



SAN MATEO COUNTY HEALTH

**SAN MATEO
MEDICAL CENTER**

BOARD OF DIRECTORS MEETING

Thursday, October 4, 2018

8:00 AM – 10:00 AM

SAN MATEO MEDICAL CENTER

EXECUTIVE BOARD ROOM

Second Floor, Administration Wing



SAN MATEO COUNTY HEALTH
**SAN MATEO
MEDICAL CENTER**

BOARD OF DIRECTORS MEETING

October 4, 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. Julie Hersk*

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

Approval of:

1. September 6, 2018 Meeting Minutes

TAB 1

G. MEDICAL STAFF REPORT

Chief of Staff Update

Dr. Bryan Gescuk

H. ADMINISTRATION REPORTS

- 1. 1A Long Term Care and Burlingame LTC
- 2. Integrated Medication Assisted Treatment
- 3. Financial Report
- 4. CEO Report

DeAndre James.....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

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.

TAB 1

**CONSENT
AGENDA**

HOSPITAL BOARD OF DIRECTORS
MEETING MINUTES
Thursday, September 6, 2018
Executive Board Room

Board Members Present

Supervisor Carole Groom
Supervisor David Canepa
John Maltbie
Louise Rogers
Dr. CJ Kunnappilly
Dr. Julie Hersk
Dr. Bryan Gescuk
Dr. Janet Chaikind

Staff Present

Michelle Lee
David McGrew
Dr. Susan Fernyak
Dr. Alpa Sanghavi
DeAndre James
Joan Spicer
Brighton Ncube
Peggy Jensen

Michael Callagy
Priscilla Romero
Gabriela Behn
Julie Griffith
Angela Gonzalez
Karen Pugh
Gary Horne
Leslie Williams-Hurt

Members of the Public

Drew

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 8:15 AM to Open Session. A quorum was present (see above).	
Report out of Closed Session	Medical Staff Credentialing Report for September 6, 2018. QIC Minutes from July 24, 2018. Medical Executive Committee Minutes from August 14, 2018.	Craig Baumgartner reported that the Board unanimously approved the amended Credentialing Report as amended and the QIC Minutes and accepted the MEC Minutes.
Public Comment	None.	
Foundation Report	There are several community events the Foundation will participate in this Fall. Facebook Farmers Market on September 8 and San Mateo Rotary Fun Run on October 30.	FYI
Consent Agenda	Approval of: 1. Hospital Board Meeting Minutes from August 2, 2018.	It was MOVED, SECONDED and CARRIED unanimously to approve all items on the Consent Agenda.

<p>Medical Staff Report Dr. Bryan Gescuk</p>	<p>Dr. Gescuk reported there continues to be high census on 2AB and 3AB.</p> <p>The Fair Oaks Health Clinic conducted a study and found that 50% of their adult patients are food insecure. The staff got organized and started a food pantry.</p>	<p>FYI</p>
<p>Pharmacy Department Gary Horne</p>	<p>Scope of Service: Acute Pharmacy, Outpatient, Medication Therapy Monitoring, LTC, 340B Program Oversight, Medication Regimen Review, County Jails</p> <p>Operations: 86,000 medication orders; 497,000 doses dispensed; 44,000 compounded sterile products</p> <p>Clinical: Pharmacists on Med/Surg units, to oversee sterile compounding, to deliver discharge medications and provide counseling. Pharmacy clinical coordinator.</p> <p>Outpatient pharmacy: 35,000 LTC, 24,000 Correctional Health, 86,000 Outpatient prescriptions</p> <p>Accomplishments: Decreased prescriptions returned to stock from 30% to 11%. 3,134 discharge consultations.</p>	<p>FYI</p>
<p>Serenity House Update Pernille Gutschick</p>	<p>Serenity House is a crisis residential center which provides voluntary short term respite in an unlocked setting for individuals in psychiatric crisis. Construction on the existing structure began in late 2016. The Ribbon Cutting and Media Day will be in October and the opening date is planned for later in the month, pending license approval.</p> <p>The facility will be licensed for 13 beds but will serve 10 clients in the beginning with an average length of stay of 10 days.</p> <p>Who can come? County residents who are 18+ years who are experiencing a psychiatric crisis. Clients can be referred by PES, law enforcement, families, treatment providers, community partners, and self-referral. Phone screening will determine appropriateness.</p> <p>Trauma informed and co-occurring services provided include:</p> <ul style="list-style-type: none"> • 24 hours a day support and supervision • Individual therapy, case management, and support • Groups and activities offered, i.e. expressive arts & gardening • Medication support • Family partner to support outside relationships • Nutritious meals cooked on premises by their cook 	<p>FYI</p>

	Discharge planning starts on day 1 by connecting or reconnecting to services of the clients' choice. Working with clients on where they want to go after Serenity House. Activate people of support in their lives. Develop wellness and recovery action plans (WRAP).	
Financial Report David McGrew, CFO	The July FY18/19 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
Health System Report Louise Rogers	The Drug Medi-Cal pilot received high marks during its first annual review. Most notably the Medication Assisted Treatment Program excelled for its strong interagency coordination.	FYI
County Manager John Maltbie	No report.	FYI
Board of Supervisors Supervisor Groom	On September 17, the Board of Supervisors will adopt the final budget changes to the fiscal year 2018-19.	FYI

Supervisor Groom adjourned the meeting at 9:30 AM. The next Board meeting will be held on October 4, 2018.

Minutes recorded by:



Michelle Lee, Executive Secretary

Minutes approved by:



Dr. Chester Kunnappilly, Chief Executive Officer

TAB 2

**ADMINISTRATION
REPORTS**

BOARD OF DIRECTORS SAN MATEO MEDICAL CENTER

Financial Report: August FY18-19

October 4, 2018

Presenter: David McGrew, CFO



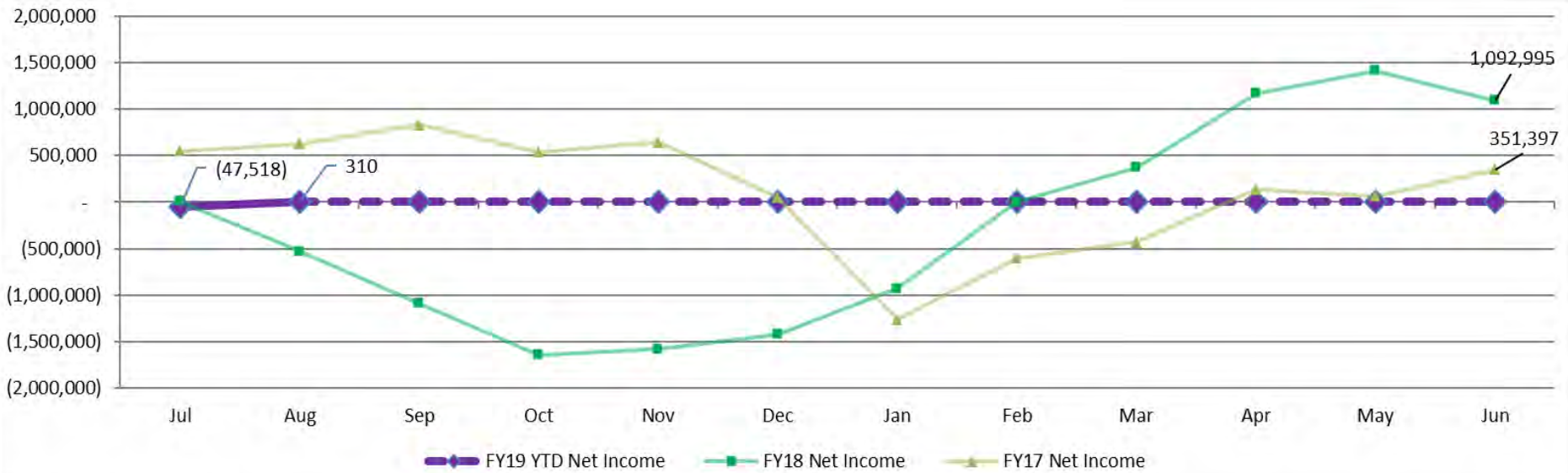
SAN MATEO COUNTY HEALTH
**SAN MATEO
MEDICAL CENTER**

Financial Audit Update

- ✓ **Audit fieldwork completed August 31st**
- ✓ **No audit adjustments**
- ✓ **No material weaknesses/significant deficiencies**
- ❑ **Audited financial statements targeted for October 31st**
- ❑ **Auditor report to Hospital Board on November 1st**

Beginning net income (raw TB)				2.2
SMMC closing entries (excluding Co. Charges)				
Voluntary Rate Range IGT Fee				(1.08)
Others, net				(0.06)
Other County Charges(compensated, CAFR)				(0.9)
Pension Accounting (FY 2018)				6.7
OPEB Allocation				1.1
Audit adjustments				-
Final net income (FS)				8.0

