



San Mateo Medical Center
A County System of Healthcare

BOARD OF DIRECTORS MEETING

Thursday, February 1, 2018

8:00 AM – 10:00 AM

SAN MATEO MEDICAL CENTER

EXECUTIVE BOARD ROOM

Second Floor, Administration Wing



San Mateo Medical Center
A County System of Healthcare

BOARD OF DIRECTORS MEETING

February 1, 2018 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
2. Quality Report

Dr. Bryan Gescuk

Dr. Janet Chaikind

Informational Items

3. Medical Executive Committee

Dr. Bryan Gescuk

C. REPORT OUT OF CLOSED SESSION

D. PUBLIC COMMENT

Persons wishing to address items not on the agenda

E. FOUNDATION REPORT

Leslie Williams-Hurt

F. CONSENT AGENDA

TAB 1

Approval of:

1. January 4, 2018 Meeting Minutes

G. MEDICAL STAFF REPORT

Chief of Staff Update

Dr. Bryan Gescuk

H. ADMINISTRATION REPORTS

1. Laboratory Services

Dr. Susan Fernyak Verbal

2. Compliance and Privacy Update

Dr. CJ Kunnappilly..... Verbal

3. Flu Update

Louise Rogers Verbal

4. Financial Report

David McGrew..... TAB 2

5. CEO Report

Dr. CJ Kunnappilly..... TAB 2

I. HEALTH SYSTEM CHIEF REPORT

Health System Snapshot

Louise Rogers..... TAB 2

J. COUNTY MANAGER’S REPORT

John Maltbie

K. BOARD OF SUPERVISOR’S REPORT

Supervisor Carole Groom

L. ADJOURNMENT

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 Michelle Lee, Executive Secretary, at least 48 hours before the meeting at (650) 573-2222 and/or mlee@smcgov.org. Notification in advance of the meeting will enable the County to make reasonable arrangements to ensure accessibility to this meeting and the materials related to it. Attendees to this meeting are reminded that other attendees may be sensitive to various chemical based products.



San Mateo Medical Center
A County System of Healthcare

TAB 1

CONSENT AGENDA

HOSPITAL BOARD OF DIRECTORS
MEETING MINUTES
Thursday, January 4, 2018
Executive Board Room

Board Members Present

Supervisor David Canepa
John Maltbie
Louise Rogers
Dr. CJ Kunnappilly
Dr. Janet Chaikind
Dr. Julie Hersk
Deborah Torres

Staff Present

Michelle Lee
David McGrew
Dr. Susan Fernyak
Peggy Jensen
Brighton Ncube
Dr. Alpa Sanghavi
Dr. Bob Cabaj

Priscilla Romero
Gabriela Behn
Aimee Armsby
Julia McLaughlin
Dr. Frank Trinh
DeAndre James
Bruce Adams

Leslie Williams-Hurt
Angela Gonzalez
Julie Griffiths
Marcus Weenig

Members of the Public

ITEM	DISCUSSION/RECOMMENDATION	ACTION
Call to Order	Supervisor Canepa called the meeting to order at 8:00 AM, and the Board adjourned to Closed Session.	
Reconvene to Open Session	The meeting was reconvened at 8:19 AM to Open Session. A quorum was present (see above).	
Report out of Closed Session	Medical Staff Credentialing Report for January 4, 2018. QIC Minutes from November 28, 2017. Medical Executive Committee Minutes from December 12, 2017.	Aimee Armsby reported that the Board unanimously approved the Credentialing Report and the QIC Minutes and accepted the MEC Minutes.
Public Comment	None.	
Foundation Report Leslie Williams-Hurt	Leslie Williams-Hurt reported that the Foundation Board has agreed to raise \$500,000 to support the Rehabilitation Services Relocation Plan. The Foundation's website has been redesigned, www.smchf.org .	FYI
Consent Agenda	Approval of: 1. Hospital Board Meeting Minutes from November 2, 2017. 2. Bylaws of the SMMC Board of Directors	It was MOVED, SECONDED and CARRIED unanimously to approve the November 2, 2017 Minutes.

		It was MOVED, SECONDED and CARRIED unanimously to approve the SMMC Board of Directors Bylaws, subject to modification of language on p. 14 concerning the prohibited bases for limiting or denying status and privileges to conform with County EEO policy.
Medical Staff Report Dr. Julie Hersk	The Medical Staff Member at Large elections are in process and results will be reported at the next meeting. Dr. Hersk will be working on a special medical project overseas for an extended period and Dr. Janet Chaikind will assume her role temporarily.	FYI
Medicine Department Dr. Frank Trinh	The Medicine Department had 19,879 medical clinic visits and 2,537 hospital admissions. Sepsis is: <ul style="list-style-type: none"> • A life-threatening complication of a bloodstream infection • Chemicals that are released into the bloodstream to fight the infection trigger inflammatory responses which can damage multiple organs • If sepsis progresses to septic shock, blood pressure drops dramatically, which may lead to death • Early recognition and treatment of sepsis improves survival One of the department's measures is sepsis compliance which rose to 70.7% (national rate is 40-47%) in 2017 from 68.3% in 2016. The mortality rate is 9.8% (national rate is approximately 25%). Ongoing Projects: <ul style="list-style-type: none"> • SMARTT referral system • Model Cell for specialty referrals • Relationship-centered communications training • Hospitalist service transition 	FYI
Burlingame Long Term Care	Admissions and Discharges 2017	FYI

<p>Marcus Weenig</p>	<ul style="list-style-type: none"> • In the first six months, we discharged 220 residents and in the last six months, the facility discharged 109 residents. Of all discharged residents, some found placement through assistance from the Institute on Aging (IOA). The facility continues to collaborate and coordinate with IOA and other community support services for appropriate placement of residents. <p>Anti-Psychotic Medication Utilization</p> <ul style="list-style-type: none"> • The facility tracks and trends the rates of quality measures through the Quality Assurance and Performance Improvement (QAPI) system. Two quality measures are the facility’s use of anti-psychotic medications and the number of resident falls. • There is a higher rate than the state and company (Rockport) averages in the use of anti-psychotics because many residents admitted to the facility have existing psychiatric diagnoses and/or has dementia with psychotic features. <p>Dementia Care and Falls Prevention Program</p> <ul style="list-style-type: none"> • The facility continues to implement the Dementia Fall Prevention program conducts utilization and assessment of a resident’s fall risk upon admission so we can implement prevention measures. • The Interdisciplinary Team (IDT) committee will continue to oversee the program and discuss root-cause analysis (RCA) post-fall. <p>Antibiotic Stewardship Program</p> <ul style="list-style-type: none"> • We continue to implement the Antibiotic Stewardship program since its introduction last year. The program aims to promote the appropriate use of antimicrobials, including antibiotics, improve patient outcomes, and decrease the spread of infections caused by multidrug-resistant organisms. • We saw a significant change in the use of antibiotics recently. Our focus is to continue collaborating with SMMC’s antibiotic stewardship program to improve facility-specific goals. <p>Ambassador Program</p> <ul style="list-style-type: none"> • The Ambassador Program is a monthly rounding system where we ask residents specific questions related to customer service such as response to call lights, pain management, cleanliness, and meals. • Since February 2017, patient experience scores have improved. 	
<p>Early Intervention for Psychosis and Bipolar Dr. Bob Cabaj</p>	<p>Why is early intervention important?</p> <ul style="list-style-type: none"> • Raise social awareness and reduce stigma • Improved quality of life including possibility of remission of illness • Prevent the onset of chronic and disabling illness • Better response to medication and less likely to relapse • Reduce hospitalizations • Increased engagement with community (education, employment, and services) 	<p>FYI</p>

	<p>Population served are individuals aged 14-35 within the first two years of experiencing psychotic symptoms. Eligible diagnoses include Schizophrenia, Schizoaffective Disorder, Schizophreniform Disorder, Unspecified Schizophrenia Spectrum Disorder and Other Psychotic Disorders.</p> <p>Improved Quality of Life</p> <ul style="list-style-type: none"> Undesired Perceptual Experiences and Unusual Beliefs reduced by 67% after 1st year of treatment and an additional 71% after 2nd year of treatment. Amotivation, Asociality, Alogia, and Attention Problems were reduced by 70% after 1st year of treatment and an additional 100% after 2nd year of treatment. 56% reduction in PES Visits; 54% reduction in hospitalizations; 38% reduction in hospital days. 	
Financial Report David McGrew, CFO	The November FY17/18 financial report was included in the Board packet and David McGrew answered questions from the Board.	FYI
CEO Report Dr. CJ Kunnappilly, CEO	Dr. Kunnappilly presented the CEO report which was included in the Board packet and answered questions from the Board. Surveys for 2017 were distributed to board members for self-evaluation.	FYI
Health System Report Louise Rogers	<p>Open enrollment has begun and the Health System lead social media outreach which had a reach of 37,000 people, thanks in part to the support of local and state partners.</p> <p>The Cordilleras Replacement Project has selected Cannon Design for architectural and engineering services.</p>	FYI
County Manager John Maltbie	John Maltbie announced that he will be retiring at the end of the calendar year. Two other retirements mentioned were Reyna Farrales, Deputy County Manager and Jim Saco, County Budget Manager.	FYI
Board of Supervisors Supervisor Canepa	No report.	FYI

Supervisor Canepa adjourned the meeting at 9:43 AM. The next Board meeting will be held on February 1, 2018.

