



**San Mateo Medical Center**  
*A County System of Healthcare*

## **BOARD OF DIRECTORS MEETING**

Thursday, June 7, 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

June 7, 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. May 3, 2018 Meeting Minutes

**G. MEDICAL STAFF REPORT**

Chief of Staff Update

*Dr. Bryan Gescuk*

**H. ADMINISTRATION REPORTS**

- 1. SMMC Model Cell – Our Innovations Laboratory
- 2. SMMC Model Cell and Redesign of Specialty Services
- 3. SMC Connected Care – Health Info Exchange
- 4. Financial Report
- 5. CEO Report

*Dr. Susan Fernyak ..... Verbal*  
*Brighton Ncube..... Verbal*  
*Louise Rogers ..... Verbal*  
*David McGrew..... TAB 2*  
*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**

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*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, May 3, 2018  
Executive Board Room

**Board Members Present**

Supervisor Carole Groom  
Supervisor David Canepa  
John Maltbie  
Louise Rogers  
Dr. CJ Kunnappilly  
Dr. Bryan Gescuk  
Dr. Janet Chaikind  
Dr. Alex Ding  
Deborah Torres

**Staff Present**

Michelle Lee  
David McGrew  
Dr. Susan Fernyak  
DeAndre James  
Joan Spicer  
Aimee Armsby  
Dr. Alpa Sanghavi  
Gabriela Behn

**Members of the Public**

Paul Rogerville  
Nancy Lapolla

ITEM	DISCUSSION/RECOMMENDATION	ACTION
Call to Order	Supervisor Groom 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 8:14 AM to Open Session. A quorum was present (see above).	
Report out of Closed Session	Medical Staff Credentialing Report for May 3, 2018. QIC Minutes from March 27, 2018. Medical Executive Committee Minutes from April 10, 2018.	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	The 2018 Foundation Golf Tournament has been cancelled.  The San Mateo Medical Center Infusion Center ribbon cutting ceremony will be on May 24. The SMMC Rehabilitation Services Capital Campaign will be working with Essex and Drake, a non-profit fundraising company, to identify supporters of the Rehab Services' relocation.  Andy Klein has joined the Foundation Board as its newest member.	FYI
Consent Agenda	Approval of: 1. Hospital Board Meeting Minutes from April 5, 2018.	It was MOVED, SECONDED and CARRIED

		unanimously to approve all items on the Consent Agenda.
Medical Staff Report Dr. Bryan Gescuk	<p>The annual Medical Staff Dinner will be held on May 16 at Domenico Winery in San Carlos. Please RSVP if you have not already done so.</p> <p>The new provider workspace on the third floor was installed with new workstations and office furniture. It's a welcome addition as a central meeting and working place for our providers.</p>	FYI
Primary Care Dr. Sumita Kalra	<p>Primary Care Medical Home Projects – where are we now?</p> <ul style="list-style-type: none"> <li>• Pediatric Care Teams: Defined/standardized roles within the care team and streamlined the visit flow to ensure that all patients' needs are met during their visit.</li> <li>• Depression Screening Workflow Redesign: Redesigned workflows to efficiently capture, document, and address screening. Patients screened for clinical depression using a standardized tool AND, if positive, a f/u plan is documented on the date of the positive screen</li> <li>• Colorectal Cancer Screening In-reach: Implemented in-reach data and pre-visit planning to ensure that overdue patients coming in for a visit are given a FIT kit and education on how to complete it.</li> </ul> <p>Relationship Centered Communication</p> <ul style="list-style-type: none"> <li>• Patient and Provider Experience with Relationship-Centered Communication: Training for the trainers consisted of eight full days, real-time feedback, learn and practice the content and facilitation skills, and constant attention to communication and relationships.</li> </ul>	FYI
Compliance Update Gabriela Behn	<p>SMMC's Compliance Program maturity was measured using a tool derived from the Capability Maturity Model (CMM). In this case, we evaluated the maturity of SMMC's Compliance Program, based on the extent that compliance-required processes are implemented, documented, monitored, and continuously improving. SMMC's current compliance maturity is 1.8 of a maximum scale of 5.</p> <p>A summary of recommendations and current status was detailed.</p>	FYI
Emergency Services Nancy Lapolla	Nancy Lapolla discussed the Emergency Medical Services systems and some of their quality measurements amongst stakeholders.	FYI
Financial Report David McGrew, CFO	The March 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.	FYI

<p>Health System Report Louise Rogers</p>	<p>Health Information Exchange (HIE) has rolled out and is spreading.</p> <p>With the support of funding authorized by the Board of Supervisors, Alcohol &amp; Other Drugs (AOD) within Behavioral Health &amp; Recovery Services has launched a public education campaign aimed at educating youth in San Mateo County. The San Mateo County Youth Commission has also advised on the social media campaign set to begin in May/June.</p>	<p>FYI</p>
<p>County Manager John Maltbie</p>	<p>The county is at the midpoint of the two-year budget. We are asking department for 2.5% reductions looking forward.</p>	<p>FYI</p>
<p>Board of Supervisors Supervisor Groom</p>	<p>No report.</p>	<p>FYI</p>

Supervisor Groom adjourned the meeting at 9:30 AM. The next Board meeting will be held on June 7, 2018.

Minutes recorded by:



Michelle Lee, Executive Secretary

Minutes approved by:



Dr. Chester Kunnappilly, Chief Executive Officer



San Mateo Medical Center  
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# TAB 2