Financial Highlights



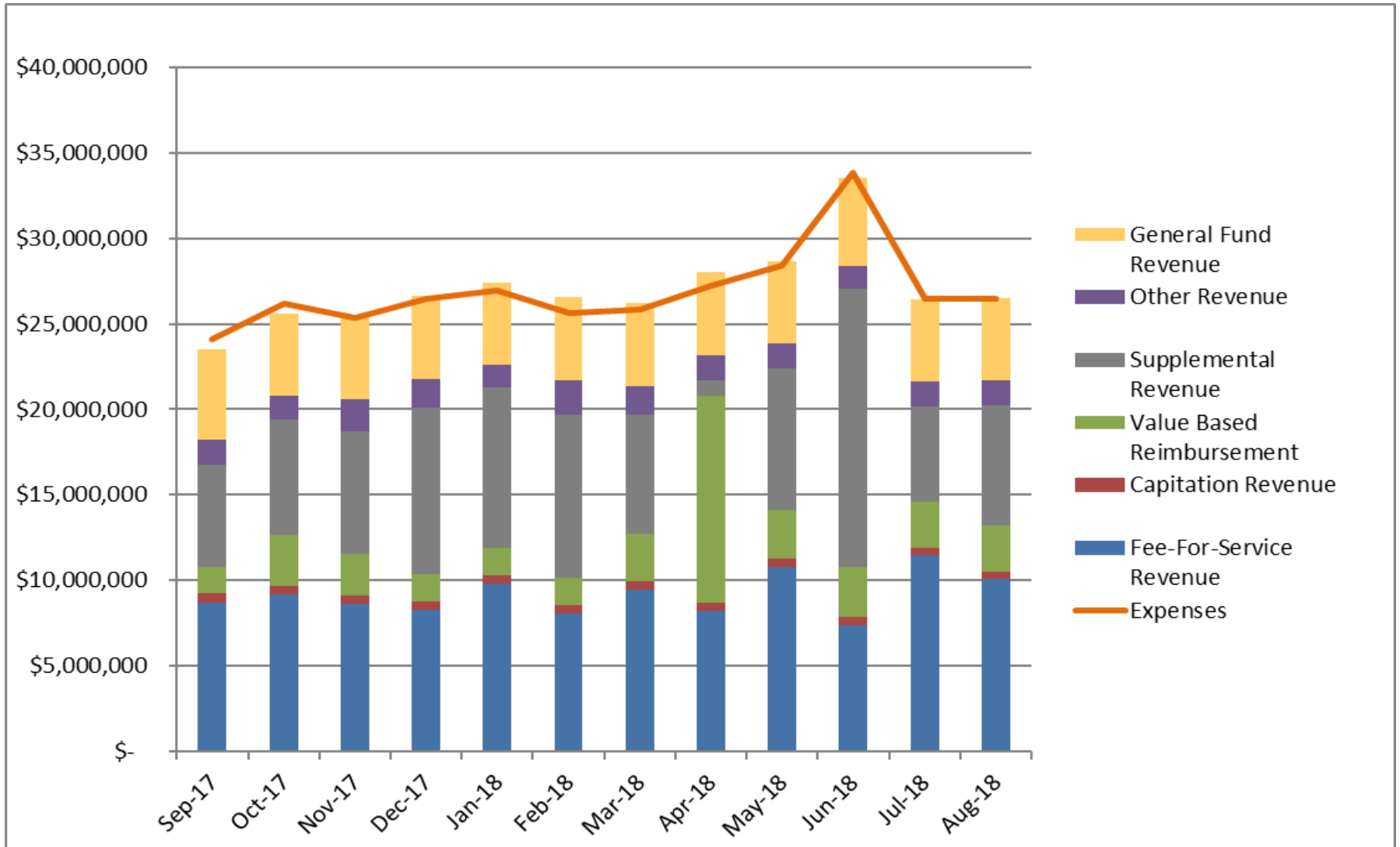
August - Positive \$48k:

- FTEs below budget
- Patient Service Revenue
Claim denials, non-acute days

- EPP pending CMS approval
- Reserves for PRIME/QIP, GPP
- ACE outside claims

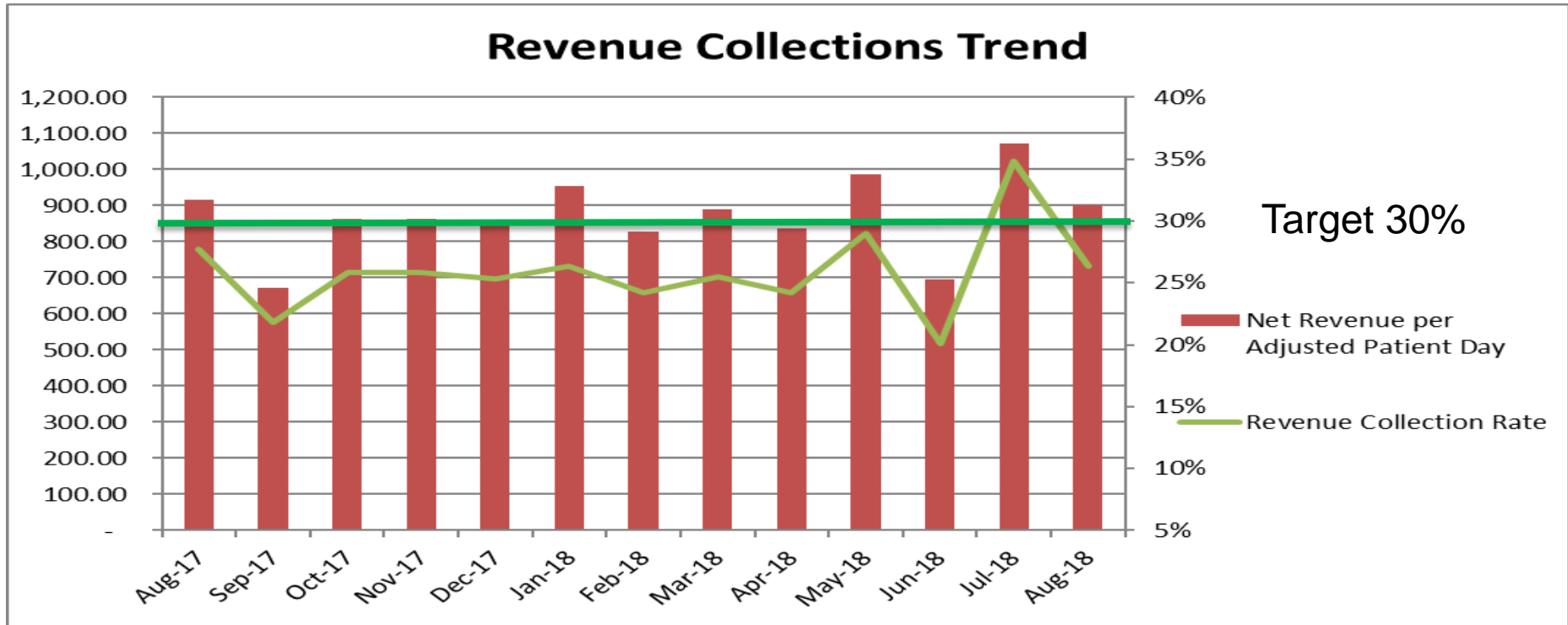
Forecast FY19: We've only used \$1m of the YTD budgeted \$3.4 reserves. Identified risks to the full year budget at this time are the pending CMS approval for EPP, full achievement of the PRIME/QIP performance measures, increasing payroll costs, non-acute days and fee-for-service revenue denials.

Revenue & Expense Trend



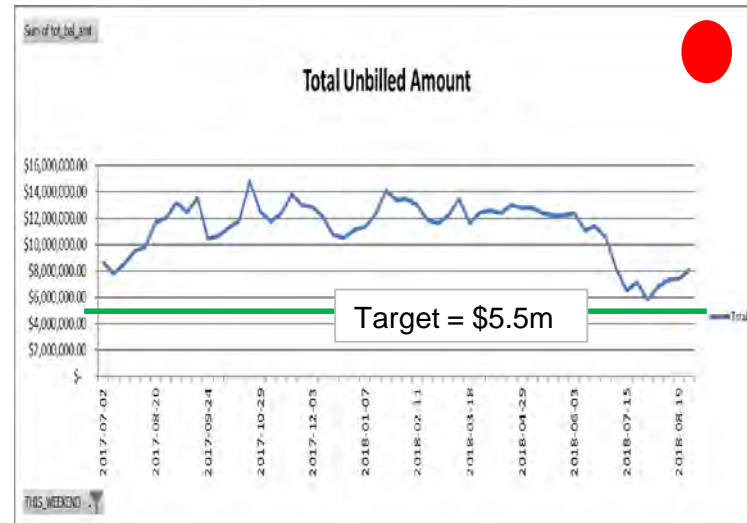
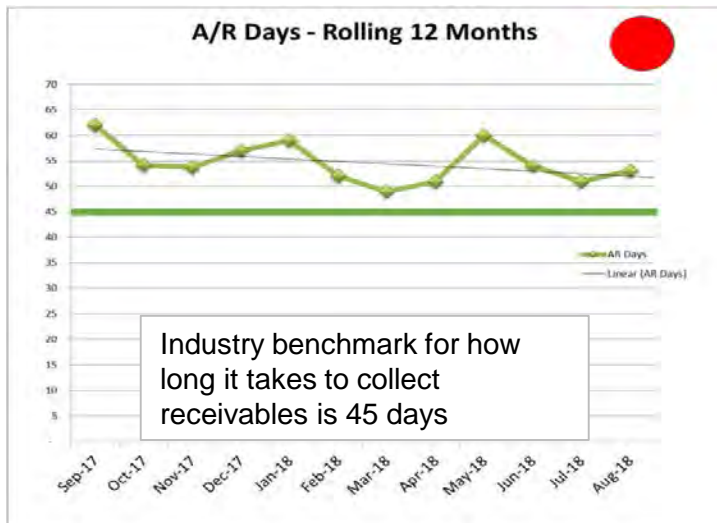
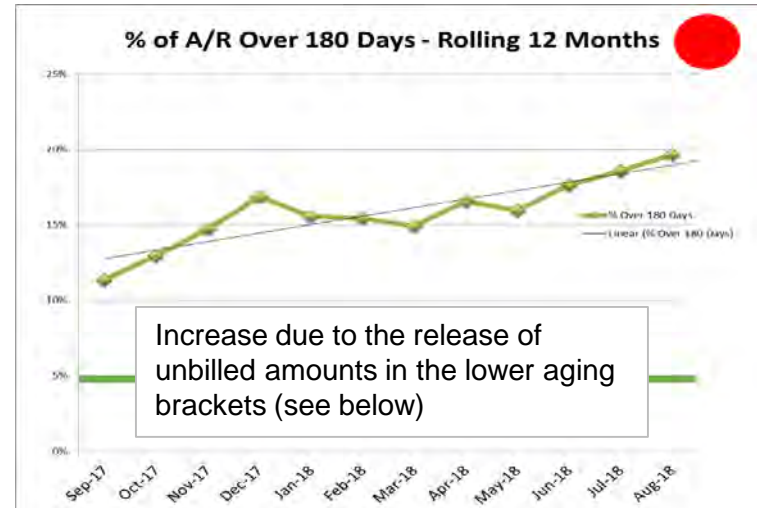
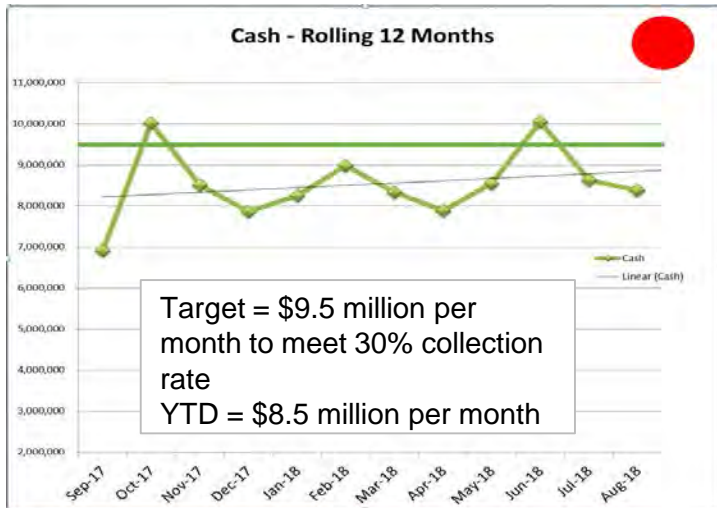
Key Performance Indicators

FFS Revenue Collection Trend



The August collection rate was 26%. 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 insurance verification errors and inpatients not meeting medical necessity.