Minutes recorded by:



Michelle Lee, Executive Secretary

Minutes approved by:



Dr. Chester Kunnappilly, Chief Executive Officer



San Mateo Medical Center
A County System of Healthcare

TAB 2

ADMINISTRATION REPORTS

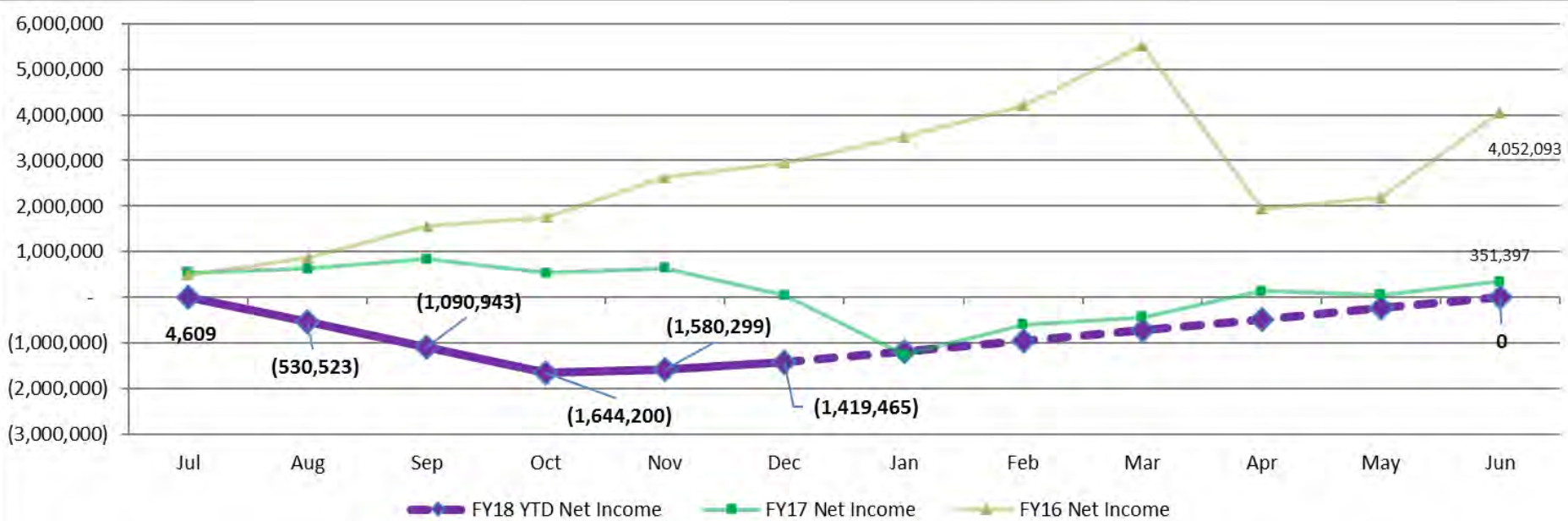


San Mateo Medical Center
A County System of Healthcare

**December FY 2017-2018
Financial Report**

**Board of Directors Meeting
February 1, 2018**

Financial Highlights



December - Positive \$161k:

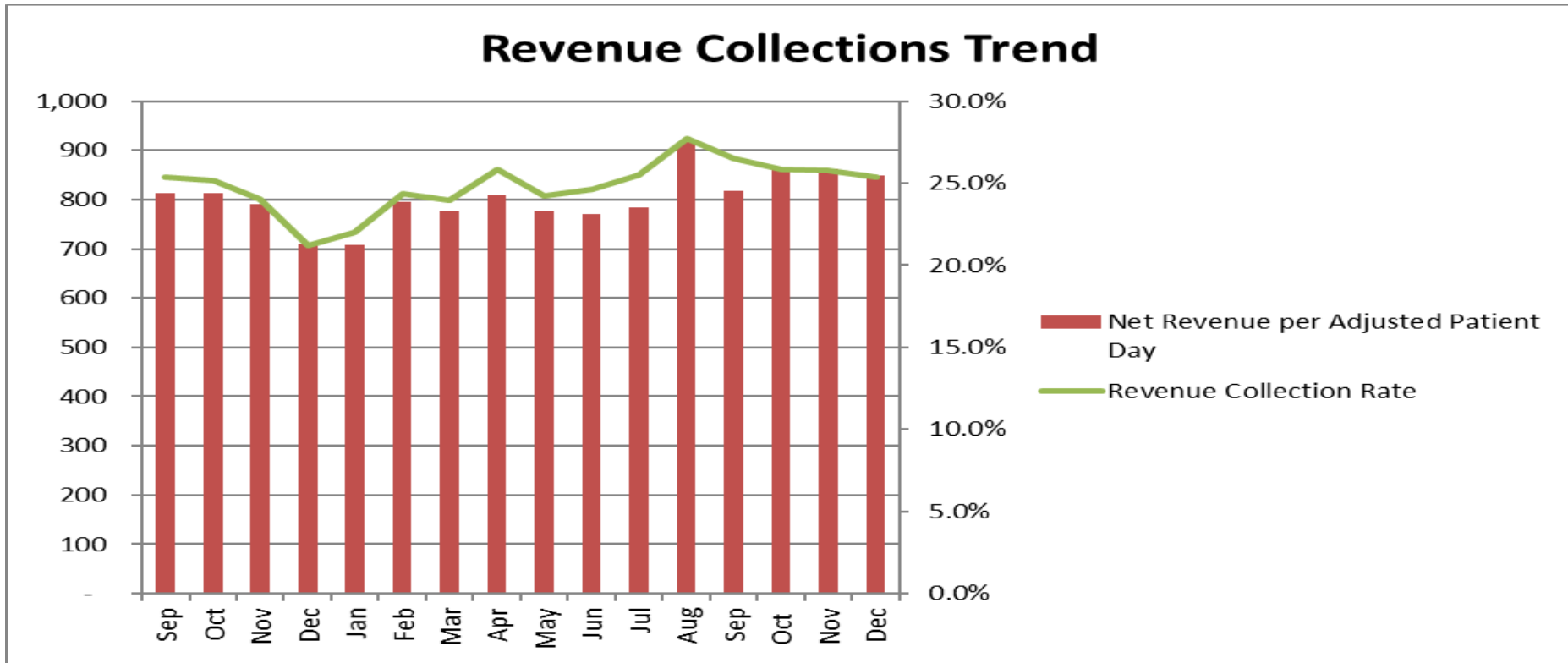
- FTEs below budget
- Timing of WPC, capital and IGT expenditures

- Voluntary Rate Range
- Patient service revenue
- Claim denials

Forecast FY18: The new Managed Care Rule enacted by CMS eliminates several supplemental revenue streams. CAPH and DHCS are working on two replacement programs - EPP/QIP and Voluntary Rate Range, which, after CMS approval, is expected to bring us back to budget by year-end.

Key Performance Indicators

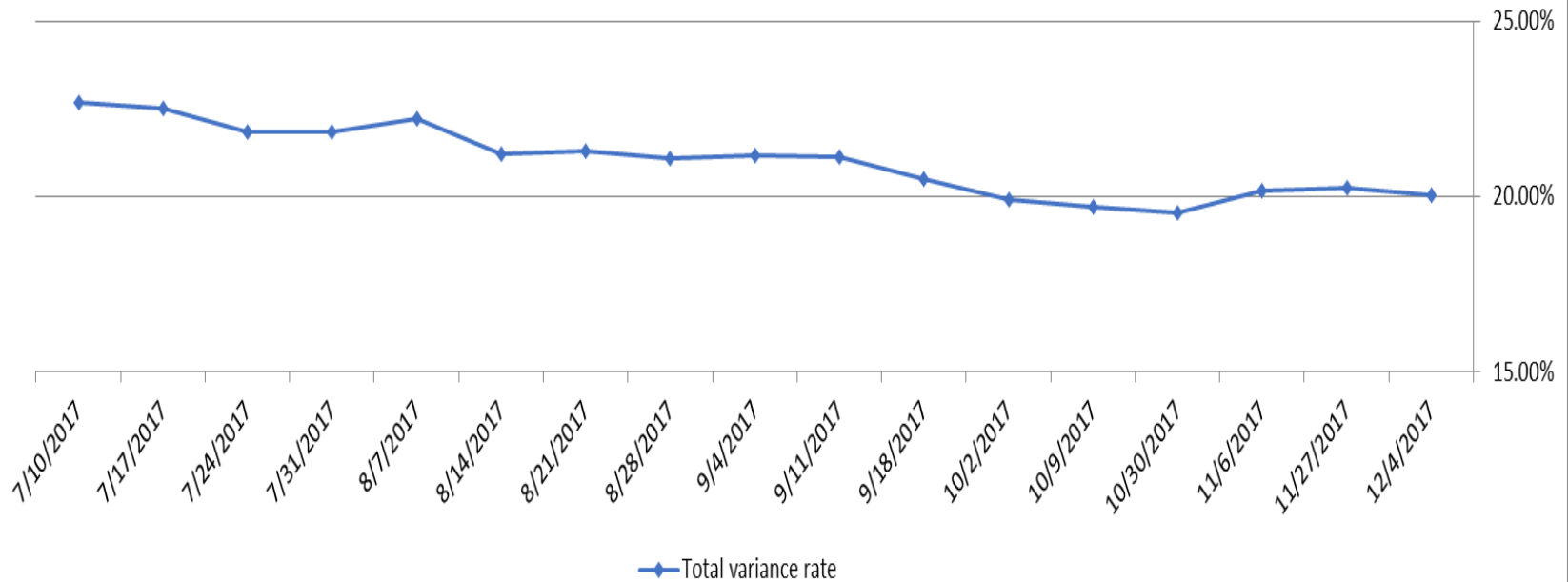
FFS Revenue Collection Trend



The revenue collection rate continues to be negatively impacted by high administrative days, lower Medi-Cal rates for skilled nursing facility patients at SMMC and BLTC, various claim denials and delays in billing resulting from compliance related bill-holds.

