- Care and Comfort
- Meeting Needs of Residents
- Ability to Listen

WHAT IS BURLINGAME LONG TERM CARE?

“The social workers were pretty nice about everything.”

“I have a very good relationship with staff there.”

“I appreciate the attentiveness of the nurses.”

“They are very personable and caring.”

“The staff work hard; they are compassionate.”

“It’s a great facility for long term care.”
TAB 2

ADMINISTRATION REPORTS
August FY 2015-16
Financial Report
Financial Highlights – Net Income Trend

Financial Drivers:
- Patient revenue unfavorable
  $0.8 million (-10%)
- Operating expenses favorable
  $1.4 million (+6%)
- Patient volumes above or near budget, except ED, Clinics
- Salaries and contract provider services
- HPSM capitation rate decrease
SMMC Medi-Cal Members

HPSM Newly Eligible and Assigned Members

- Newly Eligible Members
- Assigned Medi-Cal Members

Managed Care Mix
- Capitation
- Traditional
- ACE
- Medicare

33% 4% 30%
San Mateo Medical Center
Inpatient Census
August 31, 2015

<table>
<thead>
<tr>
<th>MONTH</th>
<th>Actual</th>
<th>Budget</th>
<th>Variance</th>
<th>Stoplight</th>
</tr>
</thead>
<tbody>
<tr>
<td>August 2014</td>
<td>2,830</td>
<td>2,694</td>
<td>136</td>
<td>5%</td>
</tr>
<tr>
<td>Year To Date</td>
<td>5,821</td>
<td>5,387</td>
<td>434</td>
<td>8%</td>
</tr>
</tbody>
</table>

Patient Days

<table>
<thead>
<tr>
<th>MONTH</th>
<th>Actual</th>
<th>Budget</th>
<th>Variance</th>
<th>Stoplight</th>
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<td>August 2014</td>
<td>2,830</td>
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<td>136</td>
<td>5%</td>
</tr>
<tr>
<td>Year To Date</td>
<td>5,821</td>
<td>5,387</td>
<td>434</td>
<td>8%</td>
</tr>
</tbody>
</table>

Medical-Surgical census above budget. Inpatient psychiatric unit continues to have challenges with discharging hard-to-place patients.
San Mateo Medical Center
Clinic Visits
August 31, 2015

<table>
<thead>
<tr>
<th></th>
<th>MONTH</th>
<th>YEAR TO DATE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Actual</td>
<td>Budget</td>
</tr>
<tr>
<td>Clinic Visits</td>
<td>19,242</td>
<td>20,811</td>
</tr>
</tbody>
</table>

Clinic volume in Aug below budget.
San Mateo Medical Center
Emergency Visits
August 31, 2015

<table>
<thead>
<tr>
<th></th>
<th>MONTH</th>
<th>YEAR TO DATE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Actual</td>
<td>Budget</td>
</tr>
<tr>
<td>ED Visits</td>
<td>3,706</td>
<td>3,762</td>
</tr>
</tbody>
</table>

Emergency room visits on budget. PES stays fairly constant.
<table>
<thead>
<tr>
<th>Surgery Cases</th>
<th>Actual</th>
<th>Budget</th>
<th>Variance</th>
<th>Stoplight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aug-15</td>
<td>261</td>
<td>248</td>
<td>13</td>
<td>5%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>YEAR TO DATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actual</td>
</tr>
</tbody>
</table>

Charge capture improvement efforts are beginning to smooth out monthly fluctuations.
APPENDIX
Revenue Mix

Capitation is a payment arrangement for health care service providers such as hospitals and physicians. It pays a hospital and physician or group of physicians a set amount for each enrolled person assigned to them, per period of time, whether or not that person seeks care.
<table>
<thead>
<tr>
<th>Month</th>
<th>Actual</th>
<th>Budget</th>
<th>Variance</th>
<th>Stoplight</th>
<th>Year to Date</th>
<th>Actual</th>
<th>Budget</th>
<th>Variance</th>
<th>Stoplight</th>
</tr>
</thead>
<tbody>
<tr>
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<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>1</strong></td>
<td>Income/Loss (GAAP)</td>
<td>366,127</td>
<td>(0)</td>
<td>366,127</td>
<td></td>
<td>867,570</td>
<td>-1</td>
<td>867,570</td>
<td></td>
</tr>
<tr>
<td><strong>2</strong></td>
<td>HPSM Medi-Cal Members Assigned to SMMC</td>
<td>38,773</td>
<td>36,314</td>
<td>2,459</td>
<td>7%</td>
<td>77,522</td>
<td>72,628</td>
<td>4,894</td>
<td>7%</td>
</tr>
<tr>
<td><strong>3</strong></td>
<td>HPSM Newly Eligible Medi-Cal Members Assigned to SMMC</td>
<td>19,755</td>
<td>17,520</td>
<td>2,235</td>
<td>13%</td>
<td>39,274</td>
<td>35,040</td>
<td>4,234</td>
<td>12%</td>
</tr>
<tr>
<td><strong>4</strong></td>
<td>Patient Days</td>
<td>2,830</td>
<td>2,694</td>
<td>136</td>
<td>5%</td>
<td>5,821</td>
<td>5,387</td>
<td>434</td>
<td>8%</td>
</tr>
<tr>
<td><strong>5</strong></td>
<td>ED Visits</td>
<td>3,706</td>
<td>3,762</td>
<td>(56)</td>
<td>-1%</td>
<td>7,216</td>
<td>7,525</td>
<td>(309)</td>
<td>-4%</td>
</tr>
<tr>
<td><strong>6</strong></td>
<td>ED Admissions %</td>
<td>6.4%</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>47.6%</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>7</strong></td>
<td>Surgery Cases</td>
<td>261</td>
<td>248</td>
<td>13</td>
<td>5%</td>
<td>552</td>
<td>519</td>
<td>33</td>
<td>6%</td>
</tr>
<tr>
<td><strong>8</strong></td>
<td>Clinic Visits</td>
<td>19,242</td>
<td>20,811</td>
<td>(1,569)</td>
<td>-8%</td>
<td>40,160</td>
<td>43,604</td>
<td>(3,444)</td>
<td>-8%</td>
</tr>
<tr>
<td><strong>9</strong></td>
<td>Ancillary Procedures</td>
<td>64,471</td>
<td>60,925</td>
<td>3,546</td>
<td>6%</td>
<td>134,313</td>
<td>127,560</td>
<td>6,753</td>
<td>5%</td>
</tr>
</tbody>
</table>