# ADMINISTRATION REPORTS



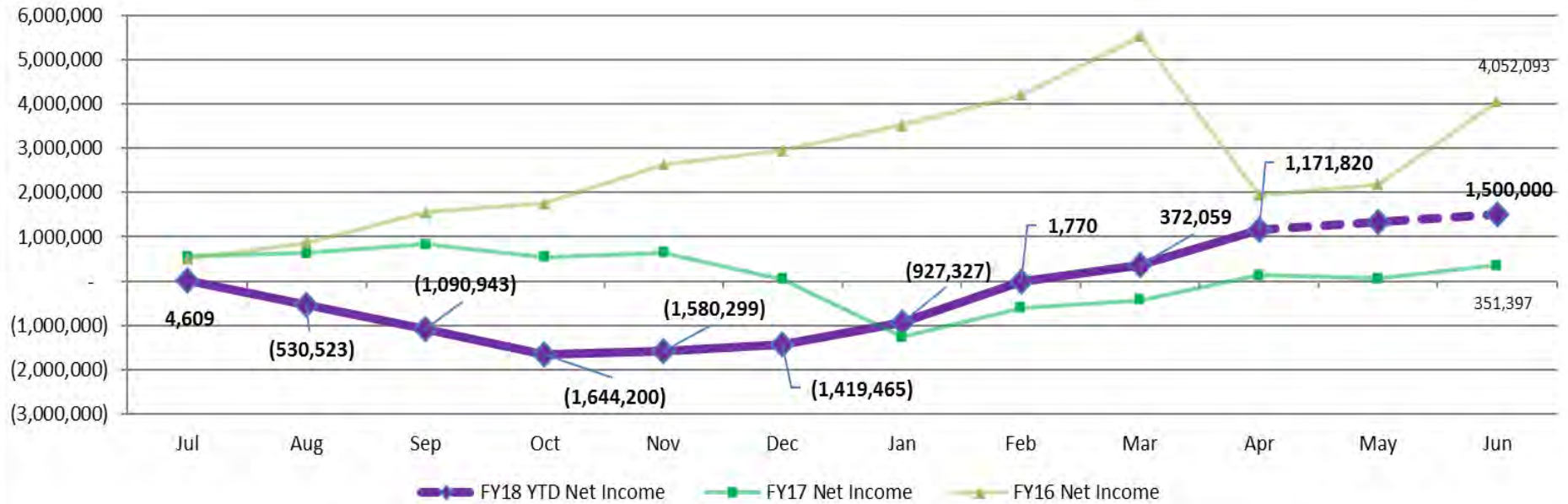


**San Mateo Medical Center**  
*A County System of Healthcare*

**April FY 2017-2018  
Financial Report**

**Board of Directors Meeting  
June 7, 2018**

# Financial Highlights



## April - Positive \$800K:

- FTEs below budget
- GPP DSH cut delay
- QIP/EPP

## ● Patient service revenue

- Claim denials
- Non-acute days

## ● Timing of registry payments

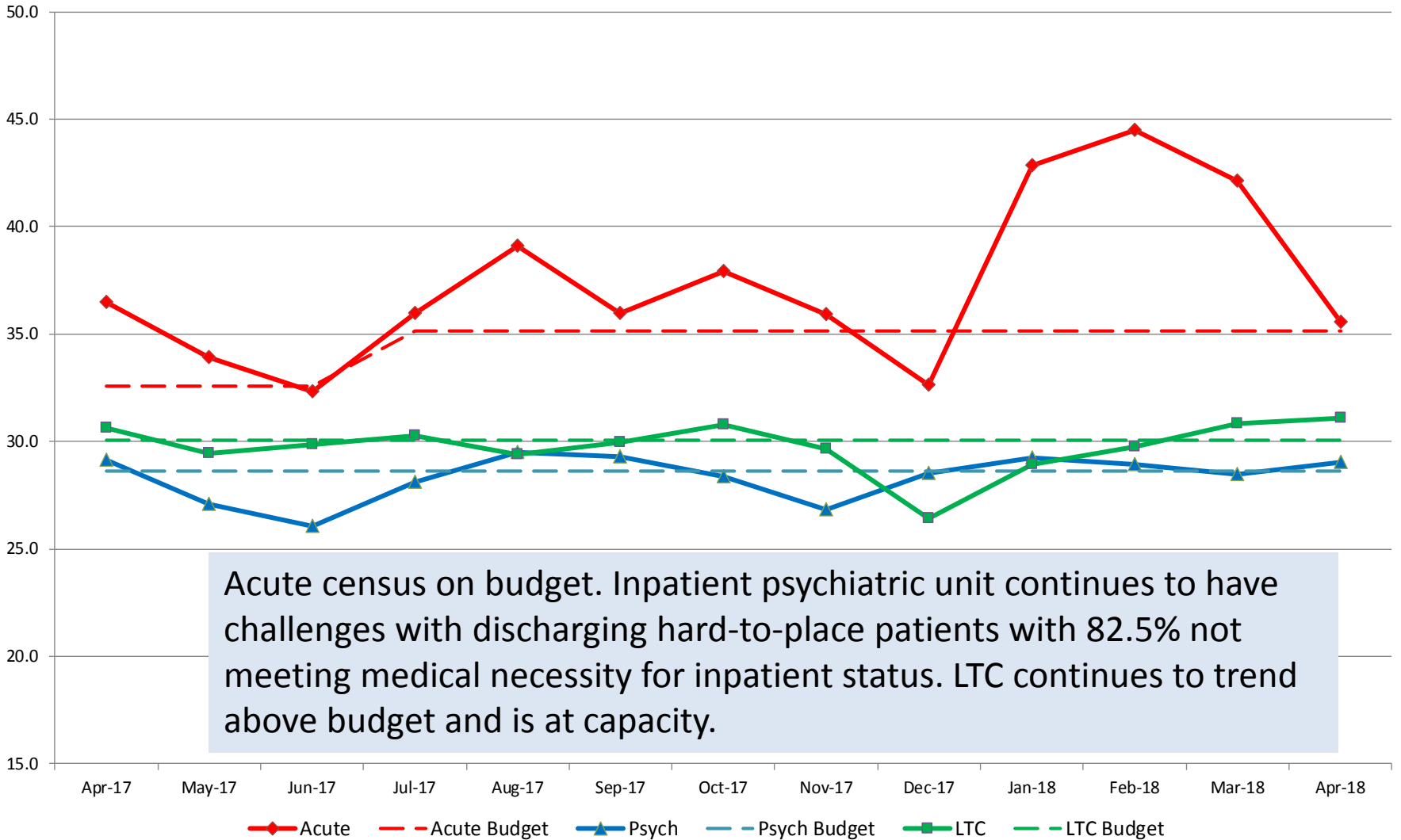
**Forecast FY18:** In addition to the new Voluntary Rate Range program, the recently approved Quality Improvement Program (QIP) and Enhanced Payment Program (EPP) provides sufficient funding to offset the loss of other supplemental revenue due to the Managed Care Rule.

San Mateo Medical Center  
 Inpatient Census  
 April 30, 2018

MONTH			
Actual	Budget	Variance	Stoplight
2,871	2,839	32	1%

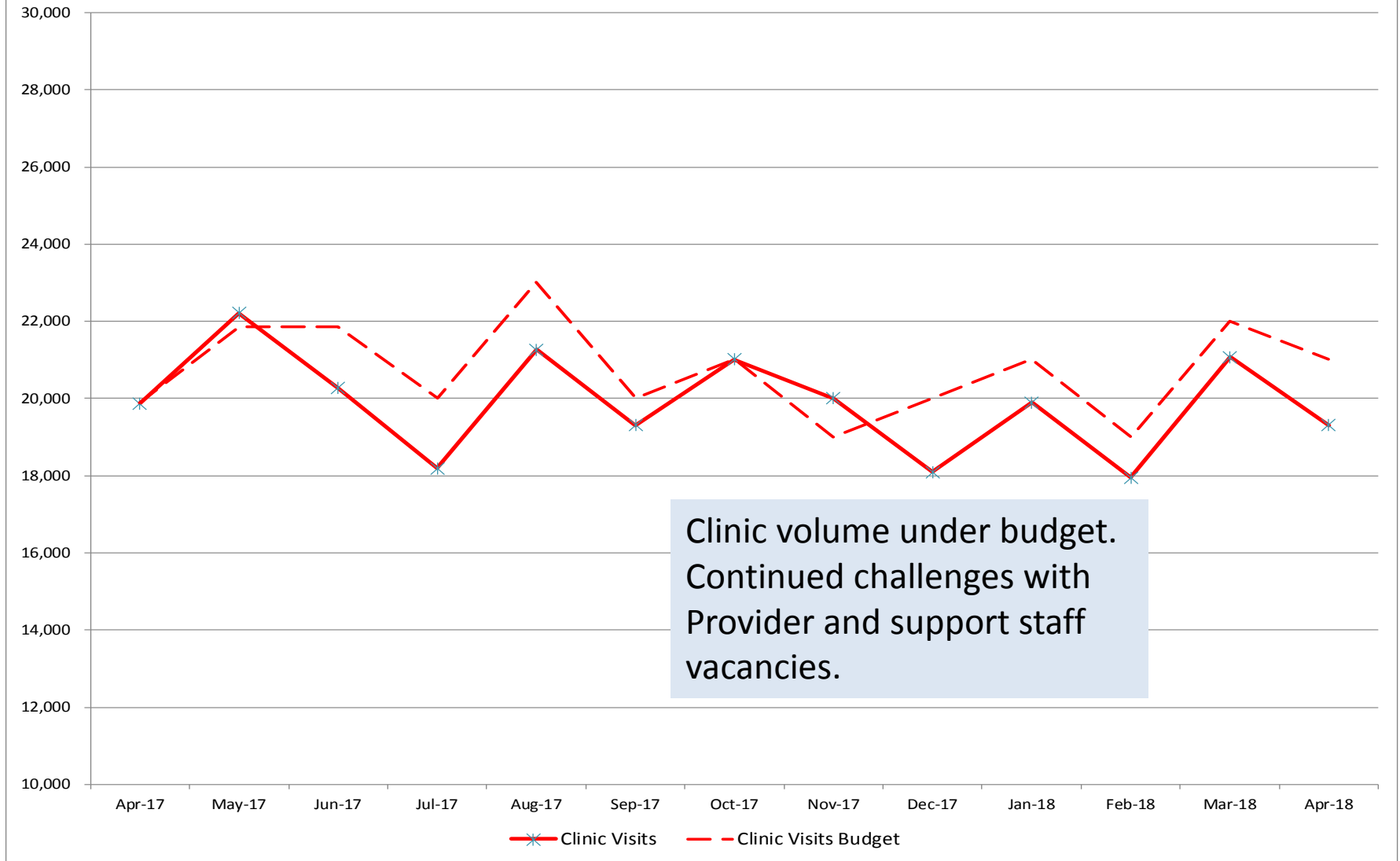
YEAR TO DATE			
Actual	Budget	Variance	Stoplight
29,351	28,771	580	2%

Patient Days



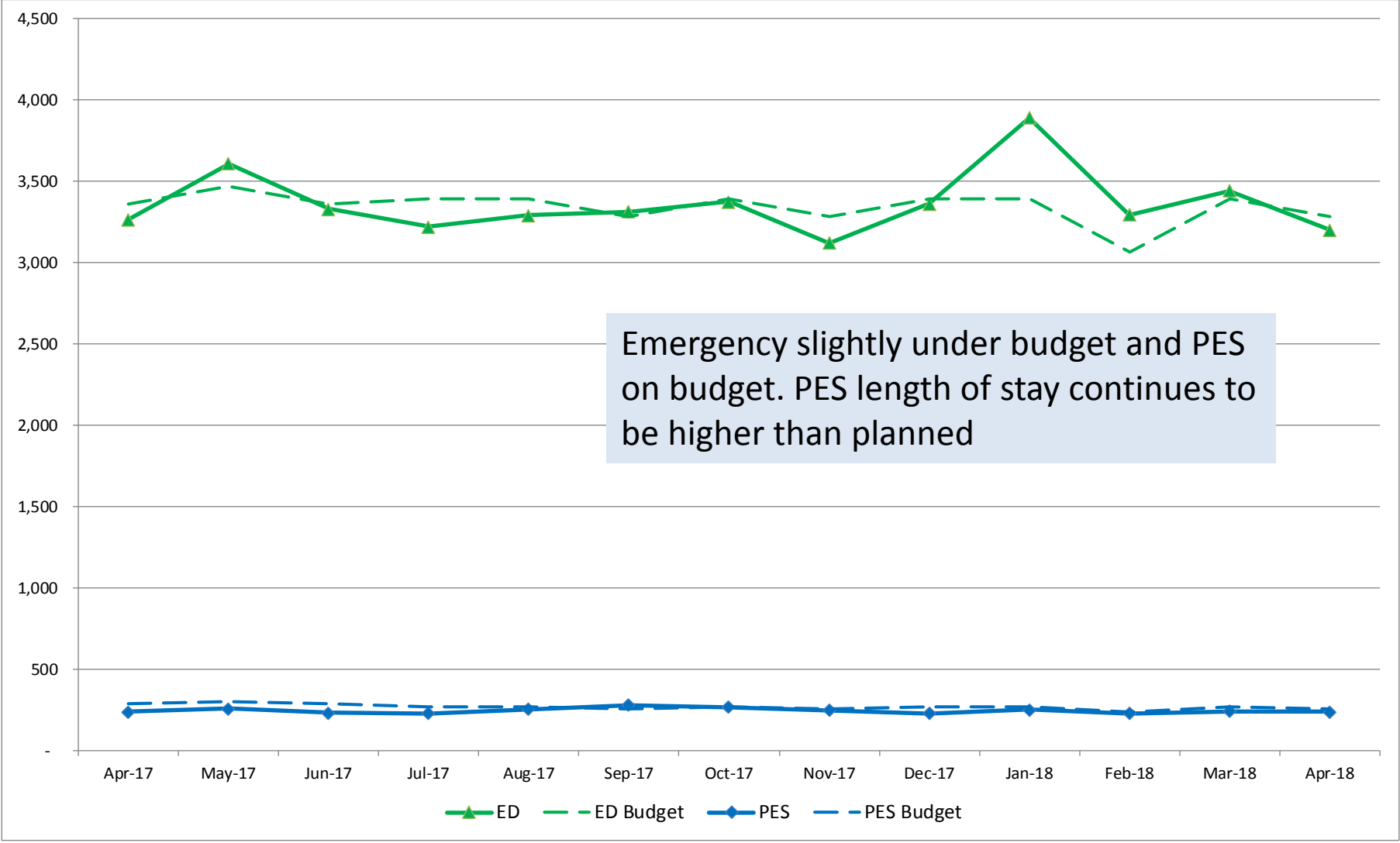
**San Mateo Medical Center  
Clinic Visits  
April 30, 2018**

	MONTH				YEAR TO DATE			
	Actual	Budget	Variance	Stoplight	Actual	Budget	Variance	Stoplight
<b>Clinic Visits</b>	19,309	21,009	(1,700)	-8%	196,099	206,086	(9,987)	-5%