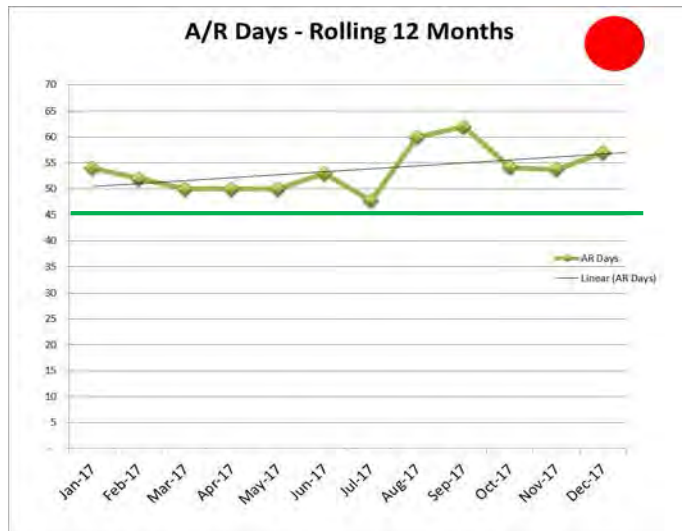
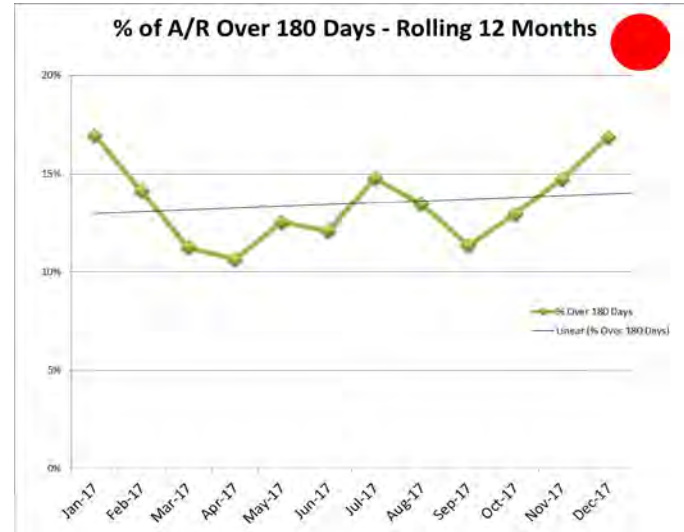
Key Performance Indicators

Medical Necessity Retro Reviews
(Inter-Rater Reliability)



Claims are held pending a review of medical necessity for compliance with acute inpatient billing rules. The retro review process has identified a cumulative error rate of 20%, which is being addressed with weekly variance reviews and focused training and monitoring. Implementation of a CDI program will further support these efforts.

Key Performance Indicators



Financial Improvement Plan

Executive Summary

Initiative	Status
<i>Denial management</i>	<ul style="list-style-type: none"> • Medical necessity reviews in progress. <u>20% of reviewed cases were corrected prior to billing.</u> • Medical necessity training & monitoring in progress. • Denials reporting tool go-live in February
<i>Clinical Documentation Improvement (CDI)</i>	<ul style="list-style-type: none"> • RFP closed January 2nd • Vendor selected • BOS contract in March • Initiate project work in April
<i>Registration Accuracy</i>	<ul style="list-style-type: none"> • Developed A3 Improvement Charter to focus on registration workflows • Submitted a BRD for a registration quality workflow and dashboard reporting tool. Demo in January
<i>Increase Medi-Cal rates</i>	<ul style="list-style-type: none"> • SNF cost report appeals in progress • Medical-Surgical inpatient rates increased to \$2,280/day. Projected to yield \$6m annually.
<i>Psych services billing project</i>	<ul style="list-style-type: none"> • Draft report delivered. Feedback being incorporated into final report, which is expected January.

APPENDIX

San Mateo Medical Center
Income Statement
December 31, 2017

	MONTH				YEAR TO DATE				
	Actual	Budget	Variance	Stoplight	Actual	Budget	Variance	Stoplight	
	A	B	C	D	E	F	G	H	
1 Income/Loss (GAAP)	160,834	31,850	128,984		(1,419,465)	191,100	(1,610,564)		
2 HPSM Medi-Cal Members Assigned to SMMC	38,012	38,019	(7)	0%	228,458	228,114	344	0%	
3 Unduplicated Patient Count	69,293	70,114	(821)	-1%	69,293	70,114	(821)	-1%	
4 Patient Days	2,714	2,934	(220)	-7%	17,314	17,414	(100)	-1%	
5 ED Visits	3,593	3,659	(66)	-2%	21,206	21,720	(514)	-2%	
7 Surgery Cases	266	253	13	5%	1,418	1,553	(135)	-9%	
8 Clinic Visits	18,093	20,008	(1,915)	-10%	117,871	123,051	(5,180)	-4%	
9 Ancillary Procedures	62,105	66,202	(4,097)	-6%	400,684	406,668	(5,984)	-1%	
10 Acute Administrative Days as % of Patient Days	0.0%	16.0%	16.0%	100%	0.0%	16.0%	16.0%	100%	
11 Psych Administrative Days as % of Patient Days (Days that do not qualify for inpatient status)	86.3%	80.0%	-6.3%	-8%	81.7%	80.0%	-1.7%	-2%	
Pillar Goals									
12 Revenue PMPM	119	150	(31)	-20%	130	150	(20)	-13%	
13 Operating Expenses PMPM	382	387	5	1%	369	387	18	5%	
14 Full Time Equivalent (FTE) including Registry	1,163	1,252	89	7%	1,212	1,252	40	3%	

**San Mateo Medical Center
Income Statement
December 31, 2017**

	MONTH				YEAR TO DATE				
	Actual	Budget	Variance	Stoplight	Actual	Budget	Variance	Stoplight	
	A	B	C	D	E	F	G	H	
21 Inpatient Gross Revenue	9,084,794	9,577,810	(493,016)	-5%	56,172,091	57,466,859	(1,294,768)	-2%	
22 Outpatient Gross Revenue	23,548,482	25,324,704	(1,776,222)	-7%	145,104,482	151,948,223	(6,843,741)	-5%	
23 Total Gross Revenue	32,633,276	34,902,514	(2,269,237)	-7%	201,276,573	209,415,083	(8,138,510)	-4%	
24 Patient Net Revenue	8,275,481	10,512,930	(2,237,449)	-21%	54,193,033	63,077,579	(8,884,547)	-14%	
25 Net Patient Revenue as % of Gross Revenue	25.4%	30.1%	-4.8%	-16%	26.9%	30.1%	-3.2%	-11%	
26 Capitation Revenue	(5,430,128)	1,291,667	(6,721,795)	-520%	3,278,474	7,750,000	(4,471,526)	-58%	
27 Supplemental Patient Program Revenue	17,256,612	10,030,626	7,225,985	72%	59,189,158	60,183,756	(994,599)	-2%	
(Additional payments for patients)									
28 Total Patient Net and Program Revenue	20,101,964	21,835,223	(1,733,258)	-8%	116,660,664	131,011,336	(14,350,672)	-11%	
29 Other Operating Revenue	1,295,918	1,236,192	59,727	5%	7,108,260	7,417,151	(308,891)	-4%	
(Additional payment not related to patients)									
30 Total Operating Revenue	21,397,883	23,071,414	(1,673,532)	-7%	123,768,924	138,428,487	(14,659,563)	-11%	

San Mateo Medical Center
Income Statement
December 31, 2017

MONTH			
Actual	Budget	Variance	Stoplight
A	B	C	D

YEAR TO DATE			
Actual	Budget	Variance	Stoplight
E	F	G	H

Operating Expenses

31 Salaries & Benefits	15,494,118	15,814,559	320,441	2%	92,078,562	94,887,353	2,808,791	3%
32 Drugs	755,071	806,645	51,575	6%	4,636,329	4,839,872	203,544	4%
33 Supplies	798,646	916,646	117,999	13%	4,982,266	5,499,873	517,608	9%
34 Contract Provider Services	3,841,719	3,290,227	(551,492)	-17%	18,945,809	19,741,361	795,552	4%
35 Other fees and purchased services	3,798,540	4,517,084	718,544	16%	22,498,857	27,102,504	4,603,647	17%
36 Other general expenses	514,762	504,203	(10,559)	-2%	2,689,676	3,025,220	335,544	11%
37 Rental Expense	173,012	189,615	16,604	9%	1,044,997	1,137,691	92,694	8%
38 Lease Expense	822,975	822,975	0	0%	4,937,853	4,937,852	(0)	0%
39 Depreciation	250,574	260,089	9,515	4%	1,510,181	1,560,533	50,352	3%
40 Total Operating Expenses	26,449,417	27,122,043	672,626	2%	153,324,530	162,732,260	9,407,730	6%