**Acute Administrative Days as % of Patient Days**

<table>
<thead>
<tr>
<th></th>
<th>Actual</th>
<th>Budget</th>
<th>Variance</th>
<th>Stoplight</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>10.4%</td>
<td>9.0%</td>
<td>-1.4%</td>
<td>-15%</td>
</tr>
<tr>
<td></td>
<td>7.7%</td>
<td>9.0%</td>
<td>1.3%</td>
<td>14%</td>
</tr>
</tbody>
</table>

**Psych Administrative Days as % of Patient Days**

<table>
<thead>
<tr>
<th></th>
<th>Actual</th>
<th>Budget</th>
<th>Variance</th>
<th>Stoplight</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>76.5%</td>
<td>58.0%</td>
<td>-18.5%</td>
<td>-32%</td>
</tr>
<tr>
<td></td>
<td>77.0%</td>
<td>58.0%</td>
<td>-19.0%</td>
<td>-33%</td>
</tr>
</tbody>
</table>

**Pillar Goals**

<table>
<thead>
<tr>
<th></th>
<th>Actual</th>
<th>Budget</th>
<th>Variance</th>
<th>Stoplight</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>12</strong></td>
<td>Patient &amp; Capitation Revenue PMPM</td>
<td>156</td>
<td>199</td>
<td>(43)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>13</strong></td>
<td>Operating Expenses PMPM</td>
<td>319</td>
<td>340</td>
<td>22</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>14</strong></td>
<td>Full Time Equivalents (FTE)</td>
<td>1,059</td>
<td>1,158</td>
<td>99</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
**San Mateo Medical Center**  
**Income Statement**  
**August 31, 2015**

### MONTH

<table>
<thead>
<tr>
<th></th>
<th>Actual</th>
<th>Budget</th>
<th>Variance</th>
<th>Stoplight</th>
<th></th>
<th>Actual</th>
<th>Budget</th>
<th>Variance</th>
<th>Stoplight</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>A</td>
<td>B</td>
<td>C</td>
<td>D</td>
<td></td>
<td>E</td>
<td>F</td>
<td>G</td>
<td>H</td>
</tr>
<tr>
<td>Inpatient Gross Revenue</td>
<td>8,291,769</td>
<td>7,848,949</td>
<td>442,820</td>
<td>6%</td>
<td></td>
<td>18,281,629</td>
<td>15,697,899</td>
<td>2,583,730</td>
<td>16%</td>
</tr>
<tr>
<td>Outpatient Gross Revenue</td>
<td>23,484,838</td>
<td>24,642,627</td>
<td>(1,157,790)</td>
<td>-5%</td>
<td></td>
<td>49,915,126</td>
<td>49,285,255</td>
<td>629,871</td>
<td>1%</td>
</tr>
<tr>
<td>Total Gross Revenue</td>
<td>31,776,607</td>
<td>32,491,577</td>
<td>(714,970)</td>
<td>-2%</td>
<td></td>
<td>68,196,755</td>
<td>64,983,153</td>
<td>3,213,602</td>
<td>5%</td>
</tr>
<tr>
<td>Patient Net Revenue</td>
<td>7,439,262</td>
<td>8,250,911</td>
<td>(811,649)</td>
<td>-10%</td>
<td></td>
<td>16,890,958</td>
<td>16,501,823</td>
<td>389,135</td>
<td>2%</td>
</tr>
<tr>
<td>Net Patient Revenue as % of Gross Revenue</td>
<td>23.4%</td>
<td>25.4%</td>
<td>-2.0%</td>
<td>-8%</td>
<td></td>
<td>24.8%</td>
<td>25.4%</td>
<td>-0.6%</td>
<td>-2%</td>
</tr>
<tr>
<td>Capitation Revenue</td>
<td>4,565,308</td>
<td>6,328,357</td>
<td>(1,763,049)</td>
<td>-28%</td>
<td></td>
<td>8,945,426</td>
<td>12,656,715</td>
<td>(3,711,289)</td>
<td>-29%</td>
</tr>
<tr>
<td>Supplemental Patient Program Revenue</td>
<td>4,891,636</td>
<td>3,223,155</td>
<td>1,668,481</td>
<td>52%</td>
<td>(Additional payments for patients)</td>
<td>8,816,753</td>
<td>6,446,311</td>
<td>2,370,443</td>
<td>37%</td>
</tr>
<tr>
<td>Total Patient Net and Program Revenue</td>
<td>16,896,207</td>
<td>17,802,424</td>
<td>(906,218)</td>
<td>-5%</td>
<td></td>
<td>34,653,137</td>
<td>35,604,848</td>
<td>(951,711)</td>
<td>-3%</td>
</tr>
<tr>
<td>Other Operating Revenue</td>
<td>853,274</td>
<td>1,057,657</td>
<td>(204,383)</td>
<td>-19%</td>
<td>(Additional payment not related to patients)</td>
<td>1,657,645</td>
<td>2,115,314</td>
<td>(457,669)</td>
<td>-22%</td>
</tr>
<tr>
<td>Total Operating Revenue</td>
<td>17,749,481</td>
<td>18,860,081</td>
<td>(1,110,600)</td>
<td>-6%</td>
<td></td>
<td>36,310,782</td>
<td>37,720,162</td>
<td>(1,409,380)</td>
<td>-4%</td>
</tr>
</tbody>
</table>
## San Mateo Medical Center
### Income Statement
#### August 31, 2015