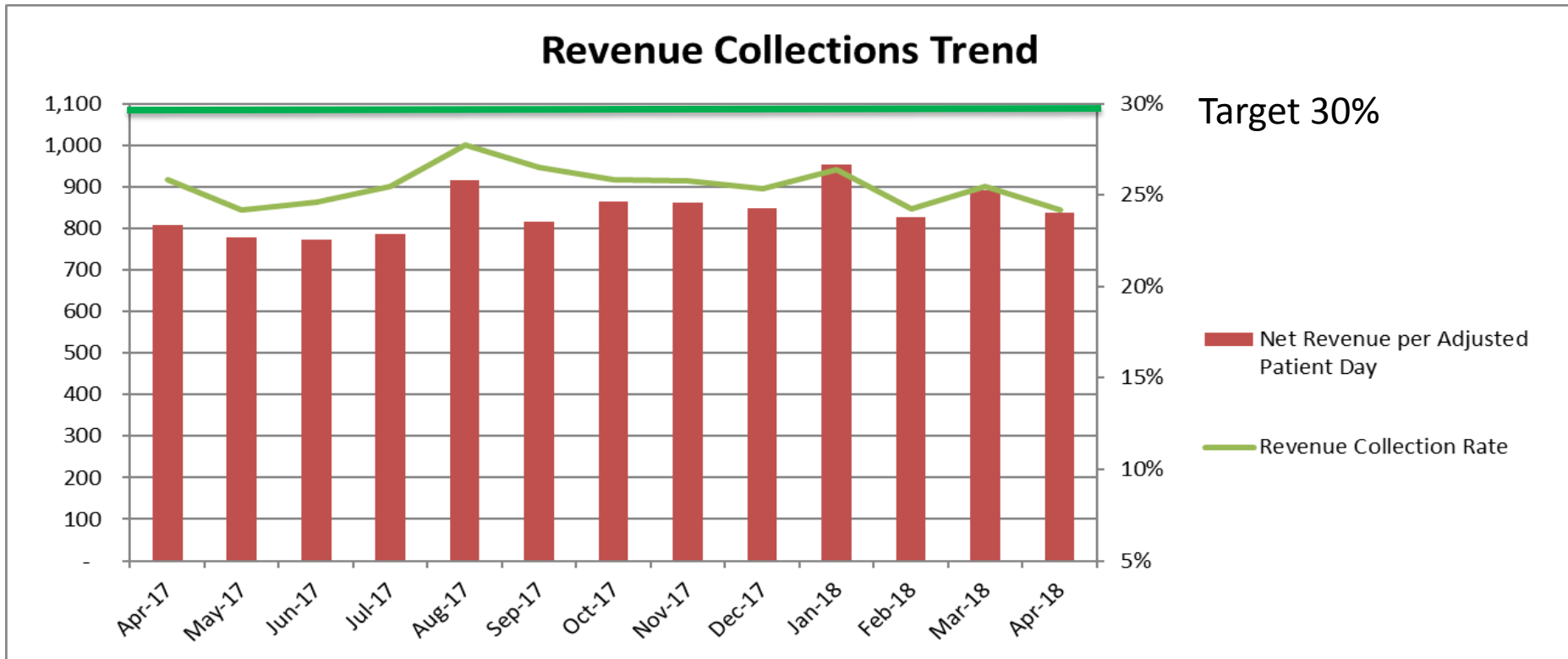
**San Mateo Medical Center  
Emergency Visits  
April 30, 2018**

	MONTH				YEAR TO DATE			
	Actual	Budget	Variance	Stoplight	Actual	Budget	Variance	Stoplight
<b>ED Visits</b>	3,440	3,541	(101)	-3%	35,999	35,884	115	0%



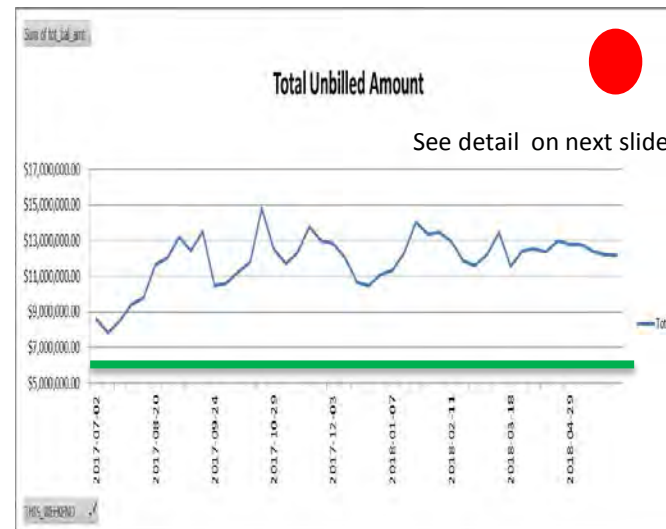
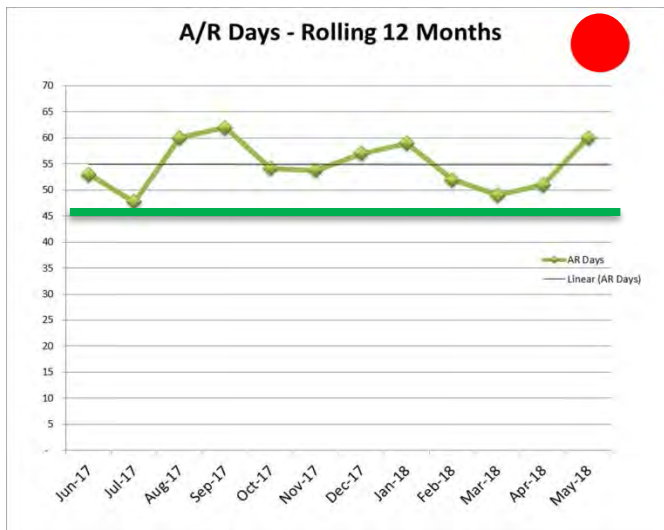
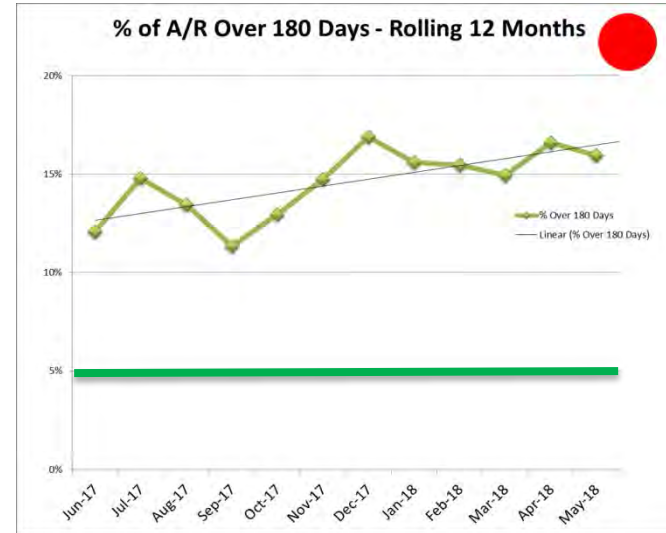
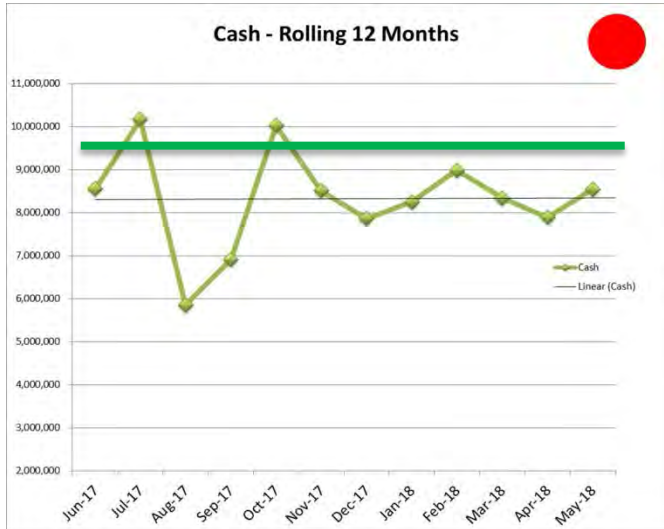
# Key Performance Indicators

## FFS Revenue Collection Trend



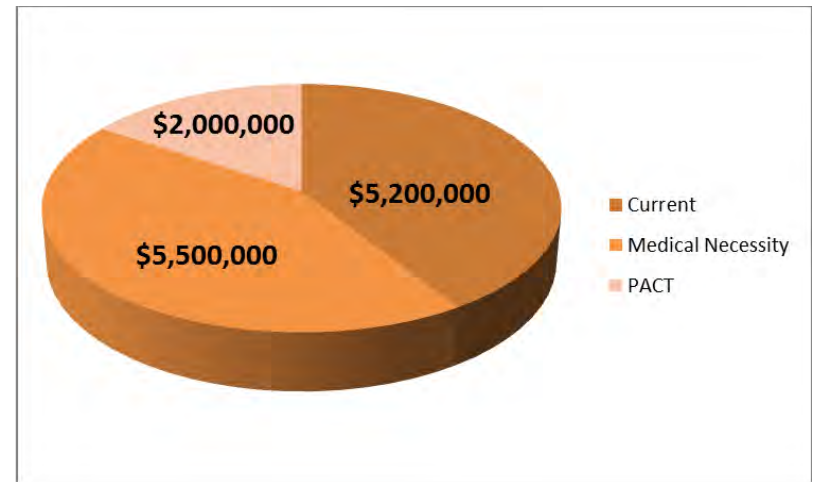
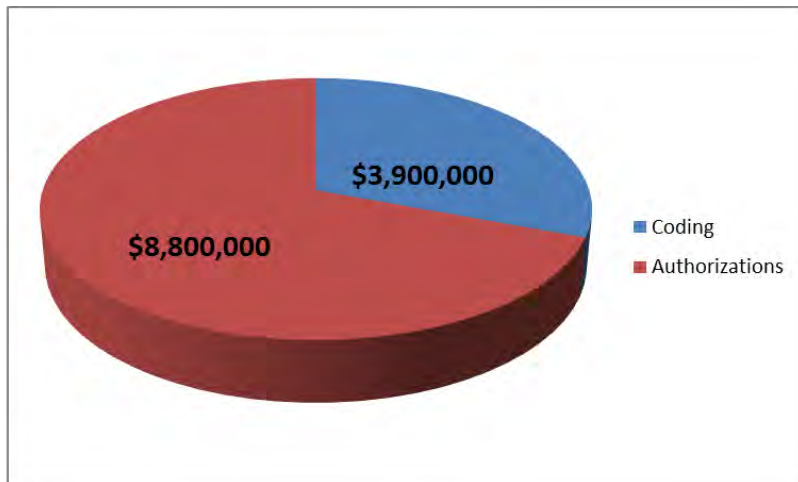
The revenue collection rate continues to hover around 25%, as we continue to delay the release of claims pending compliance reviews for accuracy and completeness. Claim denials continue to be high due to inpatients not meeting medical necessity on the medical-surgical unit and the psychiatric unit.