41 Operating Income/Loss	(5,051,534)	(4,050,629)	(1,000,905)	-25%	(29,555,606)	(24,303,773)	(5,251,833)	-22%
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42 Non-Operating Revenue/Expense	368,900	(760,990)	1,129,890	148%	(924,669)	(4,565,938)	3,641,268	80%
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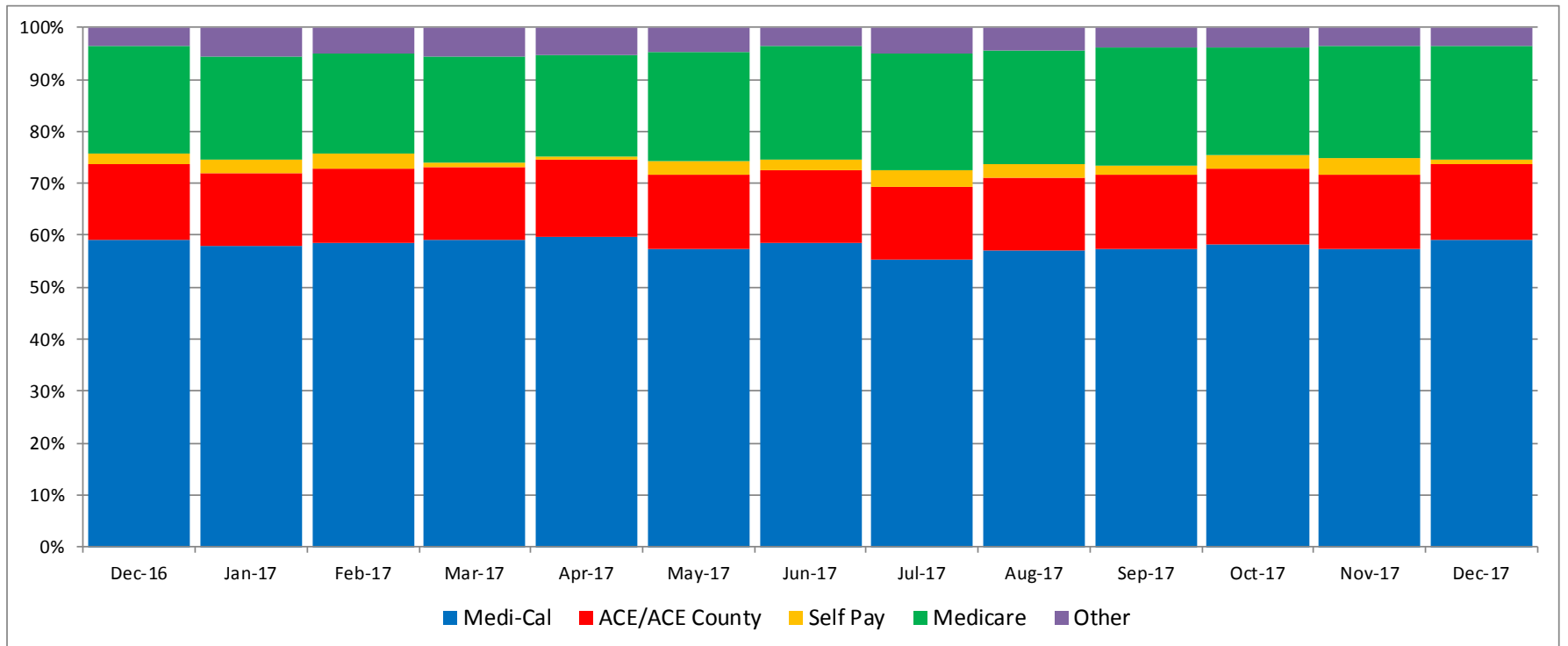
43 Contribution from County General Fund	4,843,468	4,843,468	0	0%	29,060,811	29,060,810	0	0%
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44 Total Income/Loss (GAAP)	160,834	31,850	128,984		(1,419,465)	191,100	(1,610,564)	
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(Change in Net Assets)

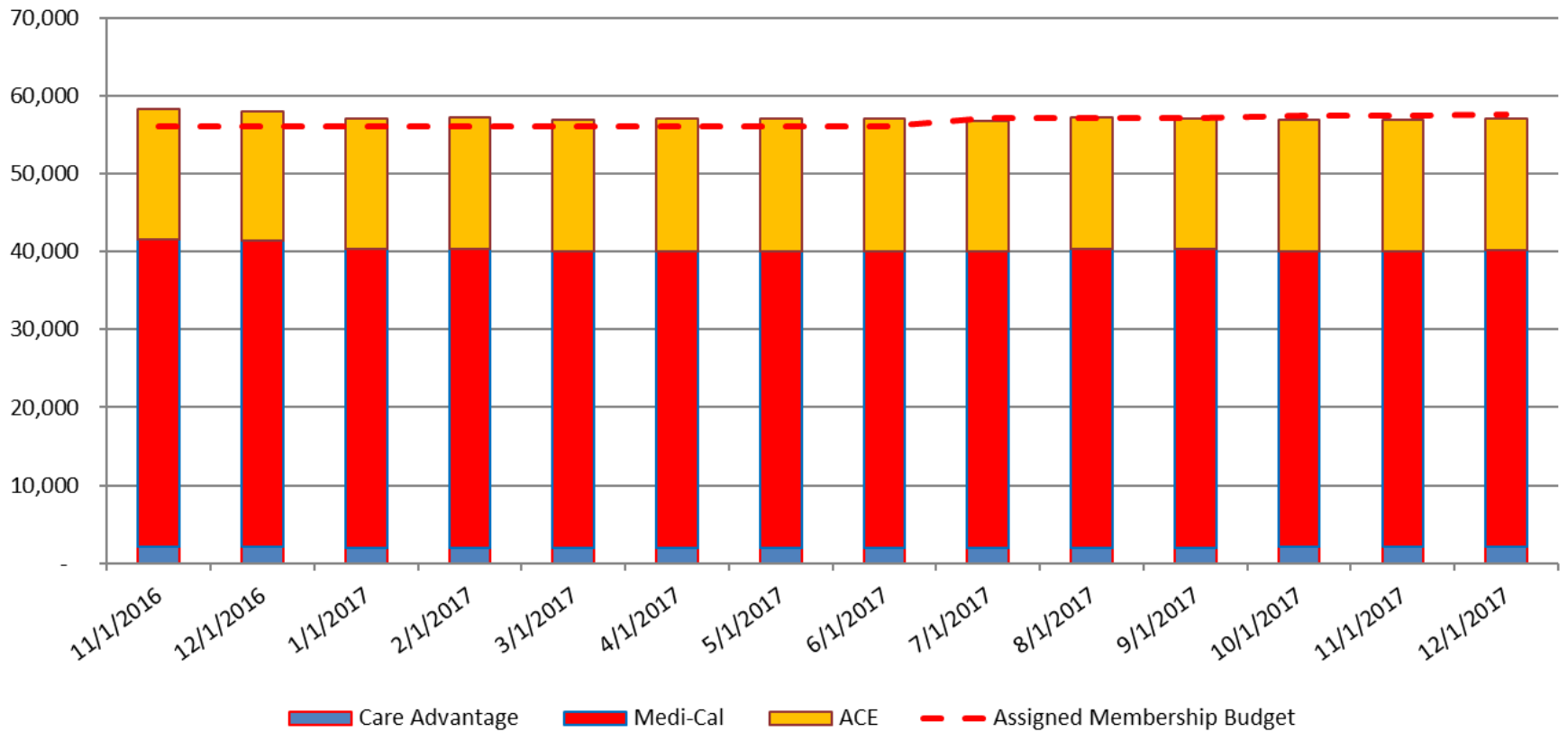
**San Mateo Medical Center
Payer Mix
December 31, 2017**

Payer Type by Gross Revenue	MONTH				YEAR TO DATE			
	Actual	Budget	Variance	Stoplight	Actual	Budget	Variance	Stoplight
	A	B	C	D	E	F	G	H
Medicare	22.0%	21.0%	1.0%		21.9%	21.0%	0.9%	
Medi-Cal	59.0%	58.0%	1.0%		57.4%	58.0%	-0.6%	
Self Pay	1.0%	2.0%	-1.0%		2.4%	2.0%	0.4%	
Other	3.4%	5.0%	-1.6%		4.0%	5.0%	-1.0%	
ACE/ACE County	14.6%	14.0%	0.6%		14.3%	14.0%	0.3%	
Total	100.0%	100.0%			100.0%	100.0%		