<table>
<thead>
<tr>
<th>MONTH</th>
<th>Actual</th>
<th>Budget</th>
<th>Variance</th>
<th>Stoplight</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>A</td>
<td>B</td>
<td>C</td>
<td>D</td>
</tr>
<tr>
<td><strong>Operating Expenses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries &amp; Benefits</td>
<td>13,210,792</td>
<td>14,133,709</td>
<td>922,917</td>
<td>7%</td>
</tr>
<tr>
<td>Drugs</td>
<td>588,162</td>
<td>648,254</td>
<td>60,092</td>
<td>9%</td>
</tr>
<tr>
<td>Supplies</td>
<td>914,931</td>
<td>906,478</td>
<td>(8,452)</td>
<td>-1%</td>
</tr>
<tr>
<td>Contract Provider Services</td>
<td>2,392,294</td>
<td>2,800,373</td>
<td>408,080</td>
<td>15%</td>
</tr>
<tr>
<td>Other fees and purchased services</td>
<td>4,240,818</td>
<td>4,147,418</td>
<td>(93,399)</td>
<td>-2%</td>
</tr>
<tr>
<td>Other general expenses</td>
<td>323,464</td>
<td>451,202</td>
<td>127,738</td>
<td>28%</td>
</tr>
<tr>
<td>Lease Expense</td>
<td>817,105</td>
<td>817,105</td>
<td>(0)</td>
<td>0%</td>
</tr>
<tr>
<td>Depreciation</td>
<td>225,658</td>
<td>241,114</td>
<td>15,455</td>
<td>6%</td>
</tr>
<tr>
<td><strong>Total Operating Expenses</strong></td>
<td>22,887,027</td>
<td>24,319,459</td>
<td>1,432,433</td>
<td>6%</td>
</tr>
<tr>
<td><strong>Operating Income/Loss</strong></td>
<td>(5,137,546)</td>
<td>(5,459,378)</td>
<td>321,832</td>
<td>6%</td>
</tr>
<tr>
<td><strong>Non-Operating Revenue/Expense</strong></td>
<td>597,999</td>
<td>553,705</td>
<td>44,295</td>
<td>8%</td>
</tr>
<tr>
<td><strong>Contribution from County General Fund</strong></td>
<td>4,905,674</td>
<td>4,905,674</td>
<td>-</td>
<td>0%</td>
</tr>
<tr>
<td><strong>Total Income/Loss (GAAP)</strong></td>
<td>366,127</td>
<td>0</td>
<td>366,127</td>
<td></td>
</tr>
</tbody>
</table>

(Change in Net Assets)

<table>
<thead>
<tr>
<th>YEAR TO DATE</th>
<th>Actual</th>
<th>Budget</th>
<th>Variance</th>
<th>Stoplight</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>E</td>
<td>F</td>
<td>G</td>
<td>H</td>
</tr>
<tr>
<td>Salaries &amp; Benefits</td>
<td>27,042,991</td>
<td>28,267,418</td>
<td>1,224,428</td>
<td>4%</td>
</tr>
<tr>
<td>Drugs</td>
<td>1,206,125</td>
<td>1,296,509</td>
<td>90,384</td>
<td>7%</td>
</tr>
<tr>
<td>Supplies</td>
<td>1,781,842</td>
<td>1,812,957</td>
<td>31,115</td>
<td>2%</td>
</tr>
<tr>
<td>Contract Provider Services</td>
<td>5,275,959</td>
<td>5,600,747</td>
<td>324,788</td>
<td>6%</td>
</tr>
<tr>
<td>Other fees and purchased services</td>
<td>8,047,379</td>
<td>8,294,836</td>
<td>247,457</td>
<td>3%</td>
</tr>
<tr>
<td>Other general expenses</td>
<td>688,620</td>
<td>902,404</td>
<td>213,784</td>
<td>24%</td>
</tr>
<tr>
<td>Lease Expense</td>
<td>347,609</td>
<td>347,609</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Depreciation</td>
<td>451,317</td>
<td>482,228</td>
<td>30,911</td>
<td>6%</td>
</tr>
<tr>
<td><strong>Total Operating Expenses</strong></td>
<td>46,476,051</td>
<td>48,638,919</td>
<td>2,162,868</td>
<td>4%</td>
</tr>
<tr>
<td><strong>Operating Income/Loss</strong></td>
<td>(10,165,269)</td>
<td>(10,918,757)</td>
<td>753,488</td>
<td>7%</td>
</tr>
<tr>
<td><strong>Non-Operating Revenue/Expense</strong></td>
<td>1,221,492</td>
<td>1,107,409</td>
<td>114,083</td>
<td>10%</td>
</tr>
<tr>
<td><strong>Contribution from County General Fund</strong></td>
<td>9,811,347</td>
<td>9,811,347</td>
<td>-</td>
<td>0%</td>
</tr>
<tr>
<td><strong>Total Income/Loss (GAAP)</strong></td>
<td>867,570</td>
<td>-1</td>
<td>867,570</td>
<td></td>
</tr>
</tbody>
</table>
LEAP UPDATES & EXCELLENT CARE

- **Flu Vaccinations Starting this month:** Cold and flu season is fast approaching which means it’s time for flu vaccinations. Last year, 79% of employees received the flu vaccine last year, which was our highest participation rate ever. For this season, we will begin employee flu clinics on October 6. This year’s flu vaccine covers two strains of Influenza A (including H1N1 Swine Flu) and two strains of Influenza B. The CDC recommends all persons six months and older receive the flu vaccine to help prevent serious illness or death from the flu viruses which circulate (and change) around the globe annually.

- **LEAP Updates:**
  - **Highlighted Accomplishments from our Strategic Initiatives:**
    - **Primary Care Medical Home:**
      - The percent of Express Care calls referred to the Emergency Department due to lack of slots at the Clinics was better than our target of 5% for FOHC (3.8%) and ICC (4.2%) at the end of September.
      - The percentage of abandoned calls post installation of the new phone system is improving, between 5 and 23%, below our target acceptable threshold of 25% in all clinics.
    - **Financial Stewardship:**
      - Materials management is on target in its efforts to reduce costs, in September finding more than $100,000 in orthopedic supply savings.
    - **Quality and Safety:**
      - Each month, throughout SMMC, staff file more than 100 SAFE reports. During the last weeks of September, we achieved our goal for timely resolution of reports at 18 days, below our target of 30 days.