# Key Performance Indicators



# Key Performance Indicators

Unbilled Accounts as of 5/31/2018

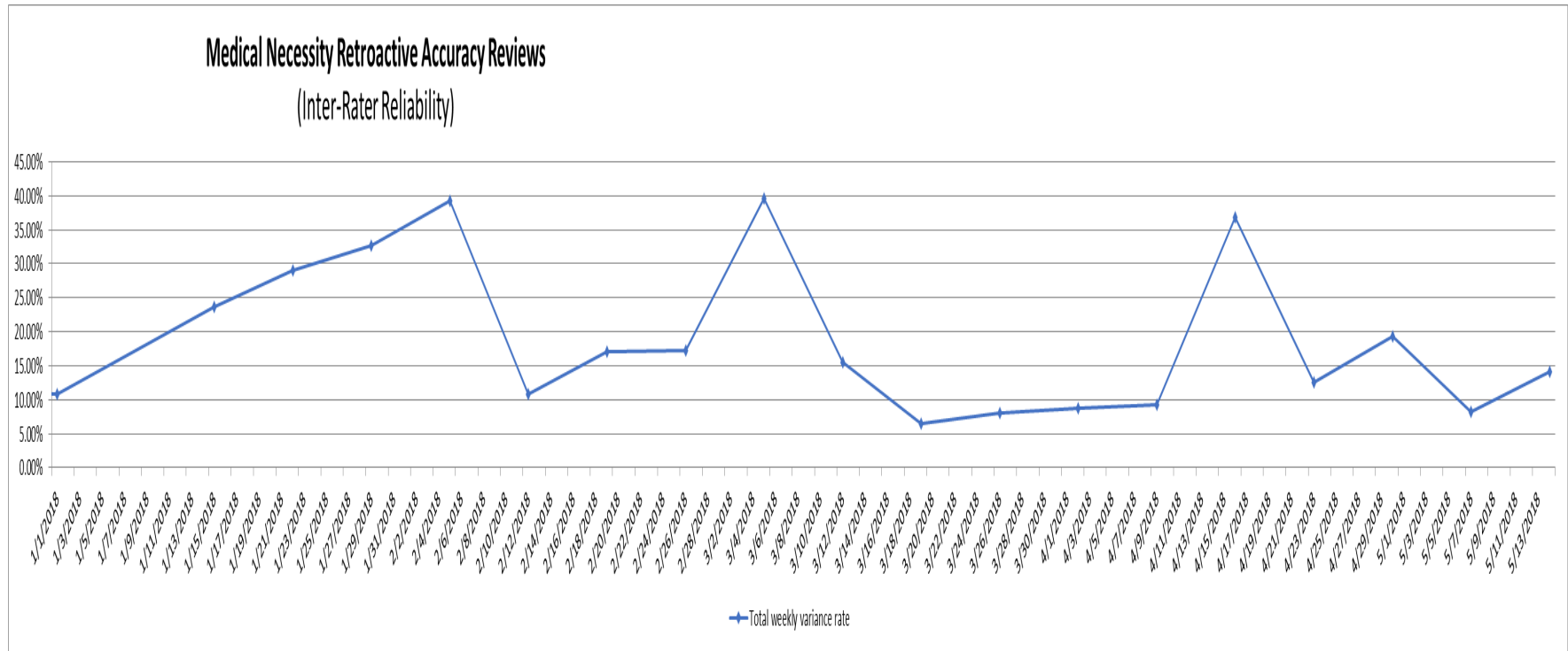


As of 5/31/2018 there was \$12.7 million in unbilled amounts. \$8.8 million is pending treatment authorizations, of which \$5.5 million are pending medical necessity determination before the authorizations are approved. For the \$3.9 million pending coding completion, \$2.0 million is being held pending resolution of PACT billing procedures. The remaining unbilled balances of \$5.2 million are within current billing timelines and is below the target of \$6 million.

The Revenue Improvement Plan addresses work to resolve medical necessity issues.



# Key Performance Indicators



Claims are held pending review of medical necessity for compliance with inpatient billing rules and treatment authorization requirements. As a result of weekly variance reviews, focused training/monitoring and LEAP improvement work, the error rate continues to trend downward. Implementation of a CDI program will further support these efforts.

# Revenue Improvement Plan

## Executive Summary

Initiative	Status
<i>Denial management &amp; Unbilled Accounts</i>	<ul style="list-style-type: none"> <li>• External retro reviews in progress.</li> <li>• Medical necessity training &amp; monitoring in progress.</li> <li>• Denials workflow &amp; reporting software live in April</li> <li>• Authorization improvement work – IP, SSU, Infusion</li> </ul>
<i>Clinical Documentation Improvement (CDI)</i>	<ul style="list-style-type: none"> <li>• RFP closed and Vendor selected - Navigant</li> <li>• Contract approved by BOS</li> <li>• Initiate project work in June – 2 Phases               <ul style="list-style-type: none"> <li>• Consulting project for CDI program development</li> <li>• Chartwise software implementation</li> </ul> </li> </ul>
<i>Registration Accuracy</i>	<ul style="list-style-type: none"> <li>• Developed A3 Improvement Charter to focus on registration workflows</li> <li>• Registration quality workflow and dashboard reporting tool pending BOS contract in July</li> </ul>
<i>Increase Medi-Cal rates</i>	<ul style="list-style-type: none"> <li>• SNF cost report appeals in progress</li> <li>• Medical-Surgical inpatient rates increased to \$2,280/day. Projected to yield \$6m annually.</li> </ul>
<i>Psych services billing project</i>	<ul style="list-style-type: none"> <li>• Final report recommendations issued. Project on hold.</li> </ul>

# APPENDIX

**San Mateo Medical Center**  
**Income Statement**  
**April 30, 2018**

	MONTH				YEAR TO DATE			
	Actual	Budget	Variance	Stoplight	Actual	Budget	Variance	Stoplight
	A	B	C	D	E	F	G	H
1 <b>Income/Loss (GAAP)</b>	799,761	31,850	767,911		1,171,820	318,499	853,321	
2 <b>HPSM Medi-Cal Members Assigned to SMMC</b>	38,339	38,019	320	1%	380,849	380,190	659	0%
3 <b>Unduplicated Patient Count</b>	69,180	70,114	(934)	-1%	69,180	70,114	(934)	-1%
4 <b>Patient Days</b>	2,871	2,839	32	1%	29,351	28,771	580	2%
5 <b>ED Visits</b>	3,440	3,541	(101)	-3%	35,999	35,884	115	0%
7 <b>Surgery Cases</b>	210	265	(55)	-21%	2,320	2,601	(281)	-11%
8 <b>Clinic Visits</b>	19,309	21,009	(1,700)	-8%	196,099	206,086	(9,987)	-5%
9 <b>Ancillary Procedures</b>	67,457	69,330	(1,873)	-3%	685,332	680,790	4,542	1%
10 <b>Acute Administrative Days as % of Patient Days</b>	0.0%	16.0%	16.0%	100%	0.0%	16.0%	16.0%	100%
11 <b>Psych Administrative Days as % of Patient Days</b>	82.5%	80.0%	-2.5%	-3%	80.9%	80.0%	-0.9%	-1%
(Days that do not qualify for inpatient status)								
<b>Pillar Goals</b>								
12 <b>Revenue PMPM</b>	119	150	(31)	-21%	130	150	(20)	-14%
13 <b>Operating Expenses PMPM</b>	393	387	(6)	-2%	374	387	13	3%
14 <b>Full Time Equivalentents (FTE) including Registry</b>	1,190	1,252	62	5%	1,201	1,252	51	4%