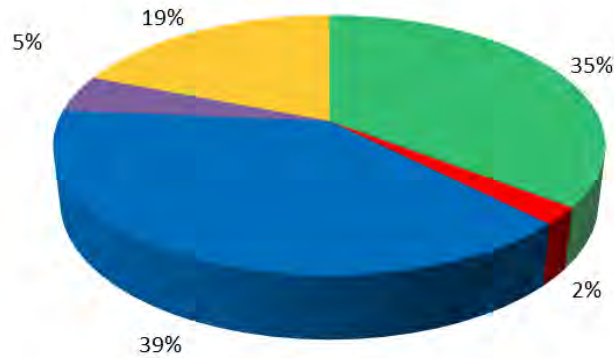
Managed Care Membership Trend



Revenue Mix

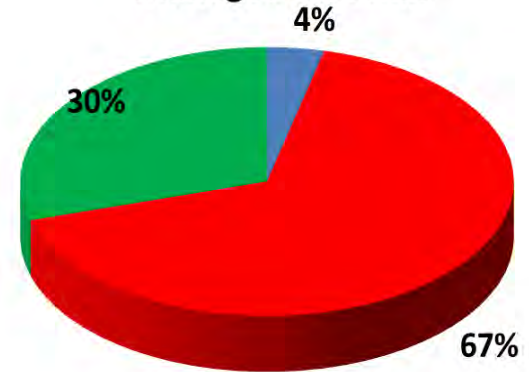
57,000
Managed
Care
Lives

Sources of Revenue



■ Fee For Service ■ Capitation ■ Supplemental ■ Other ■ County Contribution

Managed Care Mix



■ Medicare ■ Medi-Cal ■ Access to Care for Everyone

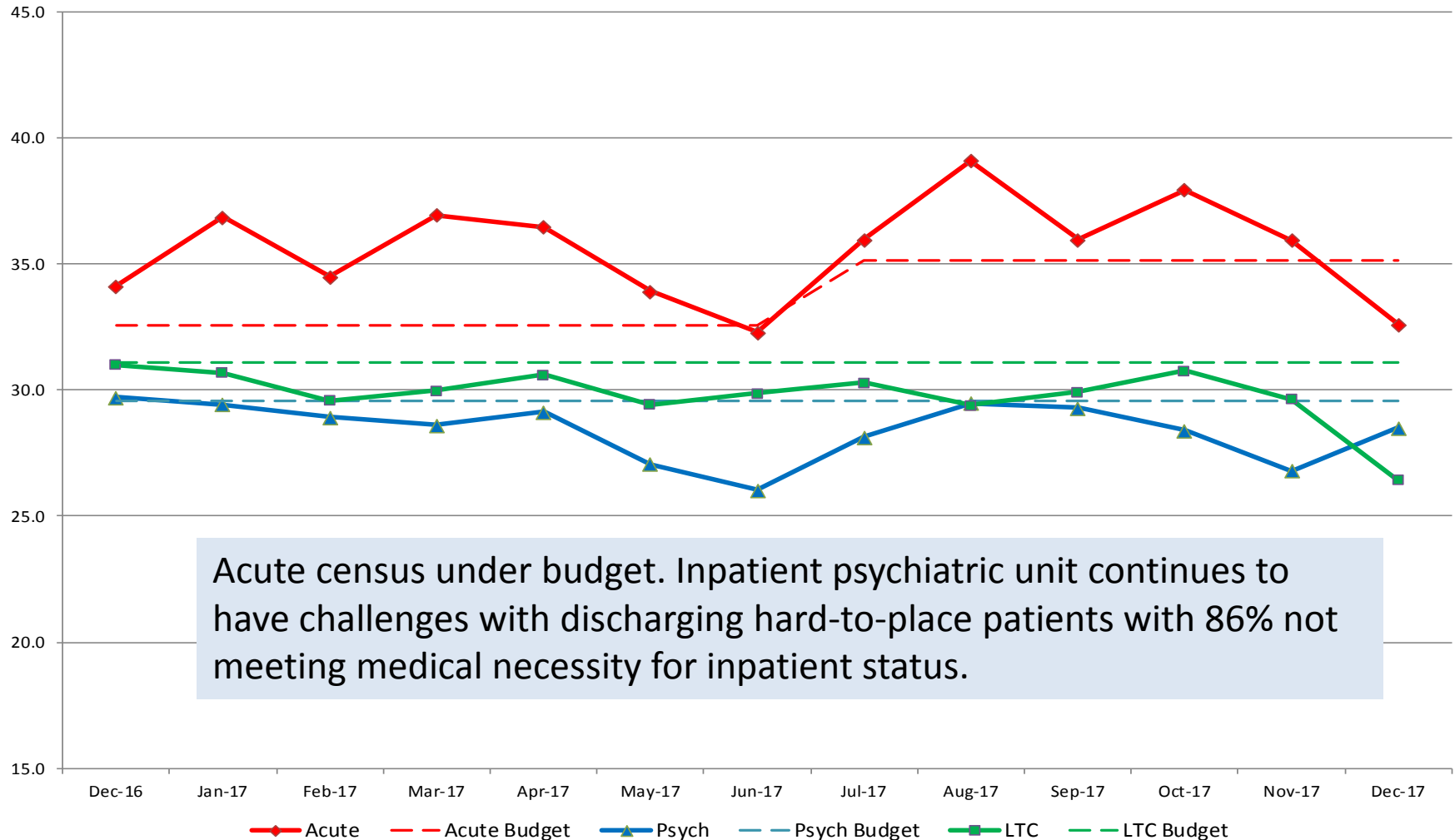
- **Managed Care** programs represent 39% of our Operating Revenue
- **Capitation** is a pre-payment reimbursement model that pays providers a set amount for each enrolled person assigned to them, per period of time, whether or not that person seeks care.