Key Performance Indicators



Revenue Improvement Plan

Executive Summary

Initiative

Status

<p><i>Registration Accuracy</i></p>	<ul style="list-style-type: none"> • Developed A3 Improvement Charter to focus on registration workflows • eCareNEXT - registration quality work queues and dashboard reporting tool pending Cerner amendment (BOS date 11/13). Expected kick-off January 2019 (see slide 8)
<p><i>Clinical Documentation Improvement (CDI)</i></p>	<ul style="list-style-type: none"> • Project work started in June – 2 Phases <ul style="list-style-type: none"> • Consulting project for CDI program development • Chartwise software implementation
<p><i>Accounts Receivable management</i></p>	<ul style="list-style-type: none"> • Implement automated account follow-up software to replace manually intensive and inefficient excel spreadsheet process. RFP issued 9/19/18 (see slide 11)
<p><i>Denial management & Unbilled Accounts</i></p>	<ul style="list-style-type: none"> • Medical necessity compliance reviews in progress. • Medical necessity training & monitoring in progress. • Denials workflow & reporting software live in April • Authorization improvement work – IP, SSU, Infusion
<p><i>Increase Medi-Cal rates</i></p>	<ul style="list-style-type: none"> • Medi-Cal cost report appeals in progress. Settled FY14 SNF issues; yield approx. \$2.3m annually • Medical-Surgical inpatient rates increased to \$2,360/day. Projected to yield \$3m annually (BOS approval 10/23).

Registration Accuracy/ Insurance Eligibility

Experian eCareNEXT



SAN MATEO COUNTY HEALTH
**SAN MATEO
MEDICAL CENTER**

Current functionality in Invision for SMMC registration staff to verify insurance eligibility is difficult to read, lengthy and doesn't indicate where there might be errors or problems

OPT-RCY-9/5/2018 HEIX Eligibility 9/5/2018 C20 HEALTH PLAN OF SAN MATEO

Elig Resp for Rqst # 71995216298034 Pt No: 212921753
 From: C20 HEALTH PLAN OF SAN MATEO Re: SAN MATEO HEALTH PLAN
 Svc Dt: 09/05/2018 Svc: 09/05/2018

-----Page 1-----

1 SUBSCRIBER ACTIVE COVERAGE(S) | Home
 Last Name: |
 First Name: |
 Date of Birth: 04/10/1999 | Covrg
 Sex: F | Copay
 Member ID Number: 000023138 |
 -- ID NUMBERS -- | Other
 Plan Number: MC | IP
 Plan Number Desc: MEDI-CAL | OP
 Group or Policy No: MC | ER
 Group or Policy No Desc: MC | PhyVst
 Plan Network ID No: M1 | HH/Hsp
 Plan Network ID No Desc: FAM 070 M1 EXPANSION ADULT CITIZEN
 Group No: MC
 Group No Desc: MC
 Medicaid Recip Id No: 92779788D

-- ADDRESS --
 Address: |
 City: |
 State: CA
 Zip Code: 940633310
 County/Parish: 41 - 41

-- RELATIONSHIP --
 Subscriber?: Y
 Relationship: 18 - SELF
 Maint Type Cd: CHANGE
 Maint Reason: CHANGE IN IDENTIFYING DATA ELE

-- DATES --
 Service Begin: 09/05/2018
 Plan Date(s): 08/01/2018
 10/31/2018

----- ELIG / BENEFIT - -----
 Benefit Description: ACTIVE COVERAGE
 Service Type: HLTH BNFT PLN COV
 Plan Network Id No: M1
 Plan Network Id No Desc: FAM 070 M1 EXPANSION ADULT CITIZEN

GROUP NAME: MC
 PLAN DESCRIPTION: MEDI-CAL

----- ELIG / BENEFIT - -----
 Benefit Description: COPAYMENT
 Coverage Level: INDIVIDUAL
 Service Type: MEDICAL CARE
 Plan Cov Desc: MEDI-CAL

Benefit Amt: \$ 0.00
 Auth or Cert Required?: UNKNOWN
 In Network?: NOT APPLICABLE

----- ELIG / BENEFIT - -----
 Benefit Description: COPAYMENT
 Coverage Level: INDIVIDUAL

08:46 09/05/18 FROM @038.HEVISNF1

Elig Resp for Rqst # 71995216298034 Pt No: |

OPT-RCY-9/5/2018 HEIX Eligibility 9/5/2018 C20 HEALTH PLAN OF SAN MATEO

From: C20 HEALTH PLAN OF SAN MATEO Re: SAN MATEO HEALTH PLAN
 Svc Dt: 09/05/2018 Svc: 09/05/2018

-----Page 2-----

Service Type: SURGICAL | Home
 Plan Cov Desc: MEDI-CAL |
 Benefit Amt: \$ 0.00 | Covrg
 Auth or Cert Required?: UNKNOWN | Copay
 In Network?: NOT APPLICABLE |

----- ELIG / BENEFIT - -----
 Benefit Description: COPAYMENT | Other
 Coverage Level: INDIVIDUAL |
 Service Type: DIAG X-RAY | IP
 Plan Cov Desc: MEDI-CAL | OP
 Benefit Amt: \$ 0.00 | PhyVst
 Auth or Cert Required?: UNKNOWN | HH/Hsp
 In Network?: NOT APPLICABLE |

----- ELIG / BENEFIT - -----
 Benefit Description: COPAYMENT
 Coverage Level: INDIVIDUAL
 Service Type: DIAG LAB
 Plan Cov Desc: MEDI-CAL

Benefit Amt: \$ 0.00
 Auth or Cert Required?: UNKNOWN
 In Network?: NOT APPLICABLE

----- ELIG / BENEFIT - -----
 Benefit Description: COPAYMENT
 Coverage Level: INDIVIDUAL
 Service Type: RADIATION THERAPY
 Plan Cov Desc: MEDI-CAL

Benefit Amt: \$ 0.00
 Auth or Cert Required?: UNKNOWN
 In Network?: NOT APPLICABLE

----- ELIG / BENEFIT - -----
 Benefit Description: COPAYMENT
 Coverage Level: INDIVIDUAL
 Service Type: SURG ASSISTANCE
 Plan Cov Desc: MEDI-CAL

Benefit Amt: \$ 0.00
 Auth or Cert Required?: UNKNOWN
 In Network?: NOT APPLICABLE

----- ELIG / BENEFIT - -----
 Benefit Description: COPAYMENT

08:46 09/05/18 FROM @038.HEVISNF1

Elig Resp for Rqst # 71995216298034 Pt No: |
 From: C20 HEALTH PLAN OF SAN MATEO Re: SAN MATEO HEALTH PLAN

Page 1 of 11 **11 pages!**

SMMC is amending its Cerner contract to add Experian Health's registration accuracy suite of tools. This includes a user-friendly insurance eligibility tool. Amendment going to BOS on 11/13 and project kick-off is scheduled for early January.

Displays coverage alerts for staff follow-up

Displays eligibility info so its easy to read

Automated Account Follow-up Software Tool



SAN MATEO COUNTY HEALTH
**SAN MATEO
MEDICAL CENTER**

SMMC's Patient Financial Services (PFS) team does not have an adequate software solution to prioritize, manage and work accounts.

Every Monday (except on the 1st), the PFS Supervisors receive a massive excel spreadsheet, the Aged Trial Balance (ATB), that they use to create pivot tables based on certain criteria and then distribute to their staff for account follow-up.

STRAT-092418		
>120 DAYS		
Row Labels	Count of atb_acct_bal	Sum of atb_acct_bal2
.01-50.00	4149	\$ 117,104.58
50.01-100.00	2139	\$ 154,617.54
100.01-500.00	3587	\$ 797,202.03
500.01-1000.00	703	\$ 476,734.65
1000.01-3000.00	385	\$ 619,775.42
3000+	102	\$ 3,901,339.04
Grand Total	11065	\$ 6,066,773.26



Example of a pivot table by PFS staff and aging category (e.g. category 5 is > 120 days)

The staff can then click on cells within the pivot table to drill down to a detail list of their accounts.

ATB-092418													
> 120 DAYS													
	Column Labels												
	5	6	7	8	9						Total COUNT	Total SUM	
Row Labels	COUNT	SUM	COUNT	SUM	COUNT	SUM	COUNT	SUM	COUNT	SUM			
Staff #1	297	123749.98	269	158038.23	870	164943.61	573	138595.35	103	24937.31	2112	\$ 610,264.48	
Staff #2	208	66575	173	121255.89	496	478206.37	242	117214.16	33	56480.67	1152	\$ 839,732.09	
Staff #3	359	105733.34	324	60922.76	1090	209258.35	273	71217.03	58	11495.54	2104	\$ 458,627.02	
Staff #4	336	361181.79	271	61788.24	753	236747.58	530	194766.81	289	81136.68	2179	\$ 935,621.10	
Staff #5	373	123988.78	345	104100.03	721	83869.22	70	26666.95	12	2153878.64	1521	\$ 2,492,503.62	
Staff #5	277	168561.3	270	45667.98	698	269175.83	480	126979.03	272	119640.81	1997	\$ 730,024.95	
Grand Total	1850	949790.19	1652	551773.13	4628	1442200.96	2168	675439.33	767	2447569.65	11065	\$ 6,066,773.26	

Example of account detail for PFS staff #1 and Category #5. They use this detail report to follow up on accounts. However, the staff can select whichever accounts they want to work and there is no ability to track account status, measure staff productivity or report on A/R analytics.