**San Mateo Medical Center  
Income Statement  
April 30, 2018**

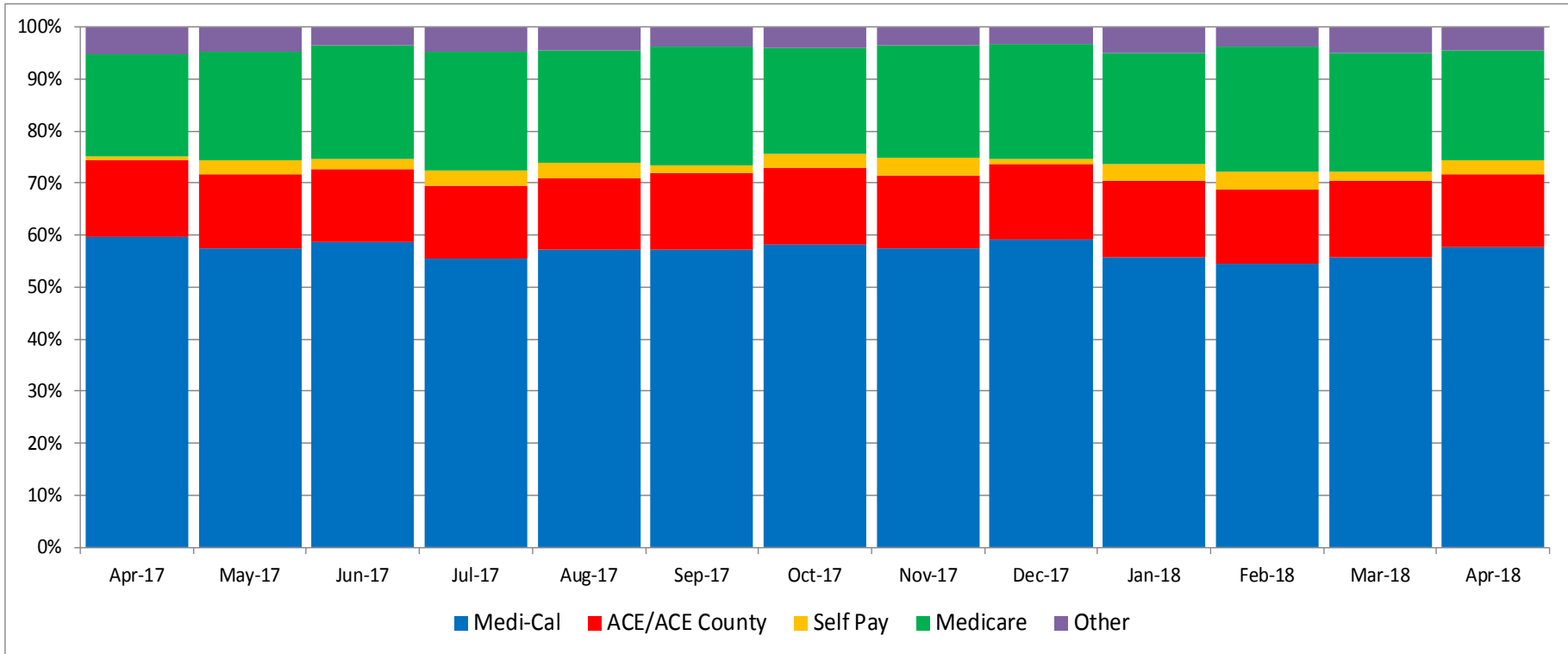
	MONTH				YEAR TO DATE				
	Actual	Budget	Variance	Stoplight	Actual	Budget	Variance	Stoplight	
	A	B	C	D	E	F	G	H	
21	<b>Inpatient Gross Revenue</b>	9,939,306	9,577,810	361,497	4%	98,289,395	95,778,099	2,511,296	3%
22	<b>Outpatient Gross Revenue</b>	24,024,419	25,324,704	(1,300,285)	-5%	244,399,107	253,247,039	(8,847,932)	-3%
23	<b>Total Gross Revenue</b>	33,963,725	34,902,514	(938,789)	-3%	342,688,502	349,025,138	(6,336,637)	-2%
24	<b>Patient Net Revenue</b>	8,215,647	10,512,930	(2,297,283)	-22%	89,694,288	105,129,299	(15,435,012)	-15%
25	Net Patient Revenue as % of Gross Revenue	24.2%	30.1%	-5.9%	-20%	26.2%	30.1%	-3.9%	-13%
26	<b>Capitation Revenue</b>	507,856	1,291,667	(783,810)	-61%	6,130,235	12,916,667	(6,786,432)	-53%
27	<b>Supplemental Patient Program Revenue</b> (Additional payments for patients)	13,005,214	10,030,626	2,974,587	30%	103,195,128	100,306,261	2,888,867	3%
28	<b>Total Patient Net and Program Revenue</b>	21,728,717	21,835,223	(106,506)	0%	199,019,651	218,352,227	(19,332,576)	-9%
29	<b>Other Operating Revenue</b> (Additional payment not related to patients)	1,073,242	1,238,275	(165,033)	-13%	11,749,859	12,382,752	(632,893)	-5%
30	<b>Total Operating Revenue</b>	22,801,959	23,073,498	(271,539)	-1%	210,769,509	230,734,978	(19,965,469)	-9%

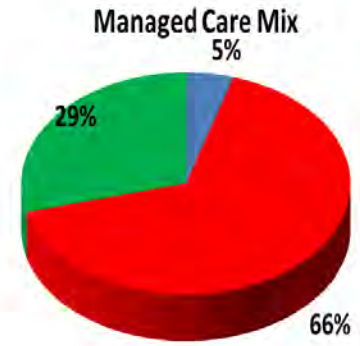
**San Mateo Medical Center**  
**Income Statement**  
**April 30, 2018**

	MONTH				YEAR TO DATE			
	Actual	Budget	Variance	Stoplight	Actual	Budget	Variance	Stoplight
	A	B	C	D	E	F	G	H
<b>Operating Expenses</b>								
31 Salaries & Benefits	15,825,018	15,814,559	(10,459)	0%	153,871,630	158,145,588	4,273,958	3%
32 Drugs	582,378	806,645	224,267	28%	7,970,849	8,066,454	95,606	1%
33 Supplies	991,110	916,646	(74,464)	-8%	8,397,843	9,166,456	768,613	8%
34 Contract Provider Services	3,739,377	3,290,227	(449,150)	-14%	33,129,554	32,902,268	(227,286)	-1%
35 Other fees and purchased services	4,256,096	4,519,167	263,071	6%	38,455,274	45,191,673	6,736,399	15%
36 Other general expenses	565,923	504,203	(61,720)	-12%	4,633,972	5,042,033	408,061	8%
37 Rental Expense	162,728	189,615	26,887	14%	1,709,107	1,896,152	187,045	10%
38 Lease Expense	822,975	822,975	(0)	0%	8,229,754	8,229,754	(0)	0%
39 Depreciation	250,574	260,089	9,515	4%	2,512,476	2,600,888	88,412	3%
40 <b>Total Operating Expenses</b>	27,196,180	27,124,127	(72,053)	0%	258,910,460	271,241,267	12,330,807	5%
41 <b>Operating Income/Loss</b>	(4,394,221)	(4,050,629)	(343,592)	-8%	(48,140,951)	(40,506,289)	(7,634,662)	-19%
42 <b>Non-Operating Revenue/Expense</b>	350,514	(760,990)	1,111,503	146%	878,087	(7,609,896)	8,487,983	112%
43 <b>Contribution from County General Fund</b>	4,843,468	4,843,468	0	0%	48,434,684	48,434,684	0	0%
44 <b>Total Income/Loss (GAAP)</b>	799,761	31,850	767,911		1,171,820	318,499	853,321	
(Change in Net Assets)								

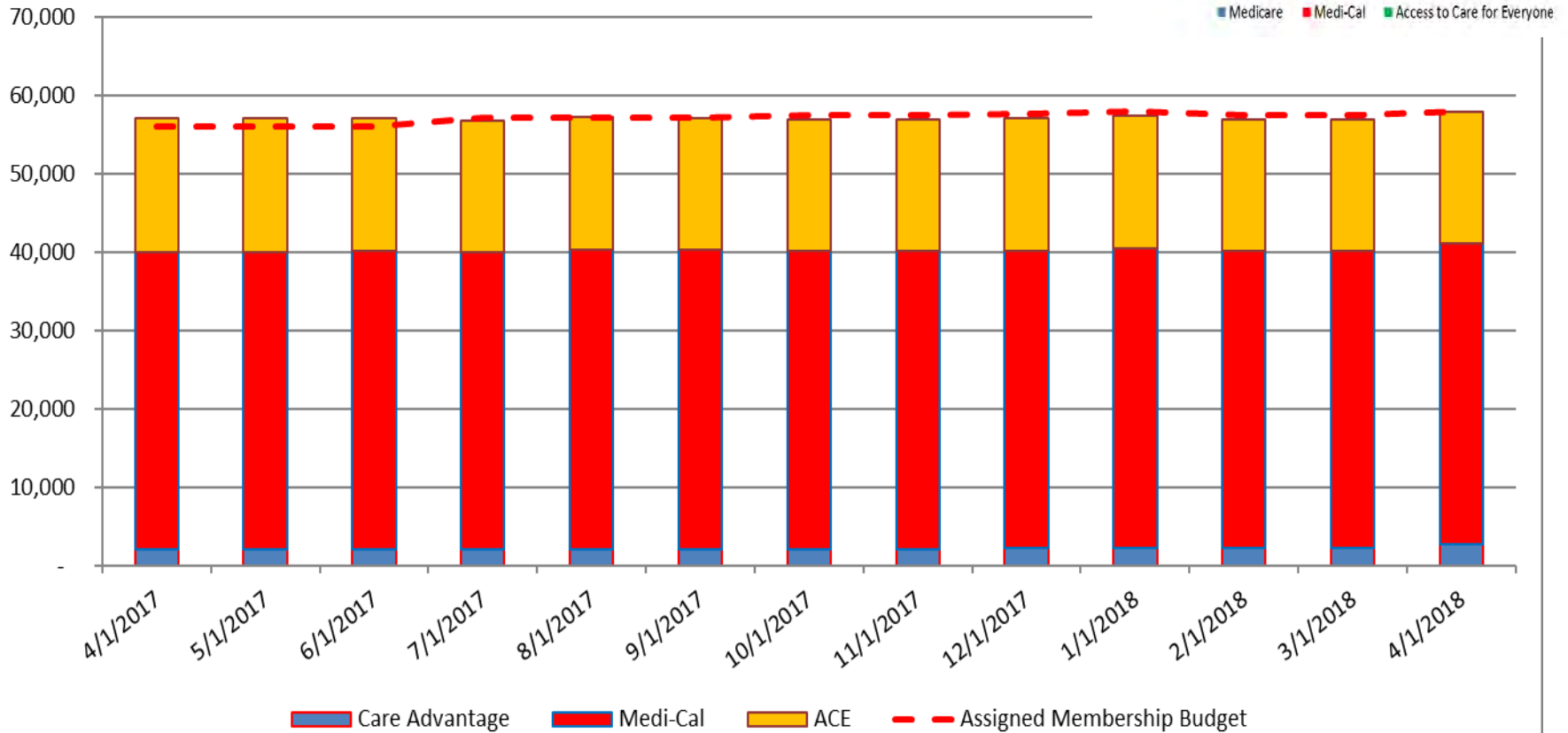
**San Mateo Medical Center  
Payer Mix  
April 30, 2018**

	MONTH				YEAR TO DATE			
	Actual	Budget	Variance	Stoplight	Actual	Budget	Variance	Stoplight
<b>Payer Type by Gross Revenue</b>	A	B	C	D	E	F	G	H
Medicare	20.9%	21.0%	-0.1%		22.0%	21.0%	1.0%	
Medi-Cal	57.6%	58.0%	-0.4%		56.8%	58.0%	-1.2%	
Self Pay	2.9%	2.0%	0.9%		2.5%	2.0%	0.5%	
Other	4.6%	5.0%	-0.4%		4.3%	5.0%	-0.7%	
ACE/ACE County	14.0%	14.0%	0.0%		14.4%	14.0%	0.4%	
<b>Total</b>	100.0%	100.0%			100.0%	100.0%		