**San Mateo Medical Center
Inpatient Census
December 31, 2017**

MONTH			
Actual	Budget	Variance	Stoplight
2,714	2,934	(220)	-7%

YEAR TO DATE			
Actual	Budget	Variance	Stoplight
17,314	17,414	(100)	-1%

Patient Days

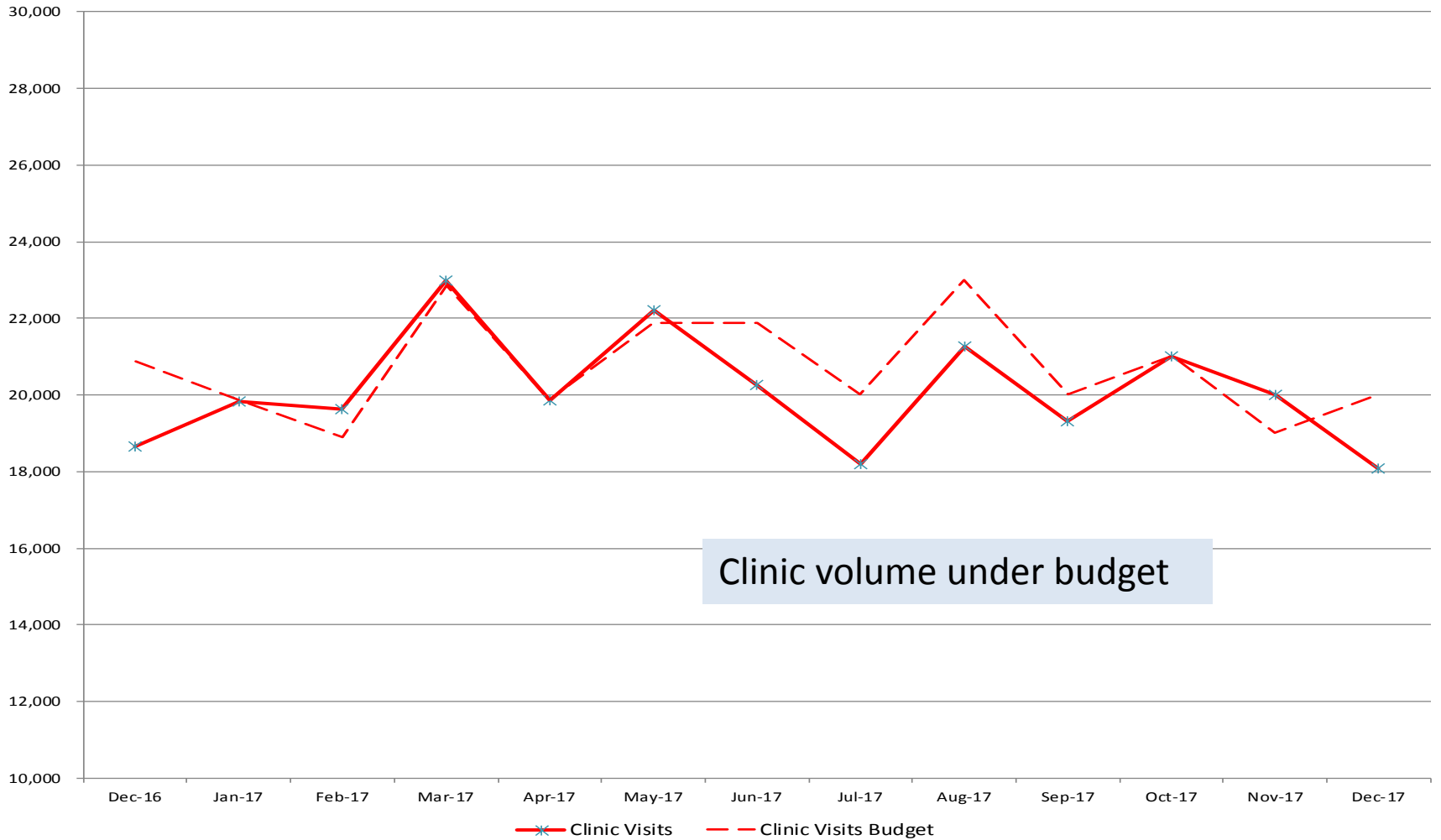


**San Mateo Medical Center
Clinic Visits
December 31, 2017**

MONTH			
Actual	Budget	Variance	Stoplight
18,093	20,008	(1,915)	-10%

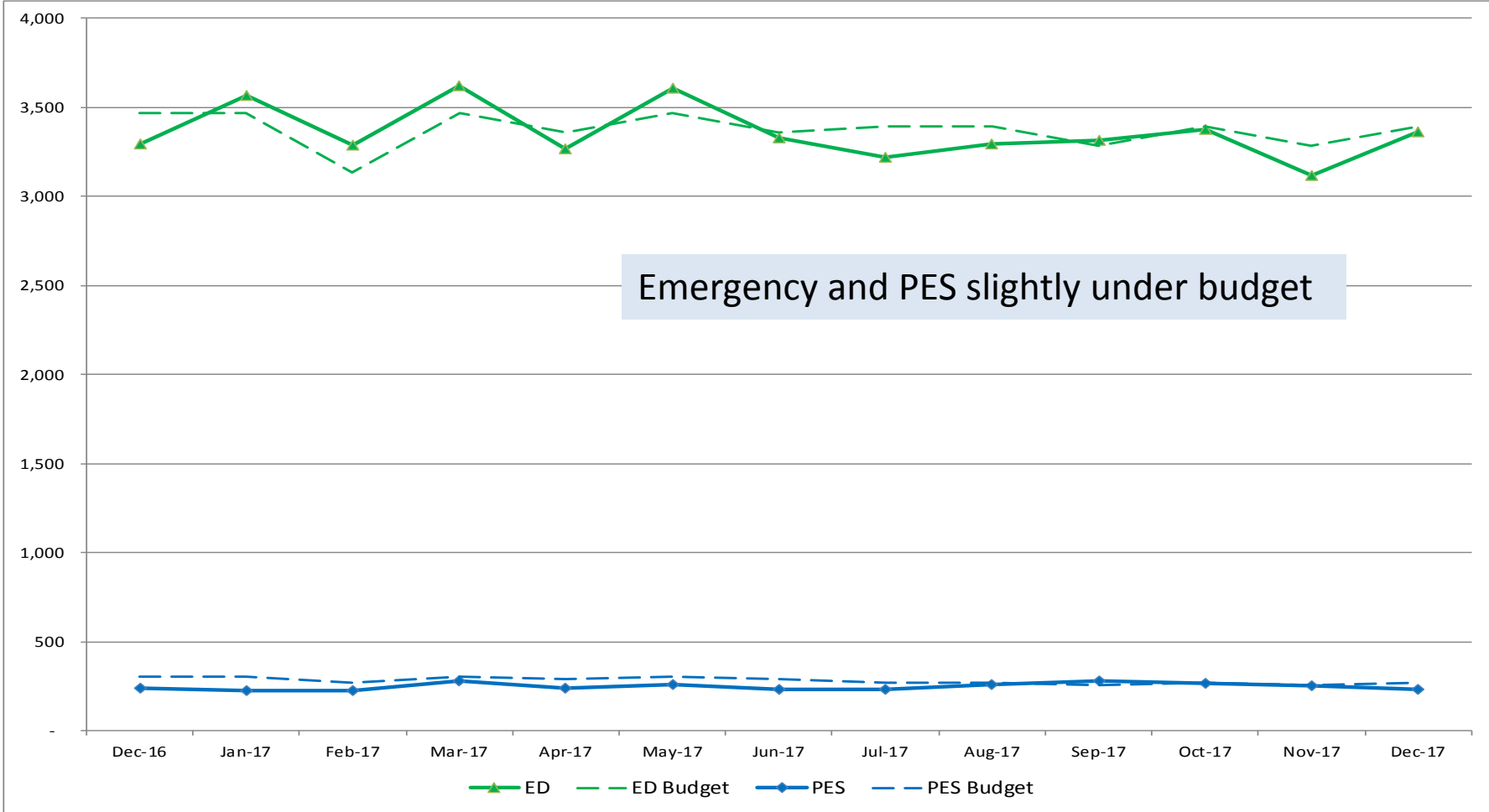
YEAR TO DATE			
Actual	Budget	Variance	Stoplight
117,871	123,051	(5,180)	-4%

Clinic Visits



**San Mateo Medical Center
Emergency Visits
December 31, 2017**

ED Visits	MONTH				YEAR TO DATE			
	Actual	Budget	Variance	Stoplight	Actual	Budget	Variance	Stoplight
	3,593	3,659	(66)	-2%	21,206	21,720	(514)	-2%



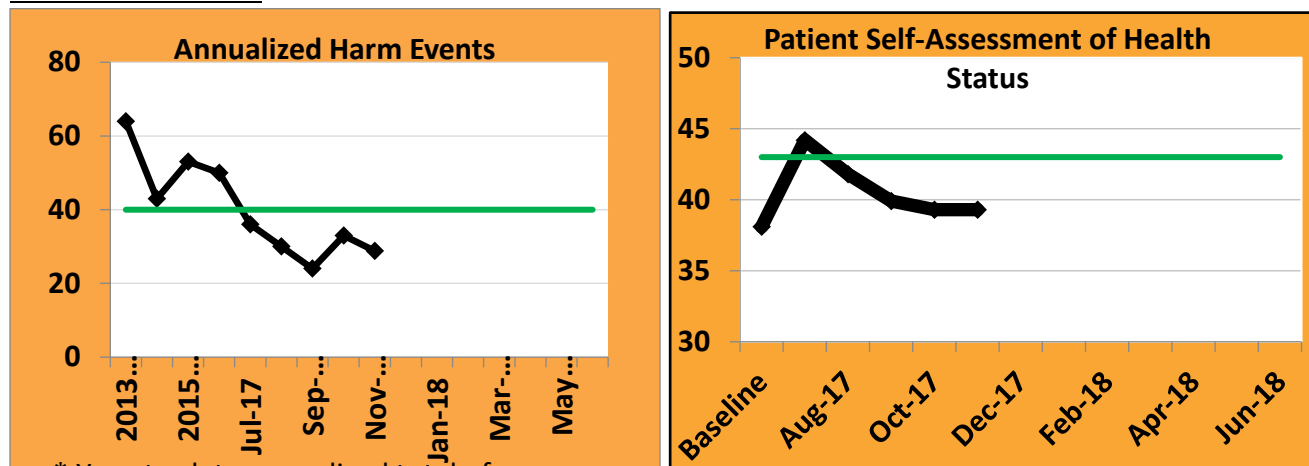
San Mateo Medical Center CEO REPORT



February, 2018

EXCELLENT CARE

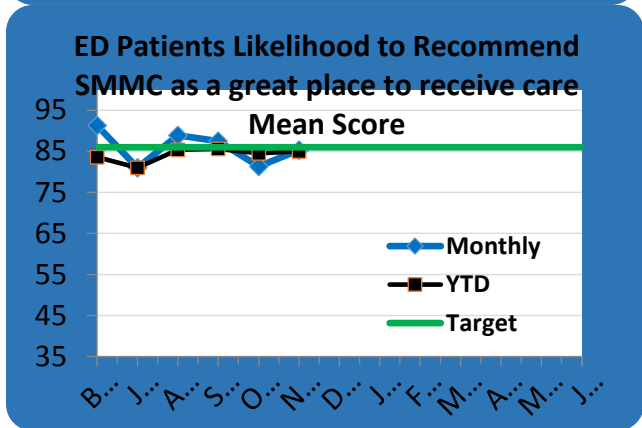
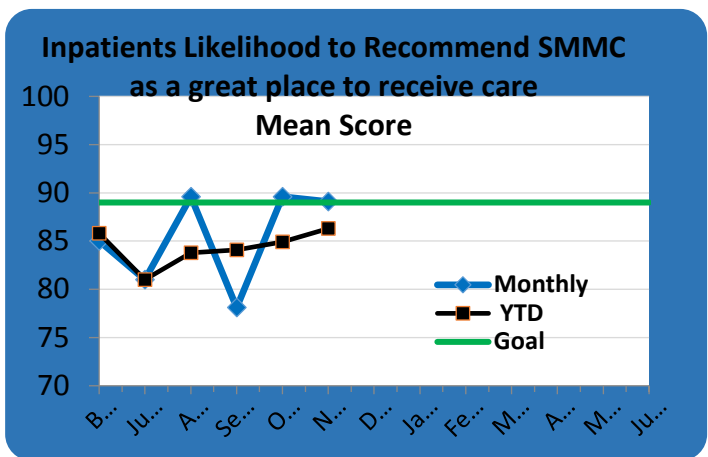
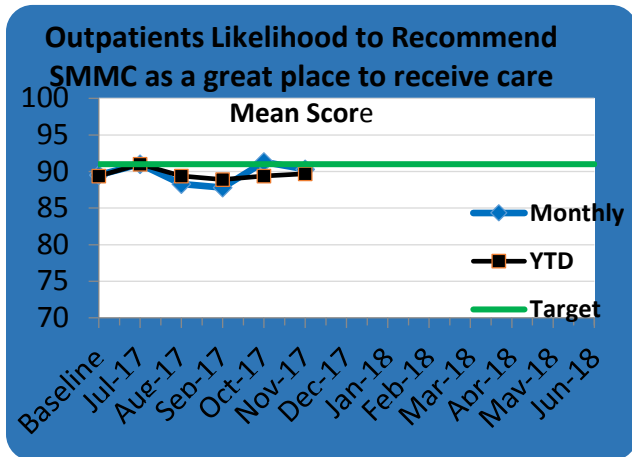
PILLAR METRICS



- **SMMC Pain Clinic Recognized with County STARS Award** - The SMMC Pain Clinic received recognition (and a \$20,000 award) as a STARS Award winner in the area of Program Performance. The program was officially recognized at the January 23rd Board of Supervisors meeting. The interdisciplinary model has been recognized as a best practice in complex pain management. It is one of the only programs of its kind in Northern California and is the only one located in a public hospital. Congratulations to the entire Pain Clinic team for this well-deserved honor.
- **Stacy Glocke, RN to Present at State Meeting**- Stacy Glocke, Clinical Nurse Educator in the Emergency Department, this month will present at a state chapter meeting of the American Organization of Nurse Executives. Her presentation highlights the work SMMC clinical nurse leaders and physicians did with the mentorship of Stanford physicians and nurses in introducing simulation training for pediatric emergencies. Most pediatric patients presenting to community hospital emergency departments do not require interventions for life threatening conditions, so when a pediatric patient who is acutely ill does present at our emergency department our staff are trained through simulations every month to meet the most acute situations. Thank you to our colleagues at Stanford for their partnership and congratulations to Stacy!
- **SMMC CNO to Present at State Annual Conference**- Joan Gyax Spicer, RN, PhD, Chief Nursing Officer/Deputy Director of Inpatient Services is presenting at the Association of California Nurse Leaders Annual Conference in Monterey. This conference is one of the largest gatherings of nurses in California. Joan will be highlighting the use of the SMMC Nursing Practice Framework as a tool for nurses to support the strategic direction of a safety net health system.