- **Leader Rounding up and running:** Following its improvement events and standard work refinement, the Patient Experience Strategic Initiative launched “leader rounding”, an evidence-based practice proven to increase patient satisfaction by focusing on leaders assessing the patients’ needs during their stay in our hospital, and removing barriers to solving problems.

- **LEAP Leadership System Spread:** The first two days of our second SMMC-developed expansion of the LEAP Leadership System took place on September 16th and 17th. Thirty-seven people patient services supervisors, nurses, providers, managers and executives attended. The training focused on two specific tools that support daily proactive work planning, and developing each team’s ability to identify and solve problems at the line level. Areas involved were: Emergency Department, Main Campus Pediatrics, Innovative Care Clinic, Coastside Clinic, Sequoia Teen Wellness Clinic, ICU (night shift), and Short Stay and Post Anesthesia Units.
**Pediatrics 5S Phase II / 2AB Medication Rooms 5S Phase I:** These events improved organization, workspace ergonomics, safety, and reduced waste in the Main Campus Pediatrics Clinic’s Supply Room, Point Of Care Testing Room, and Triage Room; and the 2AB Medication Rooms.

**Medication Safety Value Stream Mapping:** This event mapped the current & future state of medications on 2AB from the time the medication order is written, processed and delivered to and received by 2AB for bar code scan and administration. The future state improves mistake-proofing, timeliness, safety, and eliminates defects and waste.

**PATIENT CENTERED CARE & STAFF ENGAGEMENT**

- **2014-2015 Annual Nursing Report details successes:** Dr. Joan Spicer published our 2014-15 annual nursing report, in which she details our nurses’ major accomplishments during the last fiscal year, organized along our pillar goal areas. For example:
  - **Excellent Care:** 3AB implemented a “safety dashboard” for nursing and trained all nursing staff on electronic patient-specific Safety Plans.
  - **Patient-Centered Care:** The Nursing Shared Decision Making Council identified 3Cs (Civility, Communication, Collaboration) as essential when putting the Patient at the Center, and began a “3Cs” educational program for nurses.
  - **Right Care, Time, Place:** Surgical Services nurses are reaching out to patients throughout the OR pre-scheduling period to provide patient reminders and answer patient questions.
  - **Staff Engagement:** The theme for Nurses Day was “SMMC Nurses have the Health to Heal.” Over 100 nurses took part in the celebration.
  - **Financial Stewardship:** Nurse Case Managers are reviewing every patient record on admission for medical necessity using the InterQual criteria. We have validated almost perfect accuracy of these evaluations.

  My congratulations to Dr. Spicer and her nursing leadership team for these outstanding accomplishments over the year.

- **New clinic phone system is live!** At the beginning of September, we completed the second phase of our Ambulatory Telecom Redesign: our Health Centers in Daly City, South San Francisco, Half Moon Bay, San Mateo and Redwood City have upgraded phone systems. This means that Adult Medicine, Pediatrics, Dental, Medical & Surgical Specialties have the ability to determine the volumes, wait times, and abandoned rates of all patient calls across the Ambulatory Network. In addition, our New Patient Connection Center, led by Noris Larkin, PCMH Manager, is officially live. This Center is dedicated to onboarding new patients into our Ambulatory Network. These advances represent a tremendous opportunity to improve access for our new and established patients. Congratulations to our ambulatory team, led by Tosan Boyo and Dr. Jeanette Aviles, in partnership with Jose Mejia and his team from ISD, for this accomplishment. Our focus now is to streamline Ambulatory Care phone lines, eliminate phone trees, implement efficient scheduling protocols, and empower our Access Teams to prioritize patient-centeredness.
• **Safety Net Institute survey helps us acknowledge accomplishments and target areas for improvement:** More than 240 SMMC staff and providers responded to this state-wide administered survey that helps us evaluate how we rate ourselves in our efforts to improve our care and services. More than 240 SMMC staff responded to the survey; below are the key SNI findings:
  
  o **Performance excellence was the area where SMMC staff perceive the greatest progress,** specifically process improvement. LEAP methodology is used widely and we have opportunities to further standardize the work we’re doing.
  
  o **Staff feel empowered to improve patient care and safety.** SMMC can improve by fostering a “no blame” culture where staff feel more comfortable reporting mistakes and sharing information about needed improvements.
  
  o **SMMC staff have an attitude of patient-centeredness, but we don’t always practice patient-centeredness in our day-to-day work.** We also need more awareness of disparities in care and have opportunities to improve our cultural competence.
  
  o **Most respondents report being proud to work at SMMC** and have a strong respect for leadership.

Currently there are six SMMC strategic initiatives underway to make improvements in communication, recognition, patient safety reporting, and care delivery. SNI will use the data from the survey to create future initiatives where we can collaborate to achieve our goal of helping every patient live the healthiest life possible.

• **Dr. Aratow publishes on virtual reality** - On August 24th our Chief Medical Information Officer’s article on virtual reality, “Beyond Games: Why VR Will Soon Be Vitally Important to Healthcare,” was published in an on-line publication, SingularityHUB. In the article, Dr. Aratow discusses a number of different uses of virtual reality technology in health care, including physical therapy, helping patients understand anatomy and their disease processes, and guided imagery.

• **Conrad Fernandes publishes on lifelong learning and leadership:** Our Safety Officer, Conrad Fernandes, published an article on leadership and lifelong learning in the September, 2015 issue of California Association of Healthcare Leaders (a chapter of the American College of Healthcare Executives) publication. In his article, Conrad talks about the promise of the health profession handling change, and the importance of emotional intelligence in the process.