pt_no	pt_name	pt_type_desc	fc_desc	hosp_svc_desc	adm_date	dsch_date	age_ind	age_ind_desc	tot_chg_amt	hosp_chg_amt	prof_fee_amt	ins_pay_amt	ins_adj_amt
		MEDICAL/SURGI	MEDICARE	ORTHOPEDECS	5/18/2018	5/21/2018	5	121-150 Days	57590.98	48592.98	8998	0	-2578
		OUTPATIENT	MCARE MNG CARE	SENIOR CARE CEN	5/24/2018		5	121-150 Days	239	0	239	-213.54	-14.59
		OUTPATIENT	MCARE MNG CARE	RADIOLOGY	5/23/2018		5	121-150 Days	252	186	66	-96.35	-144.75
		OUTPATIENT	MEDICARE	RADIOLOGY	5/3/2018		5	121-150 Days	2143	1910	233	-58.56	-2084.44
		MEDICAL/SURGI	MEDICARE	INTERNAL MED	5/6/2018	5/7/2018	5	121-150 Days	8509.35	7685.35	824	0	0
		MEDICAL/SURGI	MEDICARE	INTERNAL MED	5/7/2018	5/9/2018	5	121-150 Days	10120.11	8300.11	1820	-85.78	-1777.06
		OUTPATIENT	MEDICARE	39TH AVE CLINIC	5/23/2018		5	121-150 Days	16	0	16	0	0
		OUTPATIENT	MEDICARE	DALY CITY CLINI	5/24/2018		5	121-150 Days	1295	1138	157	-333.62	-944.74
		DAY PATIENT	MEDICARE	SHORT STAY UNIT	5/3/2018		5	121-150 Days	44177.58	35124.58	9053	-11764.45	-27688.09
		OUTPATIENT	MEDICARE	LABORATORY	5/2/2018		5	121-150 Days	358.64	358.64	0	-69.65	-288.99
		OUTPATIENT	MEDICARE	39TH AVE SPEC	5/23/2018		5	121-150 Days	1336	951	385	-703.07	-613.59
		OUTPATIENT	MCARE MNG CARE	RADIOLOGY	5/21/2018		5	121-150 Days	344	244	100	-173.14	-151.28
		EMERGENCY ROO	MEDICARE	EMERGENCY DEPT	5/24/2018		5	121-150 Days	201	201	0	-76.99	-104.36
		OUTPATIENT	MCARE MNG CARE	39TH AVE SPEC	5/15/2018		5	121-150 Days	111	111	0	-132.82	41.64
		OUTPATIENT	MCARE MNG CARE	39TH AVE SPEC	5/15/2018		5	121-150 Days	111	111	0	-132.82	41.64
		OUTPATIENT	MCARE MNG CARE	39TH AVE SPEC	5/14/2018		5	121-150 Days	111	111	0	-132.82	41.64
		OUTPATIENT	MCARE MNG CARE	39TH AVE SPEC	5/22/2018		5	121-150 Days	111	111	0	-132.82	41.64
		OUTPATIENT	MCARE MNG CARE	FAIR OAKS HLTH	5/25/2018		5	121-150 Days	20	0	20	0	0
		OUTPATIENT	MCARE MNG CARE	FAIR OAKS HLTH	4/27/2018		5	121-150 Days	20	0	20	0	0
		OUTPATIENT	MCARE MNG CARE	SENIOR CARE CEN	5/17/2018		5	121-150 Days	585	0	585	-417.75	-146.82
		OUTPATIENT	MEDICARE	FAIR OAKS HLTH	5/16/2018		5	121-150 Days	295	229	66	-334.83	60.41
		OUTPATIENT	MEDICARE	39TH AVE MEDICA	5/24/2018		5	121-150 Days	382	300	82	-107.66	-253.76
		OUTPATIENT	MEDICARE	39TH AVE MEDICA	5/17/2018		5	121-150 Days	382	300	82	-107.66	-253.76

SMMC issued an RFP, which closes on 10/17, for an automated workqueue tool that allows the prioritization and management of accounts for both Supervisors and Staff to monitor their work.

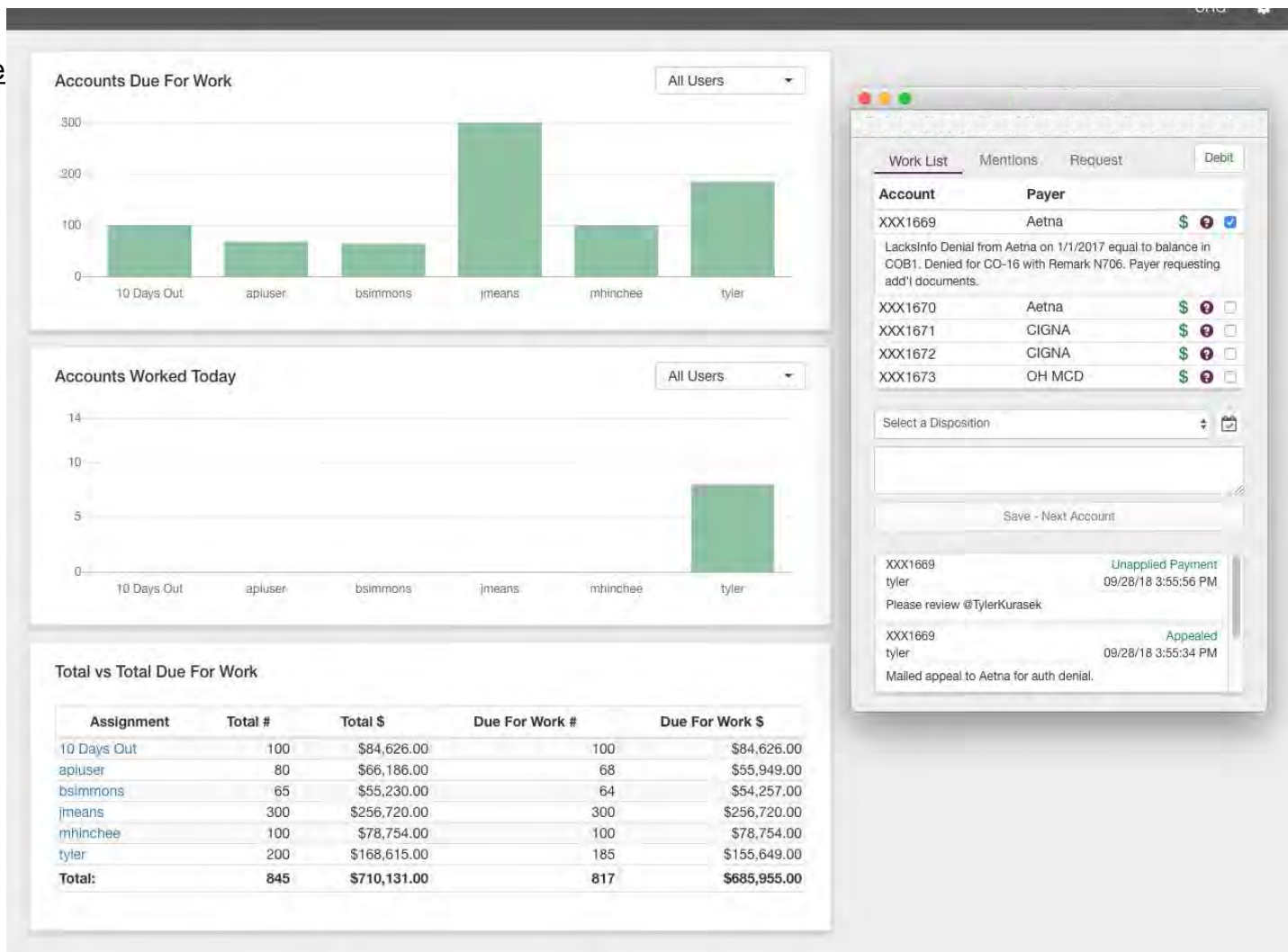
An example of a software screen the staff might see when they log-in every day.

Landing Page

Accounts by assignment

Real time productivity

All inventory



Worklist window

Accounts to be worked next

Select Activity Description and Enter Comments

Follow up history



SAN MATEO COUNTY HEALTH

**SAN MATEO
MEDICAL CENTER**

QUESTIONS?

APPENDIX



SAN MATEO COUNTY HEALTH
**SAN MATEO
MEDICAL CENTER**

San Mateo Medical Center
Income Statement
August 31, 2018

MONTH			
Actual	Budget	Variance	Stoplight
A	B	C	D

YEAR TO DATE			
Actual	Budget	Variance	Stoplight
E	F	G	H

1	Income/Loss (GAAP)	47,828	0	47,828	
---	---------------------------	--------	---	--------	--

	310	0	310	
--	-----	---	-----	--

2	HPSM Medi-Cal Members Assigned to SMMC	36,937	38,019	(1,082)	-3%
---	---	--------	--------	---------	-----

	74,402	76,038	(1,636)	-2%
--	--------	--------	---------	-----

3	Unduplicated Patient Count	71,575	70,114	1,461	2%
---	-----------------------------------	--------	--------	-------	----

	71,575	70,114	1,461	2%
--	--------	--------	-------	----

4	Patient Days	3,218	2,934	284	10%
---	---------------------	-------	-------	-----	-----

	6,195	5,868	327	6%
--	-------	-------	-----	----

5	ED Visits	3,457	3,659	(202)	-6%
---	------------------	-------	-------	-------	-----

	6,912	7,319	(407)	-6%
--	-------	-------	-------	-----

7	Surgery Cases	270	290	(20)	-7%
---	----------------------	-----	-----	------	-----

	503	556	(53)	-9%
--	-----	-----	------	-----

8	Clinic Visits	20,618	23,010	(2,392)	-10%
---	----------------------	--------	--------	---------	------

	39,570	44,018	(4,448)	-10%
--	--------	--------	---------	------

9	Ancillary Procedures	75,405	75,801	(396)	-1%
---	-----------------------------	--------	--------	-------	-----

	145,307	145,203	104	0%
--	---------	---------	-----	----

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	74.3%	80.0%	5.7%	7%
----	---	-------	-------	------	----

	80.3%	80.0%	-0.3%	0%
--	-------	-------	-------	----

(Days that do not qualify for inpatient status)

Pillar Goals

12	Revenue PMPM	141	150	(9)	-6%
----	---------------------	-----	-----	-----	-----

	151	150	1	0%
--	-----	-----	---	----

13	Operating Expenses PMPM	370	398	28	7%
----	--------------------------------	-----	-----	----	----

	370	398	28	7%
--	-----	-----	----	----

14	Full Time Equivalents (FTE) including Registry	1,202	1,256	54	4%
----	---	-------	-------	----	----

	1,204	1,256	52	4%
--	-------	-------	----	----

**San Mateo Medical Center
Income Statement
August 31, 2018**

	MONTH				YEAR TO DATE			
	Actual	Budget	Variance	Stoplight	Actual	Budget	Variance	Stoplight
	A	B	C	D	E	F	G	H
21 Inpatient Gross Revenue	10,998,668	9,577,810	1,420,858	15%	20,155,245	19,155,620	999,625	5%
22 Outpatient Gross Revenue	27,308,934	25,324,704	1,984,230	8%	51,101,127	50,649,408	451,719	1%
23 Total Gross Revenue	38,307,601	34,902,514	3,405,088	10%	71,256,372	69,805,028	1,451,344	2%
24 Patient Net Revenue	10,087,555	10,512,930	(425,375)	-4%	21,565,101	21,025,860	539,241	3%
25 Net Patient Revenue as % of Gross Revenue	26.3%	30.1%	-3.8%	-13%	30.3%	30.1%	0.1%	0%
26 Capitation Revenue	427,075	500,000	(72,925)	-15%	860,245	1,000,000	(139,755)	-14%
27 Supplemental Patient Program Revenue (Additional payments for patients)	9,698,780	12,398,049	(2,699,269)	-22%	17,956,981	24,796,098	(6,839,117)	-28%
28 Total Patient Net and Program Revenue	20,213,410	23,410,979	(3,197,569)	-14%	40,382,327	46,821,957	(6,439,631)	-14%
29 Other Operating Revenue (Additional payment not related to patients)	1,085,083	1,229,820	(144,737)	-12%	2,129,578	2,459,640	(330,061)	-13%
30 Total Operating Revenue	21,298,493	24,640,799	(3,342,305)	-14%	42,511,905	49,281,597	(6,769,692)	-14%