## Managed Care Membership Trend

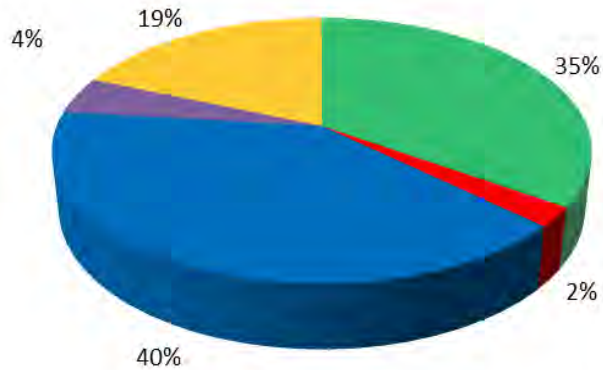




# Revenue Mix

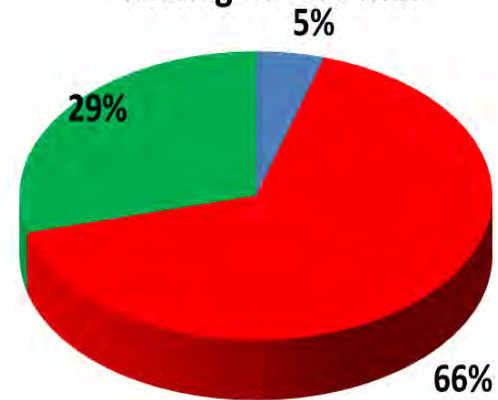
57,000  
Managed  
Care  
Lives

## Sources of Revenue



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

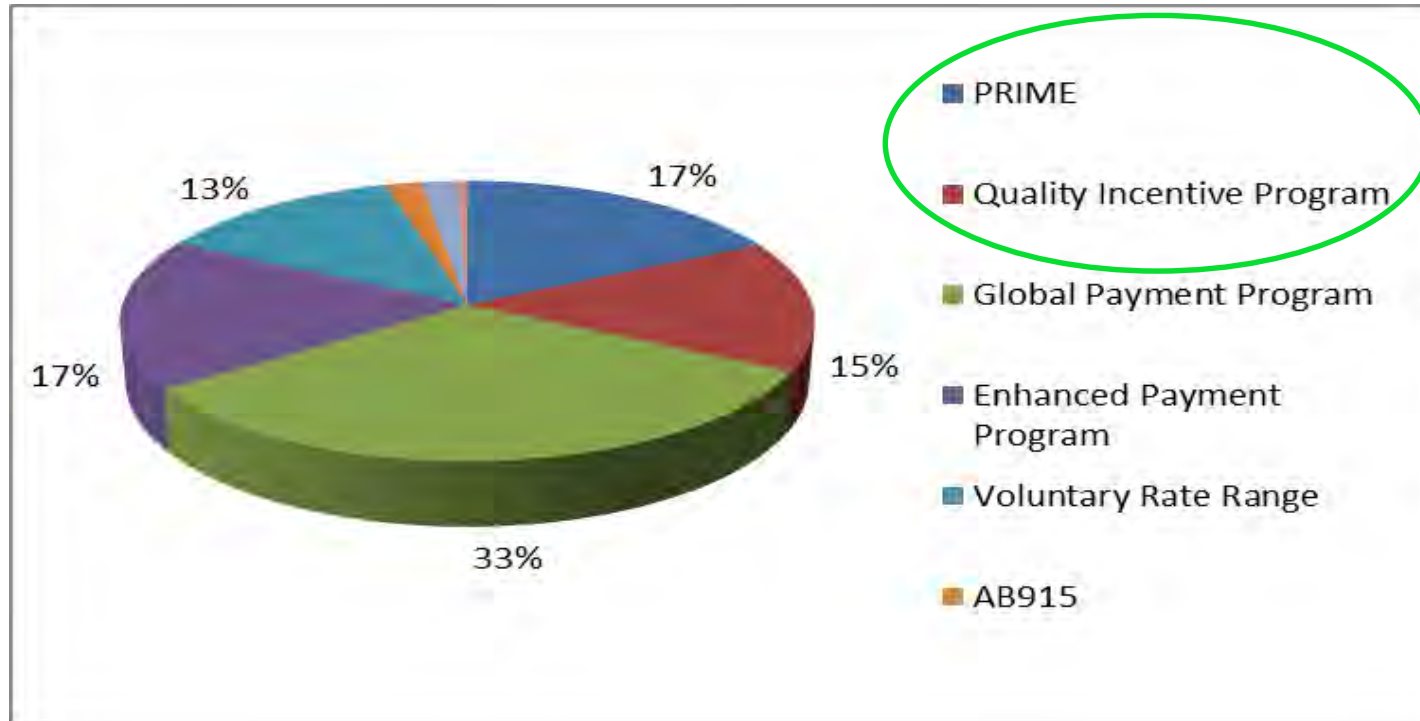
## Managed Care Mix



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

- **Managed Care** programs represent 32% 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.

# Supplemental Revenue Mix



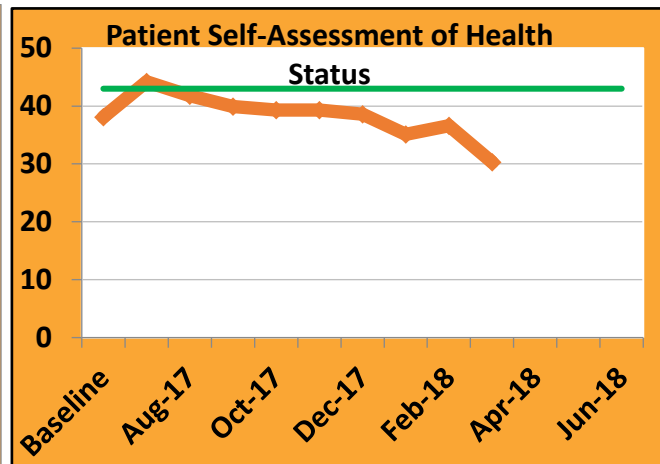
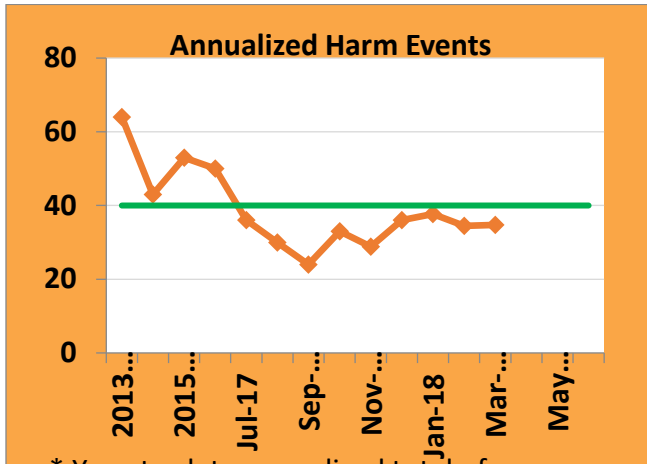
- **Value-Based** programs represent 32% of our Supplemental Revenue
  - New HPSM P4P and Shared Savings programs could boost it to 35%
- **Volume-Based** programs represent 68% of our Supplemental Revenue



June, 2018

**EXCELLENT CARE**

• **PILLAR METRICS**



**Harm Events= Avoidable Patient Harm=** Central Line Infections, Catheter Associated Urinary Infections, Hospital Acquired Pressure Ulcers, Surgical Site Infections, Medication errors with harm, Blood clots, Falls with Injury and other avoidable patient harm events. The number is annualized (i.e the number after 2 months is multiplied by 6, the number after 4 months is multiplied by 3 etc)—**Lower is better**

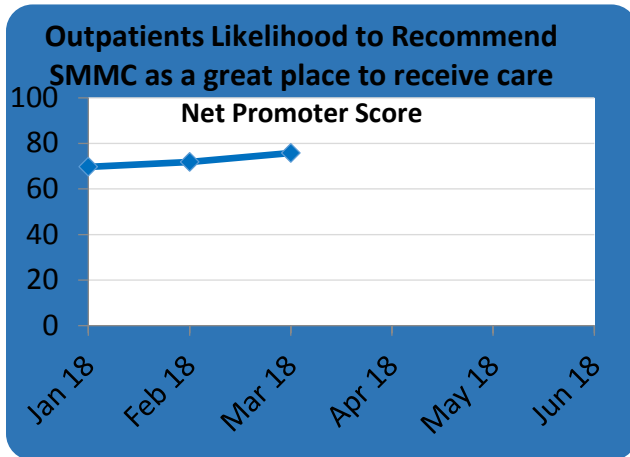
**Patient Self-Assessment of Health:** All Primary Care patients receive an experience survey. One of the questions asks them to rate their health from poor to excellent. This is the percentage that rate their health as very good or excellent—**Higher is better.**

**Survey vendor and methodology change in January 2018 resets baseline.**

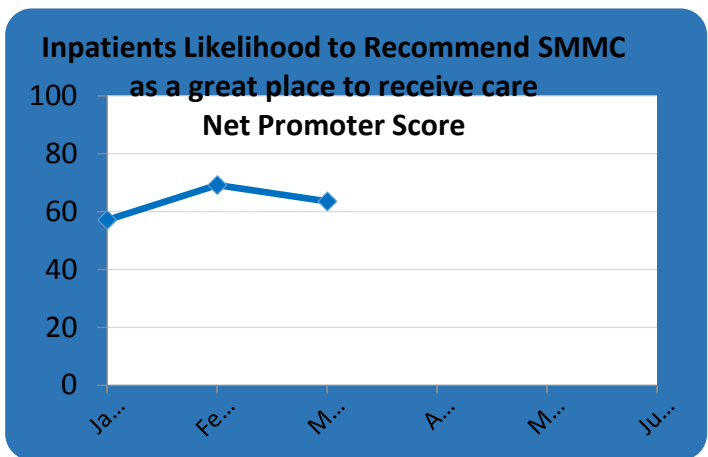
- **SMMC Hosts CAPH Board Meeting-** On May 18<sup>th</sup>, SMMC hosted the quarterly board meeting of the California Association of Public Hospitals. During the meeting, we were able to share presentations from the Keller Center, Pain Clinic and our improvement work around specialty access. The CAPH board was impressed by all the presentations and was extremely engaged. At the end, they expressed their admiration for these unique services and what has been accomplished here.
- **SMMC Highlighted in CHCF Article on Lean-** SMMC was highlighted (along with Zuckerberg San Francisco General Hospital) in a CHCF Article focused on Lean successes in public hospitals. The article highlighted several of the medical center’s successes in its LEAP efforts and some ongoing challenges. The full article can be found at: <https://www.chcf.org/wp-content/uploads/2018/05/LeanInHospitals.pdf>