• **Patient/family stories of gratitude:**
  
  o **Letter to Dr. Ehrlich:**
    
    “Dr. Ehrlich—I wanted to take a minute to thank you, your entire staff and the people of San Mateo. Unfortunately my circumstances changed for the worst and after loosing large amounts of money and suffering a heart attack I found myself "in the system" which I thought was going to be the worst experience of my life as all the negative press would have everyone believe. I want to tell you that quite to the contrary the treatment I have received is, I believe, the best and most comprehensive health care I have ever had. Everyone I have interacted with from primary care, cardiac care, dental care, eye care, Med Physic, and ER have been understanding, compassionate and above all extremely competent. As in every public organization of this size and complexity there are things that might be improved upon but I always remind myself that the
excellent care far outweighs the minor inconveniences not to mention that the service is without cost to the patient. Please be assured that I will continue to be an outspoken advocate for you and San Mateo Medical Center.”

- **WE CARE roll out:** In September we rolled out our very first training for the patient service supervisors in WE CARE behaviors. WE CARE (Welcome the patient; Explain who you are, what you’ll be doing, and how long it will take; Communicate clearly in a way that is understood by the patient; Ask the patient what they want and need; Respond to questions; and Express gratitude by thanking the patient.) sets forth our standards for interactions between all staff, providers and patients at SMMC, and was established along with our new Mission, Vision and Pillar goals. We plan to roll out WE CARE through a "train the trainer" model. All the Patient service supervisors have been trained in these standards, and they will in turn be training, validating and coaching their staff. My thanks to Phuong Hathaway and Akram Cader for leading this important project.

- **Blog Post:** “Inheriting the Earth,” by Conrad Fernandes, emphasizes how important it is to develop and strengthen emotional intelligence to being a good leader. [https://smmcblog.wordpress.com/2015/09/25/inheriting-the-earth/](https://smmcblog.wordpress.com/2015/09/25/inheriting-the-earth/)

- **Blog Post:** “Moving Boulders.” by Louise Rogers, highlights the progress we're making in areas that have, in the past, been difficult to improve. [https://smmcblog.wordpress.com/2015/09/15/moving-boulders/](https://smmcblog.wordpress.com/2015/09/15/moving-boulders/)

**RIGHT CARE, TIME, PLACE**

- **Stanford Medical Student turns our FOHC waiting room into a space for school readiness:** For many low-income children, a pediatrician is the only professional they interact with before they start kindergarten. According to previous research conducted by the Stanford Pediatric Advocacy Program, our FOHC pediatric clinic’s patient population includes more than 900 low-income children between the ages of 2 and 5; only 31 percent participated in any kind of formal pre-school education and 82 percent were not school-ready by kindergarten. This fact inspired Jecca Steinberg, a second-year Stanford medical student and Schweitzer Fellow, to think about how that interaction could improve these children’s school readiness. Now, in an innovative collaborative effort with Neel Patel, MD, our FOHC medical director, and Stanford art practice lecturer Lauren Toomer, MFA, who volunteered her time and talent to produce a mural that will transform the waiting room into a space for learning opportunities, the pediatrics waiting room of Fair Oaks Health Center is being turned into a learning center. The mural incorporates letters, numbers, shapes, and images of the Redwood City community, as well as three interactive learning panels. My gratitude to Dr. Patel, generously donated the funds for the supplies. See the prototype below; the actual mural will be finished by early October.
FINANCIAL STEWARDSHIP

Pillar Goal Progress: The Finance team has begun work on this year’s initiatives under the Financial Stewardship Pillar Goal; its focus is on increasing revenue and decreasing costs. On the revenue side there are multiple initiatives involving the transformation of our patient revenue billing processes, such as accurate patient registrations, timely authorization of services, timely diagnosis and procedure coding of patient care, complete capture of charges for services provided, and reduction of denied claims. For expense reduction initiatives, we are establishing teams to look at standardizing certain high volume medical supplies and are employing business analytic tools to benchmark our non-payroll contract prices to look for opportunities for negotiating lower pricing. In addition, we have instituted a new monthly financial review process for all managers and leaders.

This work is driven by a collaborative effort between Finance, administrative managers and clinicians. In order to track our progress, the Financial Stewardship initiative owners are working closely with the Business Intelligence team to develop the right level of reporting to track both process measures and outcome data. We are encouraged by the early work of these teams and will report progress to the Board on a regular basis throughout the year.
To: SMMC Board Members
From: Louise Rogers, Chief
Subject: Health System Monthly Snapshot – September 2015

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Number (Month)</th>
<th>Change from previous month</th>
<th>Change from last year</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACE Enrollees</td>
<td>18,643 (August 2015)</td>
<td>0.7%</td>
<td>-9.9%</td>
</tr>
<tr>
<td>SMMC Emergency Department Visits</td>
<td>3,510 (July 2015)</td>
<td>-3.9%</td>
<td>9.7%</td>
</tr>
<tr>
<td>New Clients Awaiting Primary Care Appointment</td>
<td>205 (September 2015)</td>
<td>26.5%</td>
<td>-77%</td>
</tr>
</tbody>
</table>

Preparation for major emergencies in advance of Super Bowl 50 at Levi’s Stadium
The Health System’s Emergency Medical Services (EMS) Agency joined County, State, and City staff to simulate a coordinated response to simultaneous emergencies in real time throughout the Bay Area, including explosions during a soccer game at Levi’s Stadium and a 5-alarm Fire in San Francisco. EMS simulated requests to all San Mateo County hospitals and Stanford’s Emergency Departments on how many patients they could receive, as well as providing ambulances to Santa Clara County and San Francisco. This exercise provided a great opportunity for regional partners to collaborate and test regional disaster and public health emergency response in preparation for next year’s Super Bowl in Santa Clara.

San Mateo County partners hold forum to speak up, save a life
The Health System’s Behavioral Health and Recovery Services division has partnered with Caltrain and the local 24-hour crisis hotline StarVista to raise awareness about the warning signs of suicide and the help available for those who are experiencing thoughts of suicide. This month, over 100 community members gathered together to hear from survivors of suicide on what it is like to go through a crisis, how they got help, and their journey to recovery. Participants learned that most people who experience suicidal thoughts are in a temporary serious crisis, which can be prevented with the help of family, friends, the community, and available County services. The public was also invited to ‘Take the Pledge’ to help end the stigma surrounding mental illness in San Mateo County by continuing the conversation about mental health and getting people the help they need.