San Mateo Medical Center
Income Statement
August 31, 2018

	MONTH				YEAR TO DATE			
	Actual	Budget	Variance	Stoplight	Actual	Budget	Variance	Stoplight
	A	B	C	D	E	F	G	H
Operating Expenses								
31 Salaries & Benefits	15,102,155	16,432,845	1,330,690	8%	31,446,313	32,865,690	1,419,377	4%
32 Drugs	793,388	806,645	13,258	2%	1,398,660	1,613,291	214,631	13%
33 Supplies	713,648	931,599	217,951	23%	1,294,495	1,863,198	568,702	31%
34 Contract Provider Services	3,845,424	3,346,496	(498,928)	-15%	7,598,583	6,692,992	(905,590)	-14%
35 Other fees and purchased services	4,412,387	4,572,074	159,687	3%	8,060,534	9,144,148	1,083,614	12%
36 Other general expenses	397,687	532,070	134,383	25%	758,604	1,064,140	305,536	29%
37 Rental Expense	196,247	196,247	(0)	0%	376,632	392,494	15,862	4%
38 Lease Expense	825,358	825,358	-	0%	1,650,715	1,650,715	-	0%
39 Depreciation	189,558	273,093	83,535	31%	377,331	546,186	168,855	31%
40 Total Operating Expenses	26,475,851	27,916,427	1,440,576	5%	52,961,868	55,832,855	2,870,987	5%
41 Operating Income/Loss	(5,177,358)	(3,275,629)	(1,901,729)	-58%	(10,449,963)	(6,551,258)	(3,898,705)	-60%
42 Non-Operating Revenue/Expense	381,718	(1,567,840)	1,949,557	124%	763,336	(3,135,679)	3,899,015	124%
43 Contribution from County General Fund	4,843,468	4,843,468	0	0%	9,686,937	9,686,937	0	0%
44 Total Income/Loss (GAAP)	47,828	0	47,828		310	0	310	
(Change in Net Assets)								

San Mateo Medical Center
Payer Mix
August 31, 2018

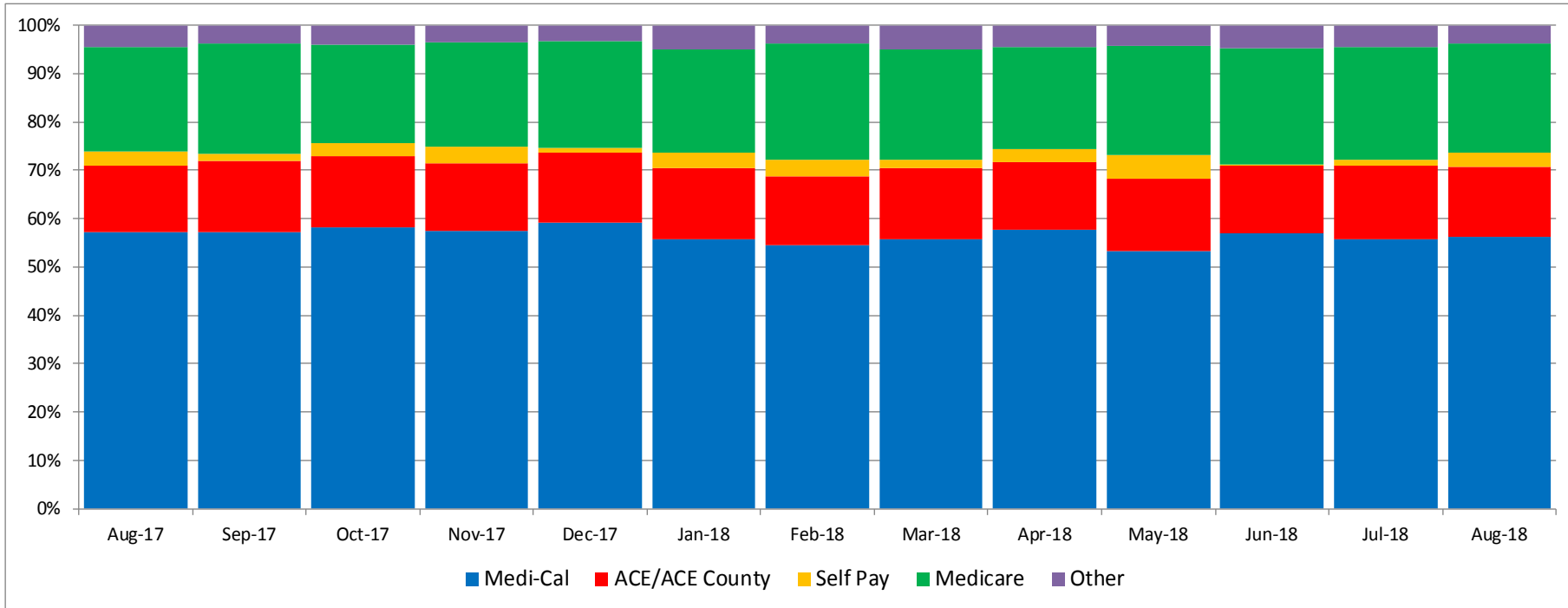
MONTH			
Actual	Budget	Variance	Stoplight
A	B	C	D

YEAR TO DATE			
Actual	Budget	Variance	Stoplight
E	F	G	H

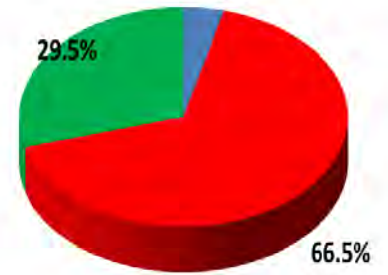
Payer Type by Gross Revenue

	A	B	C	D
Medicare	22.6%	21.0%	1.6%	
Medi-Cal	56.1%	58.0%	-1.9%	
Self Pay	2.9%	2.0%	0.9%	
Other	3.8%	5.0%	-1.2%	
ACE/ACE County	14.5%	14.0%	0.5%	
Total	100.0%	100.0%		

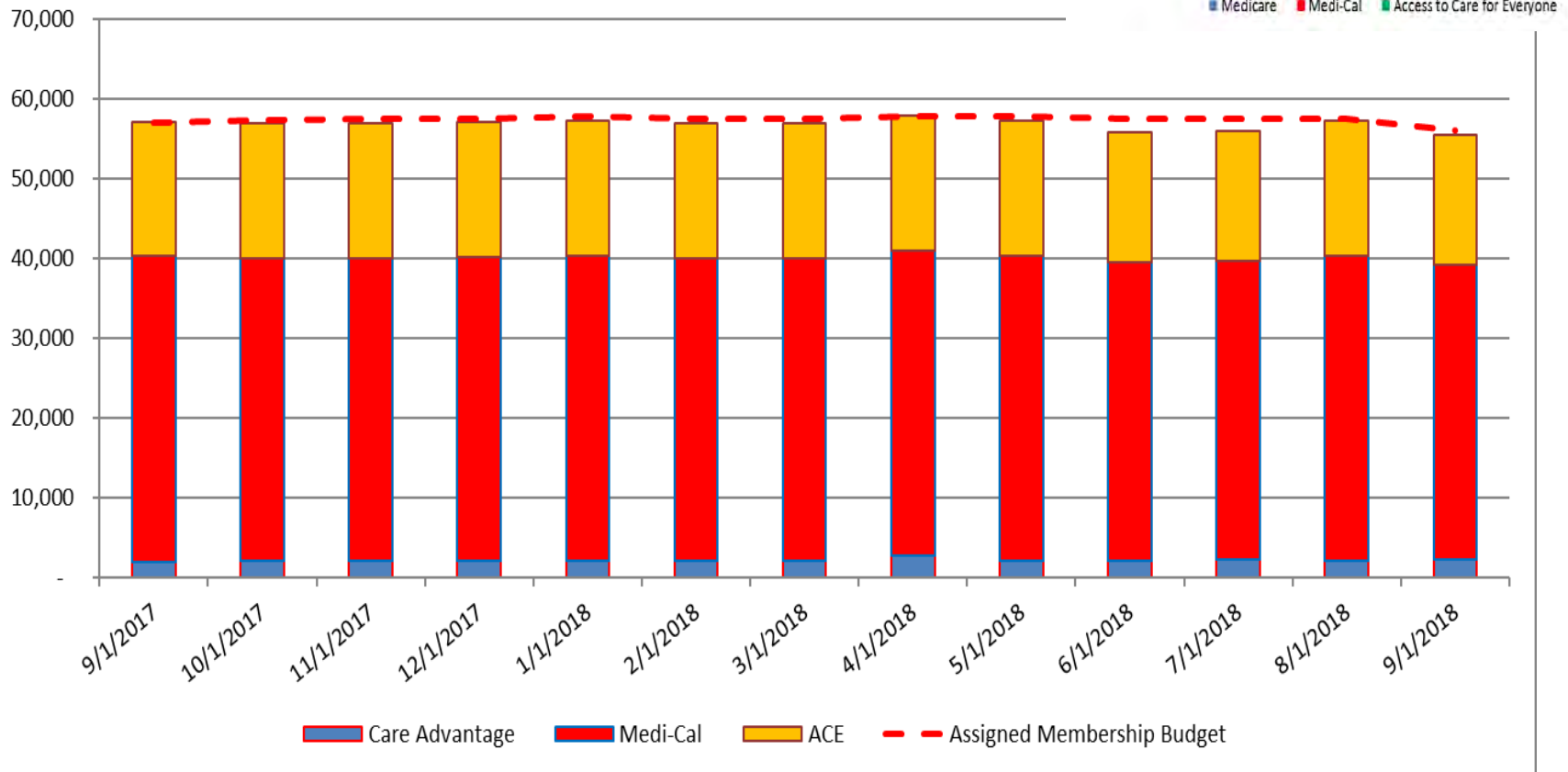
	E	F	G	H
Medicare	23.0%	21.0%	2.0%	
Medi-Cal	56.0%	58.0%	-2.0%	
Self Pay	2.1%	2.0%	0.1%	
Other	4.1%	5.0%	-0.9%	
ACE/ACE County	14.8%	14.0%	0.8%	
Total	100.0%	100.0%		