PATIENT CENTERED CARE

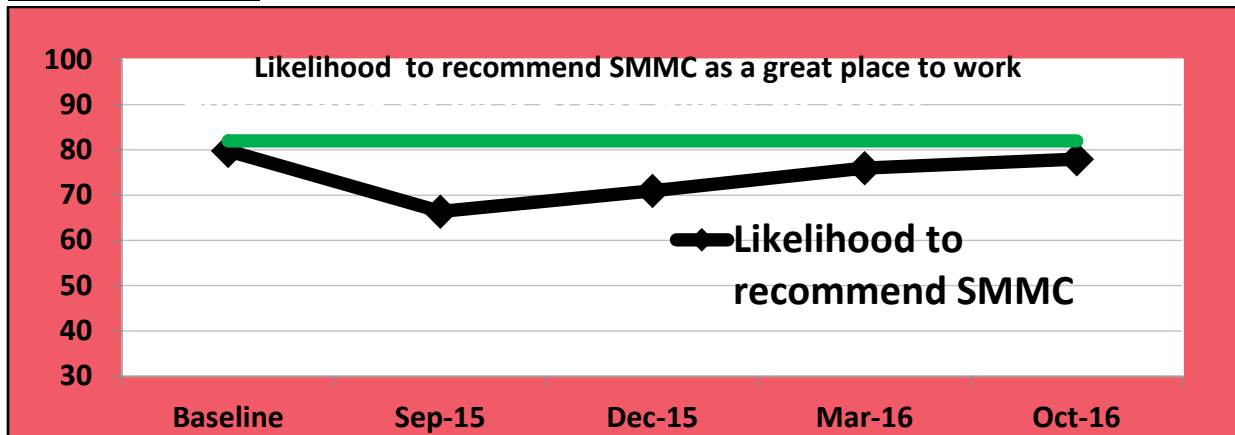
PILLAR METRICS



- SMMC Provider Communication Program Recognized with Honorable Mention in County STARS Awards-** The medical center’s Relationship-Centered Provider Communication Training Program was recognized with an Honorable Mention (and \$2500 award) in the STARS Award area of Customer Service. The program has trained over 130 providers including 90% of Primary Care Providers in Relationship-Centered Communication skills using learner-centric principles and role play with real-time feedback. Congratulations to everyone involved in this highly successful model.
- Health System Transgender Health Care Program Recognized with Honorable Mention in County STARS Awards-** The Health System’s work in Transgender Health Care was recognized with an Honorable Mention (and \$2500 award) in the area of Diversity. The Transgender Health Clinic, a collaboration among several San Mateo County Health System programs including SMMC specialty and primary care staff, is a monthly medical clinic for transgender patients, with mental health, nursing support, scheduling, and social work case management services available between clinic dates. The clinic which began providing services in July of 2016 utilizes a broad interdisciplinary team to address all the needs of our transgender clients. Congratulations and thank you to the entire team that makes this program possible.

STAFF ENGAGEMENT

PILLAR METRICS



- **SMMC Sees Record Participation in County Engagement Survey-** 765 members of the San Mateo Medical Center Staff participated in the most recent county engagement survey. This is an 11% increase from last year and an all-time high for the organization. We are currently in the process of receiving and analyzing the results of the survey so that we can identify the best opportunities to continue our journey to fulfill our goal of being “a great place to work where we are passionate about serving our community.”
- **Staff with Multiple Recognitions by Colleagues and Patients Celebrated at Employee Forums-** The quarterly staff forums occurred the week of January 15th and I had the privilege of recognizing those staff members who had received five or more submissions in either of our recognition programs. The *Just Because* Program allows patients to identify staff members who they feel have provided exceptional service. This quarter we recognized Edouard Aboian (Vascular Surgery), Angelica Cervantez (Patient Access), Wendy Fung (Coastside Dental) and Geri Vaughn (FOHC Dental) who all received five or more patient recognitions. The *Above and Beyond* Program allows staff members to recognize their colleagues’ efforts. This quarter, Blanca Lemus (Fair Oaks Health Center), Cindy Morales (Pain Management Clinic) and Martin Rogers (Accounting) received five or more submissions. Congratulations again to all of these individuals and to everyone who has been recognized in either program.
- **SMMC Announces Excellence Awards Recipients-** Every year, staff and providers nominate their peers for the SMMC Excellence Awards which recognizes those who exemplify excellence in their profession. I would like to congratulate the following 2017 recipients and thank them for their outstanding dedication to our patients and community.

Change Champion

Sara Okabayashi-Williams, Nurse Practitioner, Daly City Clinic

Leader Excellence

Claudia Maravilla, Patient Services Assistant, Fair Oaks Health Center

Nursing Excellence

Judy Manuel, Registered Nurse, Daly City Clinic

Robbi Larcina, Nurse Manager, Medical Surgical Units

Patient-Centered Excellence

Richard Munoz, Licensed Psychiatric Technician, Inpatient Psychiatric Services

Svetlana Esquivel, Social Worker, Senior Care Center

Provider Excellence

Dr. Eduardo LaCalle, Emergency Department
Dr. Julie Hersk, Emergency Department

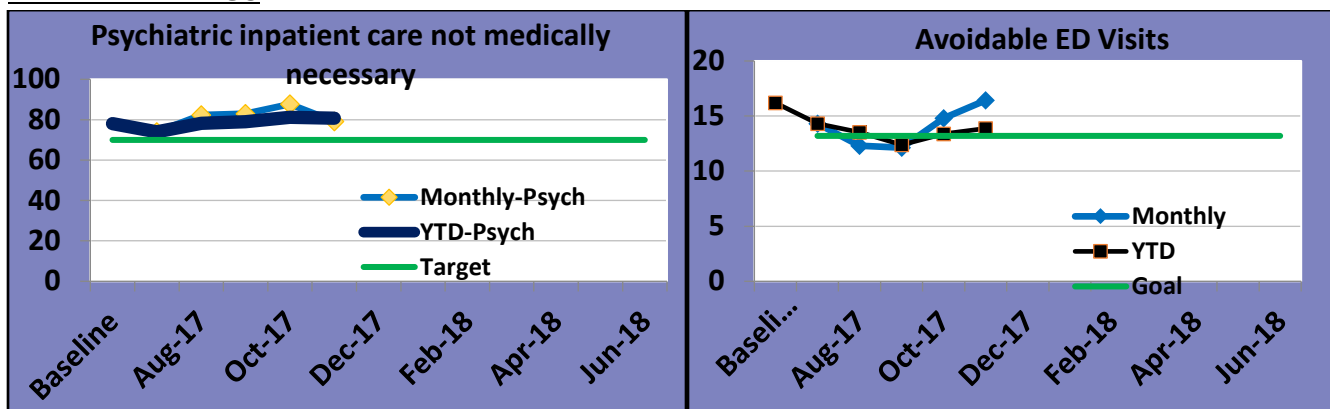
Service Excellence

Sau Vong, Management Analyst, Contracting
Eric Lomax, Lead Sterile Processing Technician, Biomed

Team Player

Eladia Castellanos, Community Worker, Daly City Clinic
Geri Archibald, Nurse Practitioner, Keller Center

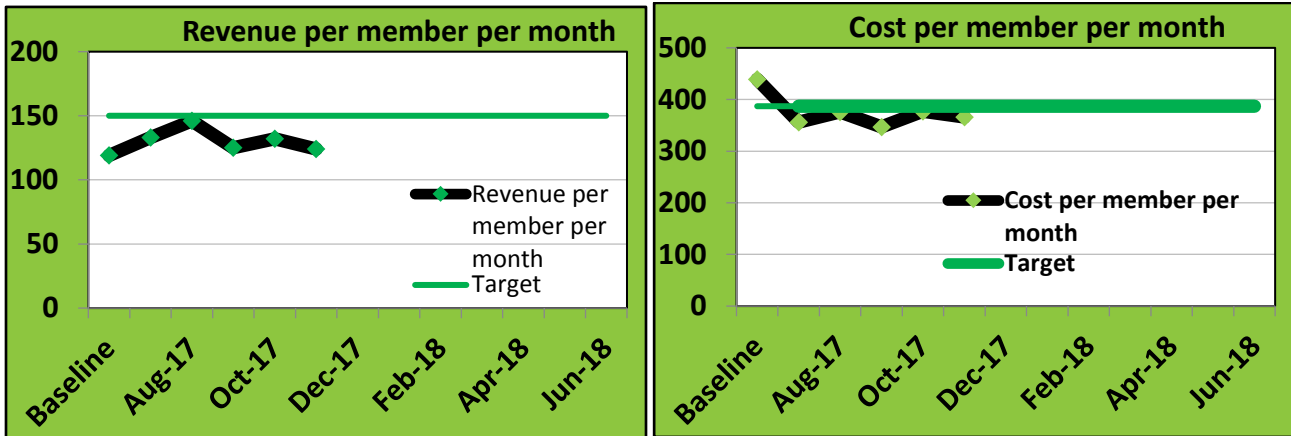
RIGHT CARE, TIME AND PLACE PILLAR METRICS



- **Flu Season Hits SMMC**- Flu season hit early this year throughout the country and San Mateo County was no exception. Hospitals throughout the county saw significant increases in both ED volume and hospitalizations. SMMC saw a 21% increase in ED volume starting at the end of December and all of our inpatient beds remained consistently full throughout this period. We were forced to cancel some elective surgeries to ensure both bed availability and to protect those recovering patients from potential flu exposures. Although the challenge is far from over, I want to again take this opportunity to thank all the staff who have worked valiantly to ensure that every patient receives the care they need during this difficult flu season.