Building health into San Mateo County cities
The Health System’s Public Health, Policy and Planning division is working with the City of East Palo Alto to consider health in how they plan for the future of the city. The East Palo Alto General Plan will outline the City’s commitment to health as well as goals and policies it will put into action to improve the health of residents through a separate Health Element. This includes creating conditions that make it easy for people get every day physical activity, access healthy food, and be supported and connected in their communities. East Palo Alto is the first city in San Mateo County to include a Health Element in their general planning process; North Fair Oaks was the first jurisdiction in San Mateo County to include a Health Element and joins a national trend in building healthy communities.
For many low-income children, a pediatrician is the only professional they interact with before they start kindergarten. This fact inspired Jecca Steinberg, a second-year Stanford medical student and Schweitzer Fellow, to think about how that interaction could improve these children's school readiness, which often lags behind that of their peers. If these kids could be equally well-prepared for kindergarten, their potential for economic mobility would skyrocket.

Now, in an innovative collaborative effort, the pediatrics waiting room of Fair Oaks Health Center in Redwood City, Calif. is being turned into a learning center. According to previous research conducted by the Stanford Pediatric Advocacy Program, the clinic’s patient population includes more than 900 low-income children between the ages of 2 and 5; surveys indicate that only 31 percent participated in any kind of formal pre-school education and 82 percent were not school-ready by kindergarten.

In collaboration with Neel Patel, MD, the medical director at the clinic, Steinberg reached out to Stanford art practice lecturer Lauren Toomer, MFA, who volunteered her time and talent to produce a mural that will transform the drab waiting room into a space for learning opportunities. The mural incorporates letters, numbers, shapes, and images of the Redwood City community, as well as three interactive learning panels. Patel generously donated the funds for the supplies. See the prototype above; the actual mural will be finished by early October.
In a recent phone conversation, Steinberg explained to me that the mural project is one component of a larger project called Kinder Ready, which is part of Stanford's Pediatric Advocacy Program led by Lisa Chamberlain, MD, MPH, and Janine Bruce, DrPH. (The work at Fair Oaks Clinic has been led by Stanford pediatrics residents Jaime Peterson, MD, and Ashley Case McClary, MD.) I asked her more about their efforts:

How did you get involved in this work?

I'd say my entire motivation for entering the field of medicine is centered on providing opportunities for socioeconomic mobility, and although health is an incredibly important aspect of that, it can’t be viewed in a vacuum as a solution. So these interdisciplinary efforts touch on everything I’m passionate about. For my first-year Stanford Medical Scholars research project, called community based participatory research, I set up a series of focus groups with low-income parents to talk to them about their conceptions of school readiness: what they think a role of a parent is, and how they think a pediatrician could help them.

Currently I help screen children for their school-readiness level, and I work with the parents to teach them different activities that they can do at home to promote their children learning. I’ve been working with Dr. Patel to include activities and interventions in well-child visits that parents can take home with them. We set them up with library cards, let them know about parent-child reading hours and mommy-and-me classes in the community, and make it easier to get a hold of books and other learning materials.

Why are pediatric offices a good site for learning centers?

One key is access – for many of these low income families, they don’t see any other professional for their child before they enter kindergarten, so the pediatric office itself is a place where educational resources could be made available to families. It provides an incredible mechanism to reach large numbers of people. Over 90 percent of families in this area get vaccinated by a pediatrician at a pediatrics office.

A second aspect I find equally important is that it has been demonstrated that pediatricians are very trusted in the community. Families feel comfortable with their pediatrician and are likely to listen to what they have to say. Something I learned through my research this summer is that families would love to hear more about what resources are available to them from their pediatrician because they trust them and believe they’d point them in the right direction. I think one of the many things the pediatrics office could do is be a directory of resources for parents who maybe don’t know what’s out there.

What barriers to education readiness do these families face?

Time is definitely a huge barrier because a lot of our parents are working multiple jobs and working at night, but we’ve found that for a lot of these children, their primary caretaker is a family member, so we’re really hoping that that person will be able to do these activities with the child at home, maybe replacing some TV-watching time with a book or a different educational activity. Another barrier is that a lot of these parents aren’t sure what a child is supposed to know by the time they enter kindergarten. Overall, families face a complex matrix of barriers that include finances, immigration status, crowding,
Steinberg emphasized her gratitude for the “incredible mentorship” of Chamberlain, Bruce, Peterson, and McClary, and for the two programs that made it possible for her to designate protected time to work on school readiness: the Schweitzer Fellowship and LCHAMP. She told me, “Upon arriving at Stanford there have been more opportunities than I could possibly imagine to do the type of work that I’m passionate about, and the best part is that these mentors are unbelievably encouraging and have set up a space for students to pursue their dreams while balancing their student workload.” She also noted that “it’s really inspiring that different graduate schools are getting together to work with the community to provide much needed service.”
Drug rehab centers to get bailout: Residential programs, facilities set to get $5M in county money

September 22, 2015, 05:00 AM By Samantha Weigel Daily Journal staff

Officials with a handful of local nonprofits aiming to assist those who struggle with drug and alcohol addiction by providing residential treatment let out a sigh of relief as they could finally receive some much needed support from both the county and federal governments.

The San Mateo County Board of Supervisors will vote Tuesday whether to allocate a total of $5 million to support treatment facilities struggling to maintain their properties or leases due in part to the area’s high cost of living.

Furthermore, after years of waiting, California received federal approval for its waiver to the Affordable Care Act that could allow some of these specialty treatment centers to draw Medi-Cal dollars for the first time.

For those who run Our Common Ground and Project 90, nonprofit providers with several facilities throughout the county, news of the multi-million dollar show of support is a comfort — particularly as timing is of the essence when it comes to treating those who struggle with substance abuse.

“We need this to stay in business, to serve and support clients,” said Ray Rosenthal, president emeritus of the OCG Board of Directors. “We cannot ignore the problem, this is something that’s not going away. Unfortunately, drug and alcohol abuse is just rampant.”