Managed Care Mix
4.0%

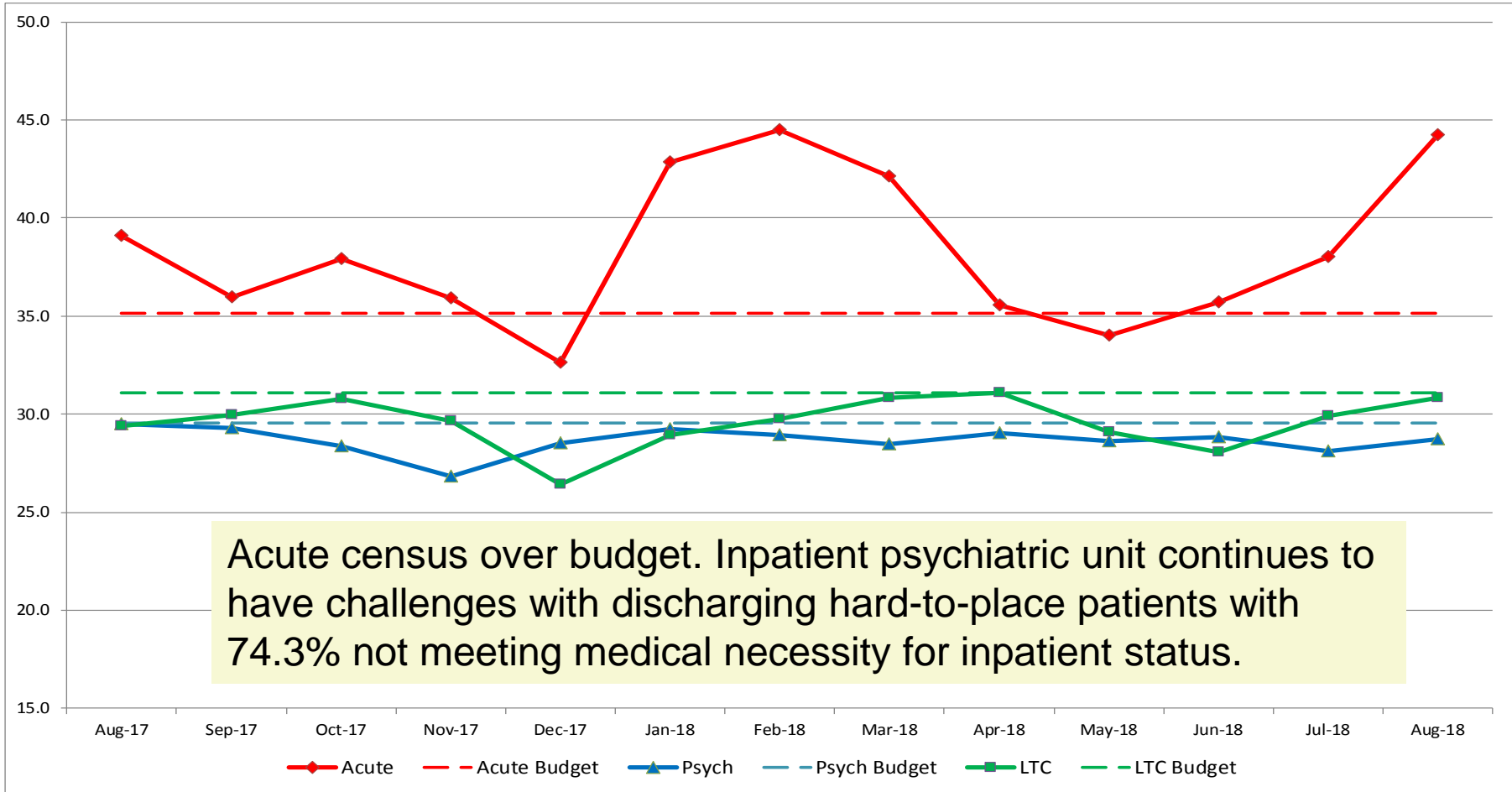


Managed Care Membership Trend



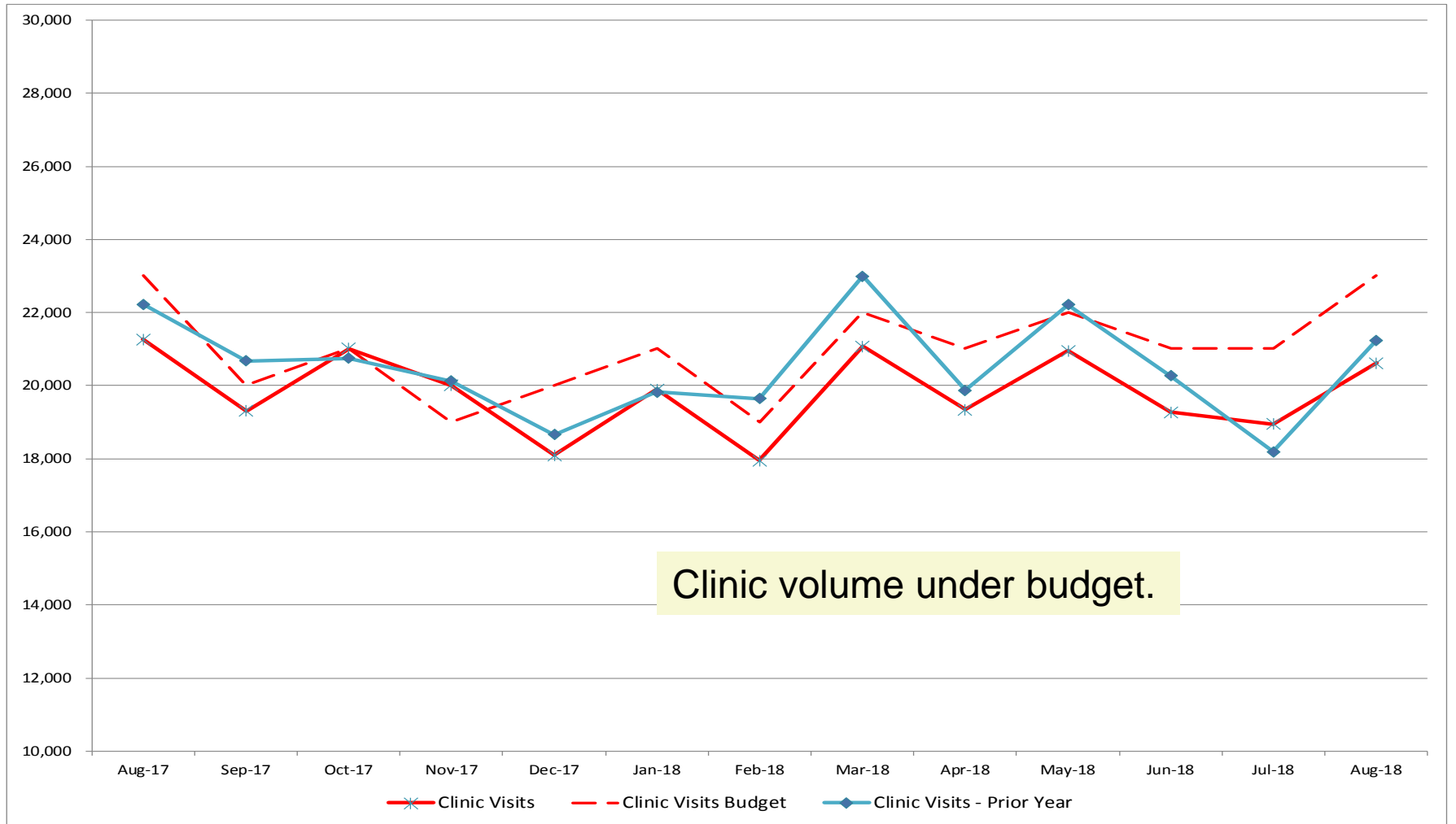
**San Mateo Medical Center
Patient Days
August 31, 2018**

	MONTH				YEAR TO DATE			
	Actual	Budget	Variance	Stoplight	Actual	Budget	Variance	Stoplight
Patient Days	3,218	2,934	284	10%	6,195	5,868	327	6%



**San Mateo Medical Center
Clinic Visits
August 31, 2018**

	MONTH				YEAR TO DATE			
	Actual	Budget	Variance	Stoplight	Actual	Budget	Variance	Stoplight
Clinic Visits	20,618	23,010	(2,392)	-10%	39,570	44,018	(4,448)	-10%