## PATIENT CENTERED CARE

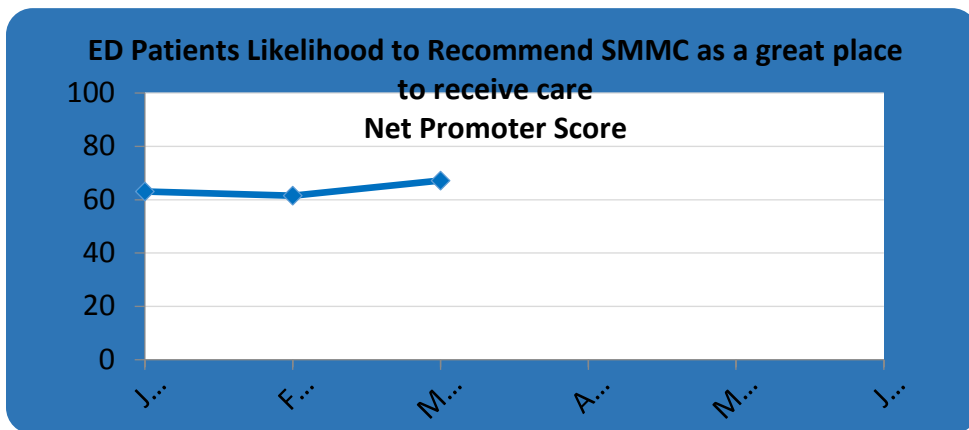
- PILLAR METRICS**



**NRC Net Promoter:** Score on the question of “How likely are you to recommend this clinic to friends and family?”-Percentage of patients who gave SMMC the highest score (9 or 10) **Higher is better**



**NRC Net Promoter Score:** Score on the question of “How likely are you to recommend this Hospital to friends and family?”-Percentage of patients who gave SMMC the highest score (9 or 10) **Higher is better**

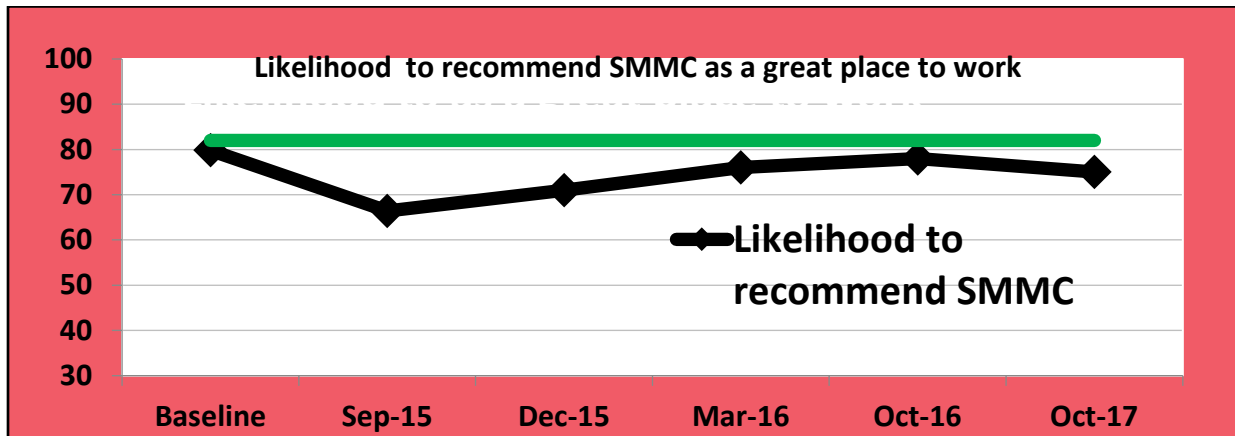


**NRC Net Promoter Score:** Score on the question of “How likely are you to recommend this Emergency Department to friends and family?” Percentage of patients who gave SMMC the highest score (9 or 10) **Higher is better**

- New Infusion Center Opens** –On May 24<sup>th</sup>, the San Mateo County Health Foundation hosted a ribbon cutting for SMMC’s new Infusion Center. The event was attended by staff, hospital administration, foundation board members and donors. Thanks to the generosity of the Foundation, the new infusion center provides a much more welcoming and comfortable environment for our patients who often must endure lengthy treatments there.

## STAFF ENGAGEMENT

- PILLAR METRICS**



*County Staff Engagement Survey: Percentage of staff members who Agree or Strongly Agree that they would recommend SMMC as a great place to work-Higher is better*

- Celebrating Nurses on Nurse’s Day:** May 11<sup>th</sup> was Nurse’s Day and provided a tremendous opportunity to pause and reflect on all of the outstanding contributions by our nursing staff. This is best summed up in the message send out by our Chief Nursing Officer, Joan Spicer, RN PhD:

*Today we pause to reflect and celebrate Nurses’ Day at San Mateo Medical Center. At this time every year, nurses around the world honor the long-standing traditions of Florence Nightingale whose visionary work is frequently referenced. Although there are many inspirational quotes taken from Florence Nightingale’s work, as I reflect on the accomplishments of our nurses over the year, the following one resonated with me:*

*“Unless we are making progress in our nursing every year, every month, every week, take my word for it we are going back.”*

*Florence Nightingale, 1914*

*SMMC nurses are certainly making progress in their nursing every day. This year, our dedicated nurses moved forward “best practices” in all clinical areas. We have nine nurse-driven projects throughout ambulatory and inpatient units focusing on implementing “best practices” and closing the time gap between evidence-base practice discovery and implementation. Additionally, SMMC nurses presented their work at six national and state professional conferences.*

*Nurses from 2AB were recognized by the Academy of Medical Surgical Nursing for having one of the top ten best practices in the United States for implementing a bundle of best practices in falls prevention, an honor worth applauding.*

*SMMC nurses make measurable progress every day in advancing nursing practice because they truly believe our patients should receive the best evidence-base nursing care.*

- SMMC Celebrates Hospital Week:** Every year, Hospital Week provides SMMC with the opportunity to celebrate all of our staff and their vital contributions to the organization. This year, hospital week occurred on the week of May 7<sup>th</sup>. Lunch was delivered or served at all SMMC sites by members of the Executive Team. The theme of “Best in the West” allowed everyone’s inner western hero to step forward. Fun was had everywhere, but reports of loose cattle and rustlers were determined to be unfounded.

- Clinical Nurse Project Improves Safety Across Organization:** Our Chief Nursing Officer, Joan Spicer Rn, PhD recent sent me the following message regarding an event she witnessed:

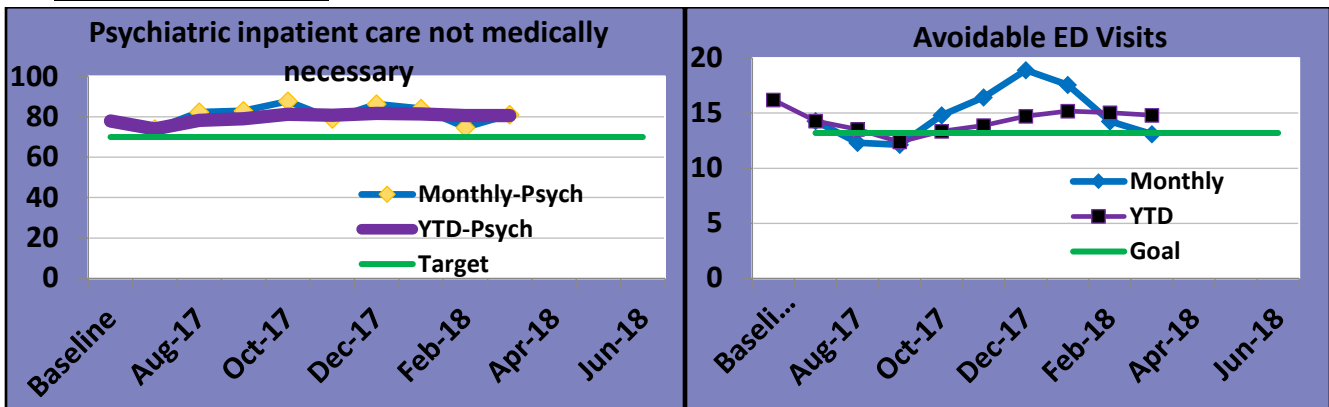
*One morning when I was making rounds early as I approached 2AB I thought there was an actual Code Blue on the patio. Wondering how I missed the overhead page I ventured into the scene and found a Code Blue drill in process. As you can see by the pictures (attached) it looked like the real thing until you notice all of the teaching prompts in the setting.*

*Doing Code Blue Drills is Terri Low's Clinical Nurse project. She was also the person who facilitated the purchase of a gurney-chair that can be taken into the narrow spaces in the clinic to transport a patient to the ED if needed.*

This type of preparation ensures we are ready when true emergencies occur. Thank you Terri for your leadership in this area.