OCG and Project 90 have struggled to provide residential services in an attempt to break one’s addiction cycle through a sober living environment and therapy. But funding sources have dried up as many thought the ACA would kick in and assist. Exacerbated by an increasing population, rising cost of doing business in the Bay Area and Proposition 47 that reduced many drug crimes to misdemeanors, officials feared services would soon be lost if the county didn’t provide more support.

The Board of Supervisors had stayed a decision on how to assist until a comprehensive study of the local providers’ finances was completed, said Steve Kaplan, director of the county’s Department of Behavioral Health and Recovery Services.

“We did two things, one was to look at what the existing balances that were on any of the facilities that providers had mortgages on and then concurrently, try to get a sense of their overall financial stability,” Kaplan said. “As we expected, a number of them are pretty on the edge in terms of finances. So the strategy is to stabilize two things; one is the actual treatment capacity so none of the properties are lost, and then secondly, by doing so, improving the overall fiscal health of the organization.”

Emergency funding

With the OCG board considering having to sell its Redwood City facility to make ends meet and Project 90 soon needing to relocate from its main intake building on Ninth Avenue in San Mateo, the county agreed to extend an emergency $1 million last month. Now, the additional $4 million — sourced from Measure A half-cent sales tax funds — will provide longer-term assistance in the form of a low-interest 30-year loan for providers to pay off mortgages and secure their vulnerable properties.

But with the extensive application process and funds from the ACA waiver not expected to trickle down for months, if not years, some worry the time lapse will result in more addicts being turned away.

“They’re trying to come up with a program to help us with assistance. But I don’t know that they get the depth of the problem,” said Project 90 Executive Director Jim Stansberry. “My fear is that even with the money they’ve allocated with the best intentions, that process might take several months. And every month that goes by, we’re sinking further and we’ve got the scars of being in limbo over the last two or three years.”

While grateful for the support, Stansberry said he plans to share information about the number of people seeking treatment who’ve dropped off the wait list as treatment beds throughout the county disappear.

“Everyone that falls off the wait list is probably going to be impacting other people — their families or the community. The cost of not giving them services is probably far greater than any cost of helping them,” Stansberry said.

Project 90 must move out of two San Mateo properties as the owners plan a major redevelopment along Ninth Avenue. Stansberry said he hopes the county will assist in finding a suitable alternative, particularly as finding a facility with residential and office amenities is difficult.

Federal assistance to trickle down

Eventually, the county and providers can opt in to the state’s ACA waiver, which would assist local centers by providing
insurance funds for the treatment portion of their work. However, Medi-Cal will never reimburse for the expensive residential costs associated with in-patient substance abuse treatment. The waiver will also provide for a cost of living adjustment to providers with more than 16 beds that are critical to the Bay Area.

“I think it’s going to be a very stable funding source once it gets up and running,” OCG Executive Director Orville Roache said about the waiver. “But always the question not just for us, but for any other residential provider, is can you survive the time until it gets up and running?”

Kaplan said the county must now develop an implementation plan that needs approval from California and federal health officials. As notice of the waiver took months longer than anticipated, Kaplan said he couldn’t be sure when the county would be able to begin doling out Medi-Cal funds to local providers.

Eventually, Kaplan said he’s hopeful the insurance funds will help not only ensure there’s options for those seeking treatment to address substance abuse, but alleviate some of the county’s funds to provide other intervention or preventative programs as well as housing assistance.

“Over the years, we know that the capacity really hasn’t addressed the full demand and we’ve lost beds,” Kaplan said. “At minimum, we don’t want to have any further reductions in that part of our continuum [of care]. We may need to build more, but we all know that trying to start a residential treatment center in San Mateo, well it’s an understatement to say it’s a challenge. So we want to make sure the ones that are open stay open.”

Rosenthal said he’s thankful progress is being made both on the county supervisors front as well as toward further the federal and state aid. However, he added people should recognize providing treatment is better for the community at large.

“If we leave these people without services or any kind of help, they’ll end up in prison and as you know, our prisons are way overcrowded. Judges are having to release people because it’s overcrowded,” Rosenthal said. “Then what do we have? We have a society that is in chaos. So this gives us the ability to provide a program and support.”

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Beyond Games: Why VR Will Soon Be Vitally Important to Healthcare

By Michael Aratow

Virtual reality (VR) is the new [old] buzzword [again], capturing the imagination of a new generation of early adopters, technologists and gamers. With its early roots in the 1950s simulation community, there have been decades of research, dedicated journals and conferences that have built a substantial VR knowledge base.

You can imagine how the current VR hype cycle must appear like a true déjà vu event for many VR veterans. But what's different this time is that the technology is now within reach of the consumer…and almost out of reach of motion sickness.

And, there is a new benefactor: the gaming and entertainment market. The majority of recently created VR content is, therefore, made solely for the user’s enjoyment. However, though the global entertainment and media market is substantial (~$2 trillion), VR applications in other sectors are poised to have a much larger impact on our daily lives.

Consider the healthcare sector, which is a target rich environment for VR. Due to the variety and complexity of operational workflows in the medical field—only to be surpassed by the variety and complexity of human pathology—there are several opportunities for VR to create a significant impact: Education, simulation, diagnosis, treatment and behavior modification are major entry points.

Physical Therapy in Immersive Virtual Worlds

Physical therapy can be challenging, uncomfortable and boring. Compliance rates for home regimens can be extremely poor. Virtual reality will help enliven the process. My company, VRecover, is developing engaging, gamified, immersive environments with accurate motion tracking to help physical therapy patients keep up with treatment regimens and improve outcomes.

Much research has been conducted using motion capture devices to record a patient's movements and map those movements onto a virtual avatar displayed on large screen monitors. Compared to traditional physical therapy, results have shown significant promise using this technique in patients with stroke, Parkinson’s disease and musculoskeletal injuries—but much less research has been performed in these settings using immersive VR with head-mounted displays (HMDs).

VRecover is betting that full immersion with presence will have an even more dramatic and beneficial effect on their recovery and become a critical modality for use by physical therapists.

Understanding Disease: A VR Experience Is Worth a Million Words

Patients have a varying understanding of their disease processes, and it is well known that after an encounter with a provider, patients can forget more than half of what they were discussing. While a picture is worth a thousand words, an immersive VR experience is worth a million.