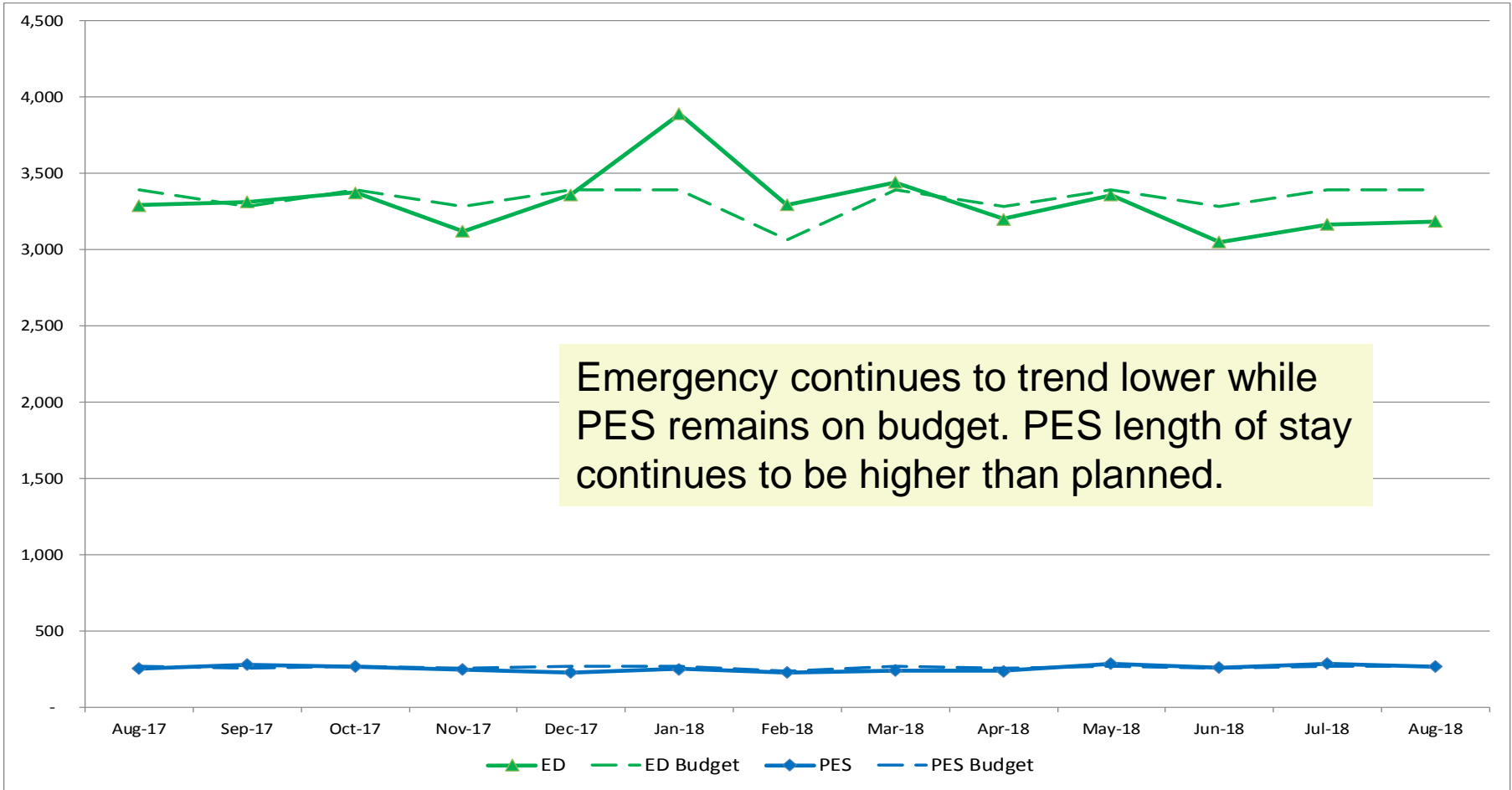


**San Mateo Medical Center
Emergency Visits
August 31, 2018**

MONTH			
Actual	Budget	Variance	Stoplight
3,457	3,659	(202)	-6%

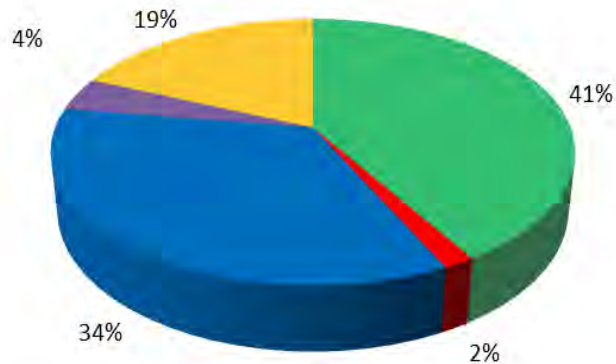
YEAR TO DATE			
Actual	Budget	Variance	Stoplight
6,912	7,319	(407)	-6%

ED Visits



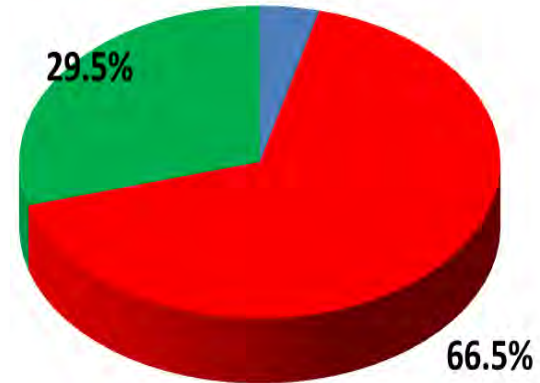
Revenue Mix

Sources of Revenue



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

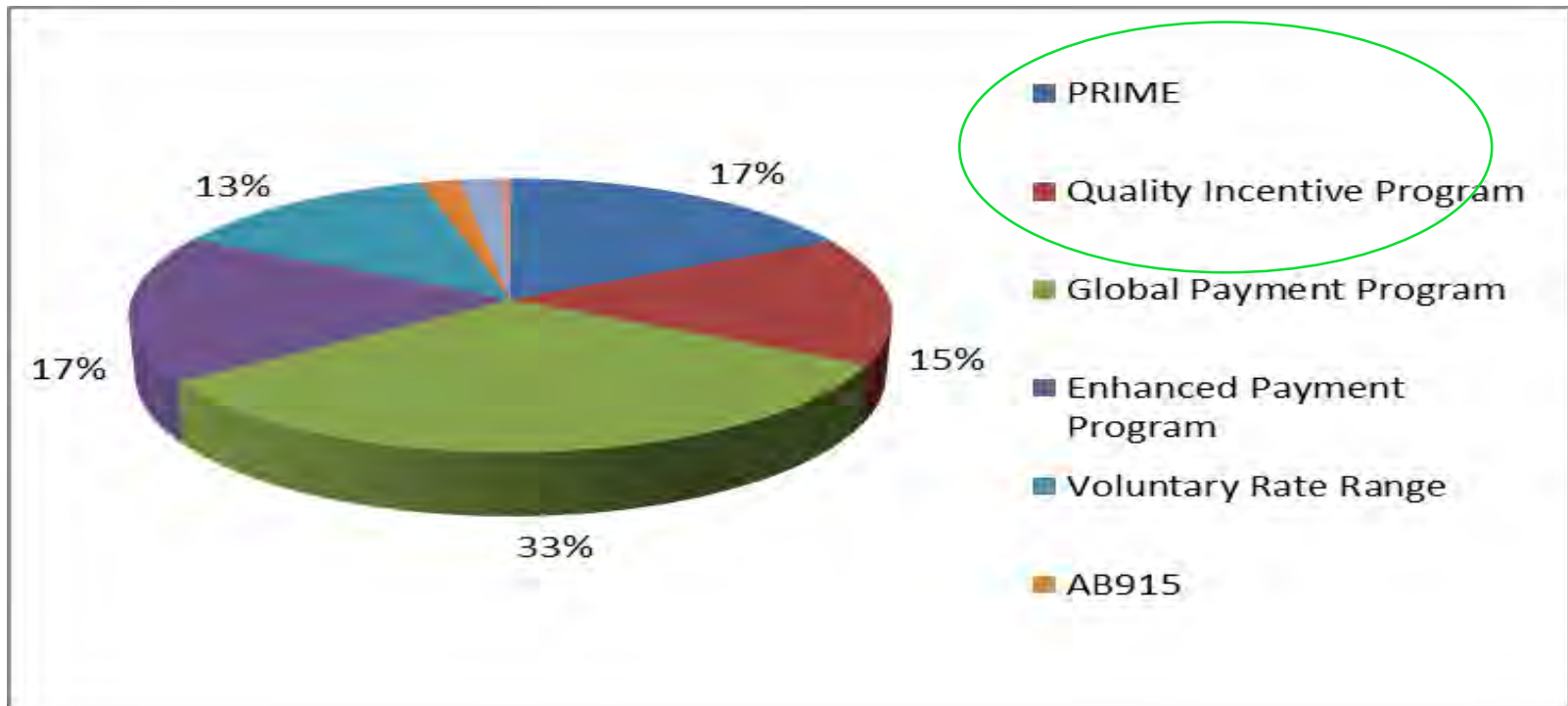
Managed Care Mix



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

- **Managed Care** programs represent 38% 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

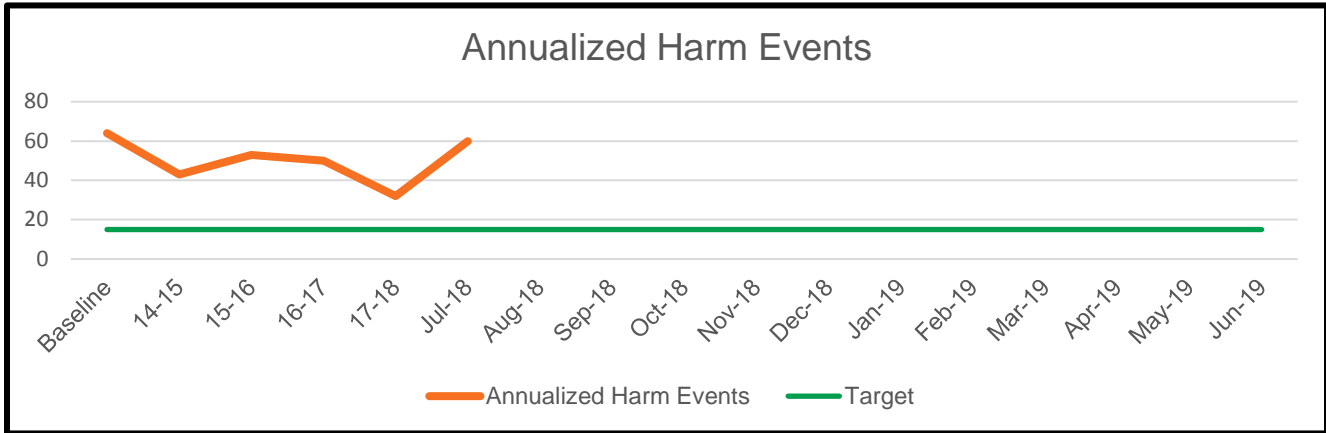


- **Value-Based** programs represent 32% of our Supplemental Revenue
 - New HPSM P4P and Shared Savings programs could boost it to 35%
- **Volume-Based** programs represent 68% of our Supplemental Revenue