## RIGHT CARE, TIME AND PLACE

### PILLAR METRICS

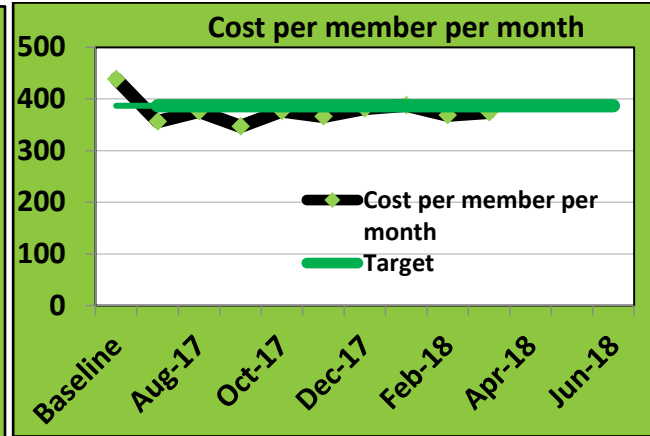
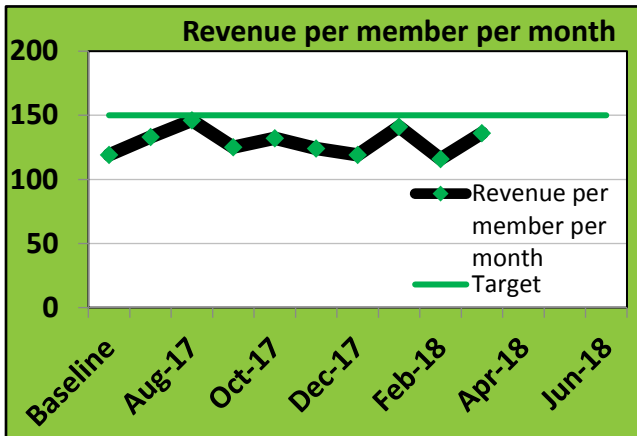


**Psychiatric Non-medically necessary Inpatient Days:** Percentage of Acute Inpatient psychiatry days where a patient may have been able to be discharged if there was a safe environment for them to go to-**Lower is better**

**Potentially Avoidable ED Visits:** Percentage of ED visits by Established Primary Care Patients where the discharge diagnosis is one that traditionally could have been treated in an outpatient setting rather than ED-**Lower is better**

## FINANCIAL STEWARDSHIP

### • PILLAR METRICS

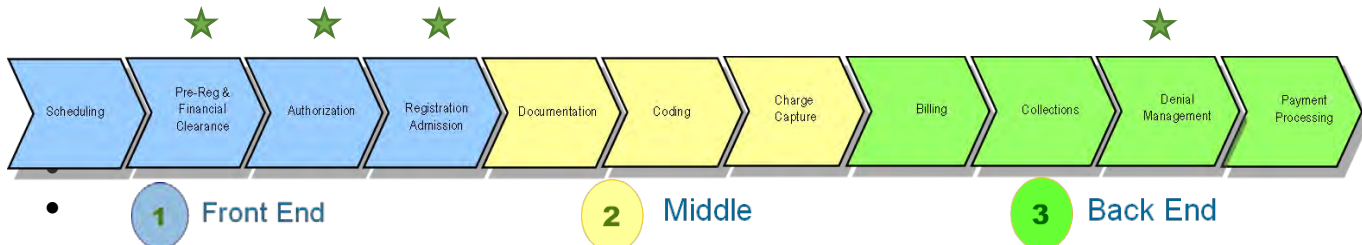


**Revenue Per Member Per Month:** Total Patient Revenue divided by total assigned members-**Higher is better**

**Cost Per Member Per Month:** Total Cost divided by total assigned members-**Lower is better**

### • 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 treatment authorization approvals. In addition we added a focus on ensuring patient’s medical necessity for inpatient care is documented accurately and timely to facilitate compliant billing and eliminate payment denials. This includes the implementation of a clinical documentation improvement program (CDI).



The following measures are tracked in conjunction with our Improvement Charter work:

Measures:	Baseline value (6/30/17)	Current Value (4/30/18)	Budget Value (FY17-18)	Ideal Value
Revenue per member per month (pmpm)	\$119	\$130	\$150	\$398
Claim denials (< 5% NPR)	\$4.4 million	\$5.2 million	\$4.1 million	No Denials
Unbilled accounts (5 day bill hold)	\$8.6 million	\$12.7 million	\$5.5 million	No Unbilled

The Registration Accuracy Improvement Charter Workgroup charter identified the most significant gaps in the current state assessment being 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 will 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 move to implement Experian Health’s front-end

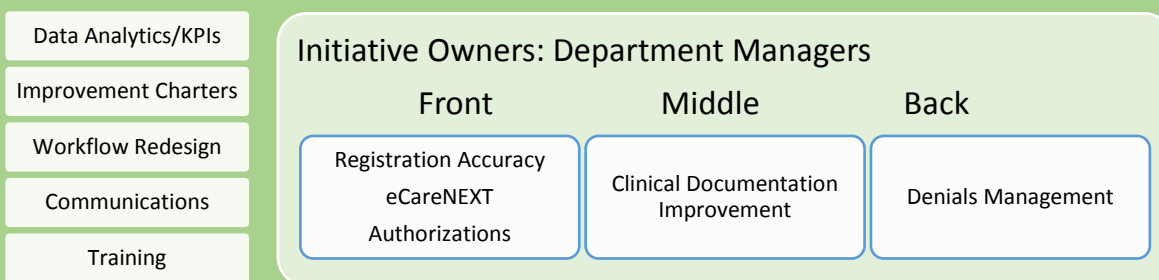
automated tool “eCareNEXT” in advance of the Invision system replacement. This IT system was included in the FY18-19 budget and is expected to go to the Board for approval in July.

To support the eCareNEXT implementation and drive success in other Financial Stewardship initiatives, the Finance team is restructuring its support teams for improved alignment and focus.

## Revenue Cycle Transformation

Business Process Management Office - Sponsor: CFO

4 FTEs



- **Cash Collections Exceeds Annual Target for 3<sup>rd</sup> Year in a Row**

Our Patient Access team is responsible for collecting co-pays, deductibles and other similar payments from our patients treated in the Emergency Room or admitted into the hospital. For FY17-18, the team set an ambitious goal of collecting \$110,000 per month, or \$1.3 million for the full year. Through staff-driven problem solving and coaching, along with daily, weekly and monthly monitoring of collection data, the team blew away their target and collected \$1.4 million, and they still have one month to go! Assuming they hit their June target, then the full year results will be a 10% improvement over last year and 33% better than FY15-16 when they started their improvement work. Kudos to the Patient Access team for demonstrating the power of an engaged workforce and for utilizing our LEAP principles in their daily work.

- **Supply Chain**

We are currently recruiting for a new Director of Materials Management, which we expect to complete soon. This presents an excellent opportunity to support transitioning in a new director while continuing to look at opportunities to drive out waste and cost from our supply chain. To support these efforts, we will be engaging our Group Purchasing Organization, Vizient, to conduct a strategic assessment of our people, processes, technologies and performance metrics to identify operational gaps and savings opportunities across our entire supply chain operation. They will review our organizational structure, data management, value analysis, sourcing and contract management, purchasing and procurement, distribution and logistics, inventory management and accounts payable processes. Typically, areas for opportunities to drive savings include increasing contract compliance, consolidating suppliers, ensuring we pay the right contract price, capturing payment discounts, improving inventory management & turnover, and increasing efficiency/effectiveness of our supply chain team. While we have been successful driving supply chain reductions in the past and consistently beating our targets, there is always the opportunity for further improvements. We look forward to sharing this work with the Board with future updates.



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



Indicator	Number	Change from previous month	Change from previous year
ACE Enrollees	21,818 (April, 2018)	0.6%	-0.3%
SMMC Emergency Department Visits	3,440 (April, 2018)	-6.7%	-2%
New Clients Awaiting Primary Care Appointment	612 (May, 2018)	-6.8%	-30.6%

### Health System Launches New Patient Health Information Exchange

The Health System is excited to report the launch of SMC Connected Care, the Health System’s new health information exchange. This platform enables electronic sharing of health-related information of patients and clients who receive Health System services from teams using separate electronic health record systems. Using a secure framework, SMC Connected Care will improve and digitize the sharing of patient/client information for healthcare providers working in different disciplines and locations. SMC Connected Care is key to improving the quality, safety, and efficiency of healthcare delivery. As patients seek care in one part of the Health System, providers all throughout our organization now have digital access to their medical records. Soon that access will extend to partner facilities like Stanford and other hospitals. SMC Connected Care currently provides access to the health-related information of over 92,000 patients. Patient needs are met by clinical teams using four distinct electronic health records and several other social services systems, all of which now feed into this new single framework.

### Foster Youth Primary Care Appointment Wait Time Reduced

After sustained collaboration across several teams engaged in supporting young people from Family Health Services, San Mateo Medical Center, Behavioral Health and Recovery Services, Health IT, and the Human Services Agency, wait time for a foster youth to see a primary care physician has been significantly reduced from over two months to under three weeks. The improvement process also included standardization of pediatric screening protocols for all youth patients (including foster youth) for depression in teenagers and developmental needs in children under five. “Screening foster youth is especially important because they are at higher risk for both physical and mental health challenges due to trauma they may have experienced. Identifying conditions early and connecting to appropriate services is critical to their long-term well-being,” said Srija Srinivasan, Health System Deputy Chief. Kerry Ahearn-Brown, Director of Children and Family Services added, “We value our partnership with the Health System to serve our most vulnerable kids and ensure that they receive the important health screenings and support they need.”

### Art of Wellness Festival Furthers Mental Health Awareness Month

San Mateo County Health System’s Behavioral Health and Recovery Services (BHRS) partnered with local organizations throughout the month of May to raise awareness about mental health and substance use issues and the importance of getting help. This year’s theme for May Mental Health Awareness Month (MHAM) was “Bridging Communities to Wellness,” emphasizing the importance of access to opportunities to be healthy and well, no matter who we are or where we live. This year’s outreach activities were especially focused on Coastside communities where broad geographic spans have resulted in isolated communities. MHAM kicked off with an Art of Wellness Festival in collaboration with 13 community based agencies at Cunha Intermediate School in Half Moon Bay. The event offered Spanish-English language facilitation and featured creative performances (left), an address from both Supervisor Don Horsley and BHRS Director David Young (center), and information tables from various County and partner agencies (right). The event and month were publicized on Pen TV featuring BHRS Clinical Services Manager, Ziomara Ochoa Rodriguez, MFT. An estimated 200 people attended the kick-off event, many learning about County behavioral health resources and interacting with BHRS for the first time.



Photos: Preston Merchant,  
 Health System Communications