FINANCIAL STEWARDSHIP

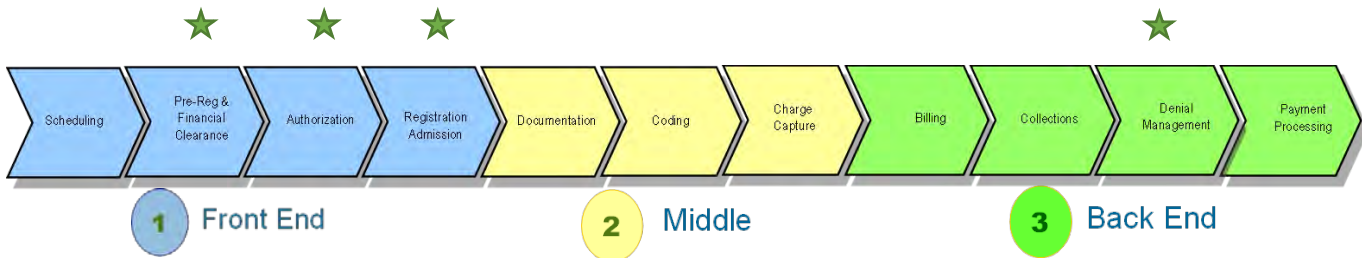
PILLAR METRICS



- Revenue Cycle Transformation – FY18 Initiatives**

Our FY17-18 Financial Stewardship strategic initiative continues to focus on the revenue cycle, building on last year’s front-end work with insurance verification accuracy and inpatient authorization approvals. In addition we added a focus on ensuring our providers are enrolled with Medicare and Medi-Cal in a timely manner to eliminate payment denials.

An important element of transforming the revenue cycle is the replacement of our outdated Invision patient billing system; bringing new technology, enhanced functionality, automated workflows and actionable reporting. Planning is underway to integrate this replacement in conjunction with EHR 2.0.



This work is driven by collaborative teams developing nested charters for registration accuracy, authorizations for same day surgeries, and provider enrollment. Each nested charter process owner convened cross-functional teams to update the background, needs statement and current condition as the foundation for the work. A key component in this effort was identifying the measures to track to let us know whether our actions are yielding improvements. For our overall charter, the team identified the following measures for FY18:

Measures:	Baseline value (6/30/17)	Current Value (12/31/17)	Budget Value (FY17-18)	Ideal Value
Revenue per member per month (pmpm)	\$119	\$130	\$150	\$398
Claim denials (< 4% NPR)	\$4.4 million	TBD	\$4.0 million	No Denials
Unbilled accounts (5-day bill hold)	\$8.6 million	\$11.1 million	\$5.5 million	No Unbilled

The Registration Accuracy nested charter encompasses the activities to ensure all the required registration data elements for accurate billing will be collected as early in the patient contact cycle as possible, typically before the patient arrives for services. The most significant gaps identified in the current state assessment are the lack of adequate reporting tools for quality assurance, lack of work queue tools to manage workflow prioritization, and inefficient structure of insurance plan codes. Two of these gaps can be addressed through technology to

automate work that is done manually today and this will be a focus area for the next several months as we evaluate front-end automated tools in advance of the Invision system replacement.

- **Medi-Cal 2020 Waiver: Alternative Payment Models**

The PRIME program of Medi-Cal 2020 supports sustainable delivery system reform through a requirement that California's public health care systems use alternative payment models (APMs) in which providers assume some risk for the cost and quality of services provided to the Medi-Cal managed care enrollees who are assigned to these health care systems. APMs aim to further align payments with the goal of value-based care, rather than volume-based care.

PRIME requires that by January 2018, 50% of the state's Medi-Cal managed care beneficiaries who are assigned to a public health care system will receive all or a portion of their care under a contracted APM, or funding will be at risk.

We currently have the framework for the APM requirement through contracts with HPSM for Primary Care capitation and a Pay-For-Performance program. To fully address the new PRIME APM requirements, we recently entered into a Shared Savings Program with HPSM that is designed to share in savings derived from a collaborative approach to drive down healthcare costs. We will report the progress of this program at future Board meetings.

- **Revenue Integrity and Compliance**

Our Finance team, in conjunction with SMMC's Compliance and Privacy Officer, launched an assessment of compliance and operational risks and gaps in our revenue cycle processes. Also known as "revenue integrity", the goal of which is to ensure we are billing and collecting for every dollar we are entitled to in a manner that is fully compliant with governmental laws and regulations. To assist us in the assessment we engaged the CPA firm of Moss Adams, who provided an independent assessment that focused on crucial requirements that need to be added or strengthened in our compliance program plans, activities, or policies and procedures. Specifically, they addressed the following:

- Current compliance and revenue integrity program strengths.
- Maturity scale result for each of the OIG's Seven Essential Elements of an effective compliance program.
- Opportunities for compliance program improvement.
- Proposed recommendations to improve compliance effectiveness and corrective actions.

The Finance team and Compliance Officer will share the findings with the County Controller and Internal Audit division to integrate the findings from this assessment into the County-wide risk assessment.

To: SMMC Board Members
 From: Louise Rogers, Chief
 Subject: Health System Monthly Snapshot – January 2018



Indicator	Number	Change from previous month	Change from previous year
ACE Enrollees	21,751 (December, 2017)	.2%	2.3%
SMMC Emergency Department Visits	3,593 (December, 2017)	6.6%	1.7%
New Clients Awaiting Primary Care Appointment	672 (January, 2018)	-18.5%	22%

Health System Promotes Bay Area Flu Prevention Response

As emergency department (ED) visits rose sharply in hospitals throughout San Mateo County in December and January with patients reporting flu-like symptoms, the Health System urged the public to get a flu vaccine and to take additional measures to prevent the spread of the disease. The information was distributed through social media, public service announcements on Spanish-language radio, and a press release. The next day, Health System Communications saw a significant increase in press inquiries about the flu. Communications also worked with Supervisor David Canepa’s office to publish a personal testimonial from the Supervisor expressing the importance of getting the flu vaccine. Interim Communicable Disease Controller David Chang was interviewed by multiple news outlets, including KGO and KRON4. SMMC Medical Director Jeanette Aviles was interviewed in Spanish on Univision 14. We also created a short (5-minute) filmed conversation between Director of Public Health, Policy & Planning Cassius Lockett and Health Officer Scott Morrow [right] talking about flu in San Mateo County to visually and verbally share key flu prevention messages. On social media as of mid-January, the Health System’s flu campaign content reached 73,000 views since it began in September, 2017. The first half of January, 2018 saw ED patient volume at SMMC increase by 21% compared to a similar period in December. Health officials continue to monitor the situation closely.



Health System Continues Commitment to California Counties in Response to Wildfires

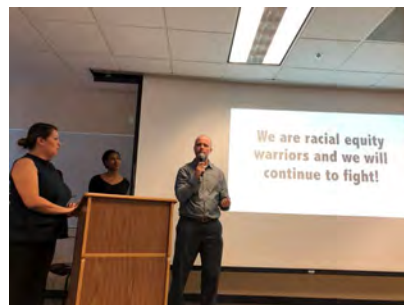
As California endures the devastating wildfires and their aftermath, the Health System continues to provide Mutual Aid support for both Sonoma and Santa Barbara Counties. In December, Health System Communications sent one staff member to Santa Barbara County’s Emergency Operations Center [right] during the Thomas Fire, while Environmental Health Services sent two additional staff members to assist with the massive cleanup efforts in Sonoma County. To date, over 30 Health System staff have deployed in support of our neighboring counties. Mutual aid applications have also been submitted by Health System staff to assist in Santa Barbara County’s recent mudslide disaster.



Photo: Alex Eisenhart, Health System Communications

San Mateo County Expands Racial Equity Education Opportunities

A year after San Mateo County began its involvement with the Government Alliance for Racial Equity (GARE), the Health System celebrated the completion of its first staff training for 13 managers and supervisors from 7 divisions with a graduation ceremony [below] in December. In alignment with San Mateo County’s Diversity and Inclusion initiative, the Health System joined this national effort to build government’s capacity to promote racial equity to help ensure that everyone in San Mateo County has equitable opportunities to be healthy. The Health System is one of over a dozen jurisdictions in California to have participated in GARE over the past year. The next phase of this effort is to survey Health System staff to better understand general knowledge of, experiences with, and comfort in addressing racial equity issues. These surveys will help to inform future staff trainings across the Health System.



Photos: Diana Rohini LaVigne, Health System Communications