Using immersive experiences to visualize their disease, patients can gain a significantly better understanding of the illness, allowing them to feel more empowered and therefore more willing to follow through with their treatment.

Understanding their condition is also critical for “informed consent.”
The process of educating a patient to the details of a treatment or procedure and its risks, benefits and alternatives, is required by law in all 50 states. It has been recognized as a critical and highly effective patient safety practice by the Agency for Healthcare Research and Quality and the National Quality Forum, both highly respected organizations which are influential in healthcare policy and practices.

Patients who are properly informed are more satisfied and willing to work with providers and less likely to file a malpractice claim. Informed consent is taken to a new level when the patient can actually see a simulated surgical procedure using 3D visualizations of their body from CT, MRI or PET scans. When it is your body that you are looking at, rather than an impersonal 3D rendering or animation, you pay attention to every visual detail and hear every word of explanation. This is personalized medicine for imaging!

Again, the immersive experience is worth a million words—or the equivalent of a really long informed consent session!

**Making Guided Imagery With VR**

Guided imagery is a technique that can be used in many aspects of medicine, including medical conditions such as hypertension, treatments such as chemotherapy and radiation therapy for cancer, and psychological conditions such as anxiety and chronic pain. This technique directs a patient to imagine images that can promote healing and well being.

The experience is obviously user dependent, with individuals realizing different levels of effectiveness based on their ability to concentrate on the visualization task. VR can not only accelerate the training for this mental exercise, but the experience now becomes more vivid, with content that can not only be personalized for the patient’s unique medical condition, but dynamically changed based on feedback.

**Learning Anatomy With a Guided 3D Tour of the Body**

Human anatomy is not an easy subject to master. Organic shapes arranged in complex and unintuitive configurations are difficult to comprehend, especially for those who have a hard time thinking in 3D.

Students won’t have to mentally struggle so much to reconstruct the spatial relationships of internal human anatomy in their mind using immersive VR.

Now, they will be able to view these relationships by freely moving to anywhere inside a virtual body and viewing from any angle. This will benefit not only the future surgeons of the world, but all providers, who will have better diagnostic and procedural competency through their improved understanding.

**Surgeons Can Better Explore, Plan, and Practice Operations**

No two people are alike, inside or out. Regardless of the experience of a surgeon, anatomic variability can at times be an interesting anomaly or a potential cause of complications.

The ability to understand an individual’s unique anatomic configuration from skin to bone can be a significant benefit to a surgeon, especially prior to a complex operation. Immersive VR will enable surgeons to explore their patient’s virtual body—reconstructed from their CT or MRI data—and plan or even practice difficult surgeries prior to the actual procedure.

This will lead to better outcomes through fewer complications, optimized surgical approaches and shorter operating times.
Powerful Ideas Finally Made Viable

While these use cases have been proposed or attempted in the past, they have been difficult to operationalize. But now with consumer access to quality VR, they can become viable solutions.

It is an exciting time to be involved in the VR renaissance. With almost monthly advances in displays, input devices, the software production pipeline or delivery platforms (VR can even be experienced through a web browser...check out WebVR)—there is much to learn and build upon the path blazed by the VR pioneers of the past. VR is not likely to return to the technology hibernation cave again!

Michael Aratow is CEO and co-Founder of VRecover, Chief Medical Information Officer at San Mateo Medical Center in San Mateo, CA, Board Certified in Emergency Medicine and Clinical Informatics and still practices Emergency Medicine. He also is an angel investor and sits on the Board of two digital health startups and the Web3D Consortium, a nonprofit trade organization that maintains an open, royalty free, ISO ratified 3D standard for the web.

To get updates on Future of Virtual Reality posts, sign up here.
County not keen to diversion: San Mateo Civil Grand Jury recommends implementing mental health diversion program

Most of the San Mateo County Civil Grand Jury recommendations related to the care of individuals with mental health issues "requires further analysis," according to a report by County Manager John Maltbie.

One recommendation is to develop a pre-plea mental health diversion program to help keep individuals in crisis out of jail.

Currently, up to 24 percent of inmates in county jail are diagnosed with mental illness and 70 percent are substance abusers. Many inmates are diagnosed with both disorders.

District Attorney Steve Wagstaffe, however, isn’t a fan of diversion as proposed by the grand jury, he said after the report was released. His office implemented a deferred entry of judgment program June 1 for individuals with low-level misdemeanor offenses.

It requires the individual to plead no contest to the crime they committed. The agreement delays sentencing until the individual completes a program. If they don’t complete a program, then they return to court for sentencing.

In a pre-plea jail diversion program, charges are never filed which could be problematic for the District Attorney’s Office if the individual does not complete a program.

The county’s Behavioral Health and Recovery Services department will also be opening a crisis residential “respite” center that will provide a potential option to incarceration, according to Maltbie’s report.

The grand jury issued a report "Treatment for Adult Mental Illness in San Mateo County: What Exists? What Should Exist" in June that finds it to be an extreme challenge for individuals when trying to access county-provided services.

The grand jury issued five recommendations, two of which have already been implemented or are about to be including the implementation of Laura’s Law and coordinating computerized medical records across three county divisions including at the San Mateo Medical Center, Behavioral Health and Recovery Services and the county jail, according to Maltbie’s report.

Laura’s Law authorizes the courts to order outpatient treatment for individuals with mental illness.

Other recommendations such as designing a more useful website for individuals who need immediate help, however, will require more analysis by the county before being implemented, according to Maltbie’s report to the Board of Supervisors.

The board is required to respond to the civil grand jury report although it is not required to follow any of the recommendations.

The grand jury also recommended that the county conduct a public education campaign regarding mental health services including which services are available to individuals with private insurance.

“BHRS does not have the means to address public awareness across all private insurers. The large private insurers in our region are responsible for increasing awareness among their members of the services they offer and how to access them,” Maltbie wrote in the report.

Most private insurers now offer mental health services with the passage of the Affordable Care Act, Maltbie wrote.

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