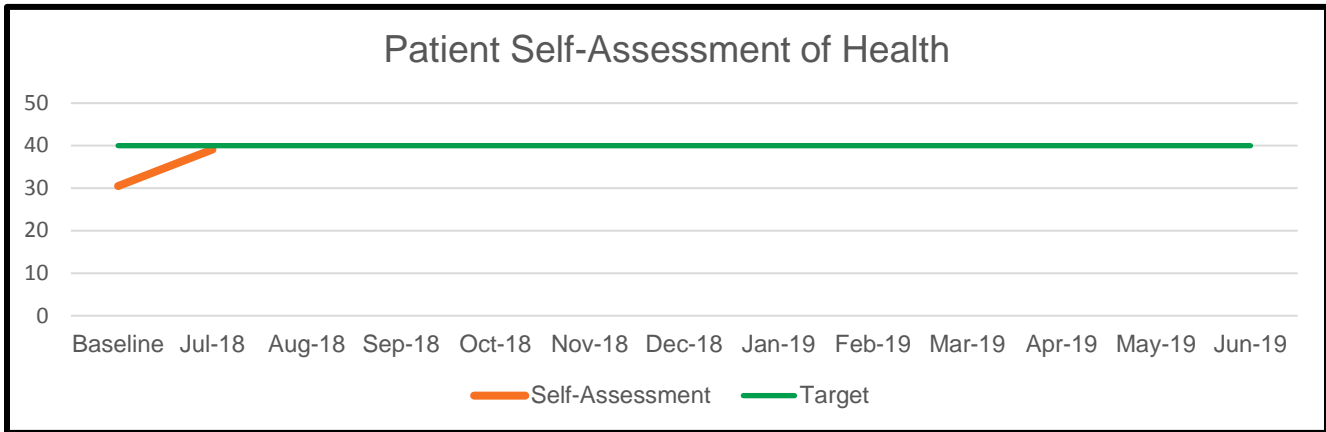
CEO REPORT

October 2018

EXCELLENT CARE METRICS



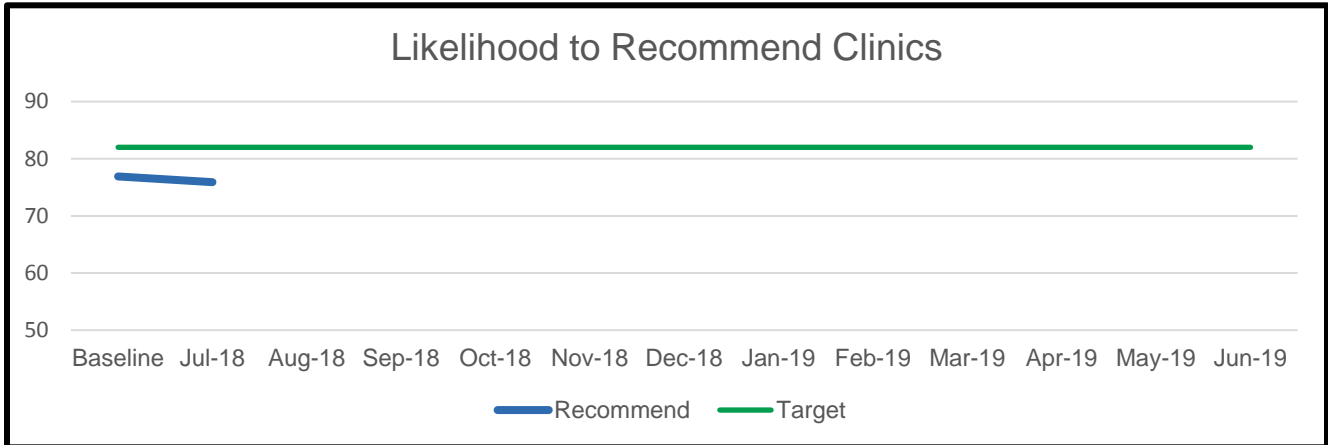
Annualized Harm Events: Measures avoidable patient harm events including central line infections, catheter associated urinary infections, hospital acquired pressure ulcers, surgical site infections, medication errors with harm, blood clots, falls with injury and others. The number is annualized (i.e the number after 2 months is multiplied by 6, the number after 4 months is multiplied by 3, etc.) **Lower is better.**



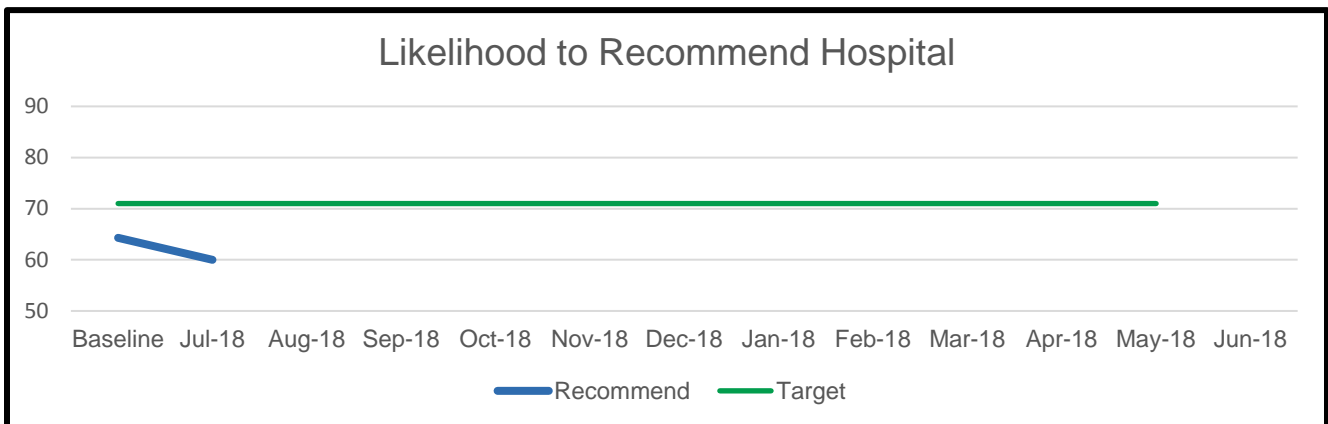
Patient Self-Assessment of Health: All Primary Care patients receive an experience survey. One question asks them to rate their health from poor to excellent. This is the percentage that rate their health as very good or excellent. **Higher is better.**



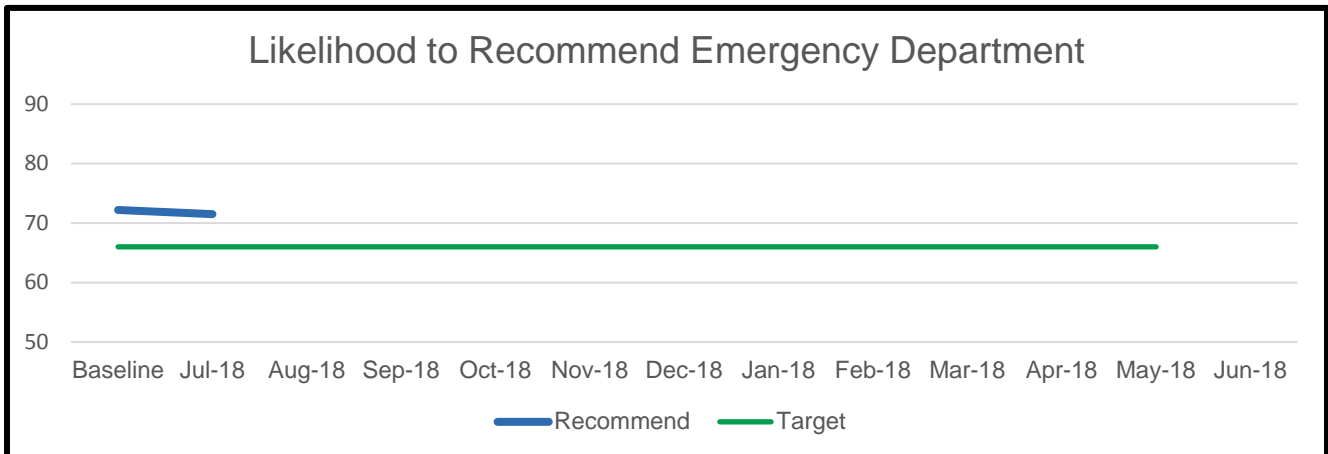
PATIENT CENTERED CARE METRICS



Likelihood to Recommend Clinics: Percentage of patients who gave SMMC the highest score (9 or 10) on the patient experience survey question, “How likely are you to recommend this clinic to friends and family?” **Higher is better.**



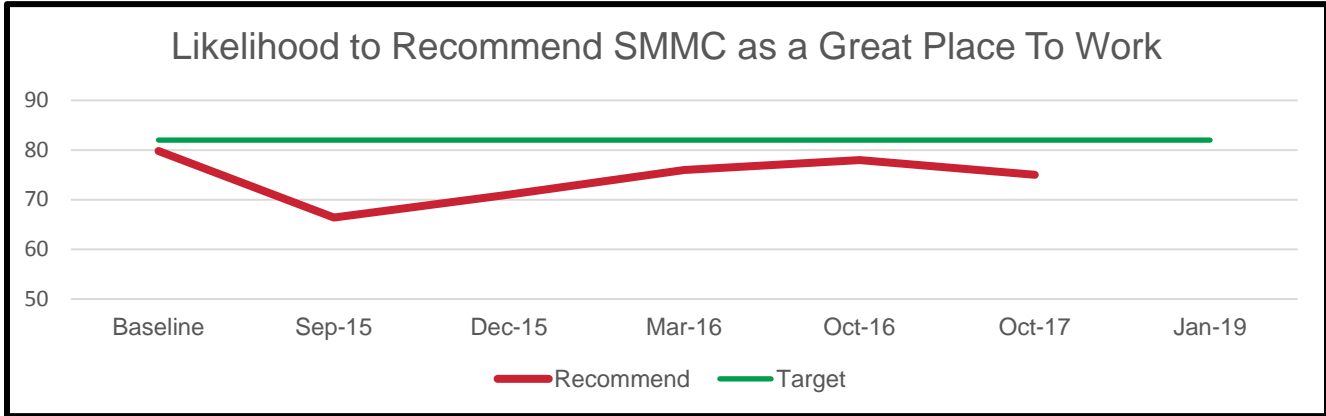
Likelihood to Recommend Hospital: Percentage of patients who gave SMMC the highest score (9 or 10) on the patient experience survey question, “How likely are you to recommend this hospital to friends and family?” **Higher is better.**



Likelihood to Recommend Emergency Department: Percentage of patients who gave SMMC the highest score (9 or 10) on the patient experience survey question, “How likely are you to recommend this emergency department to friends and family?” **Higher is better.**

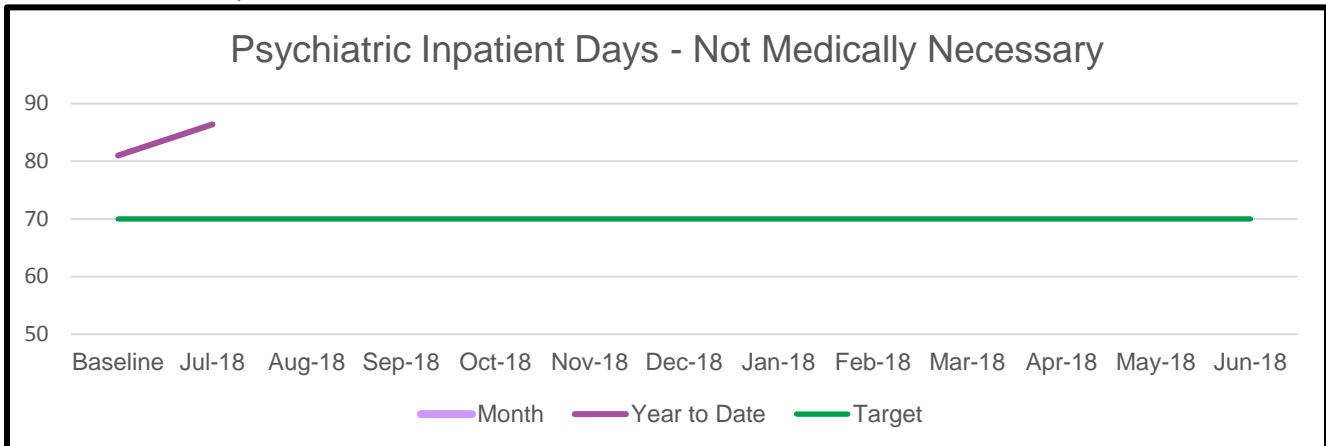


STAFF ENGAGEMENT METRICS

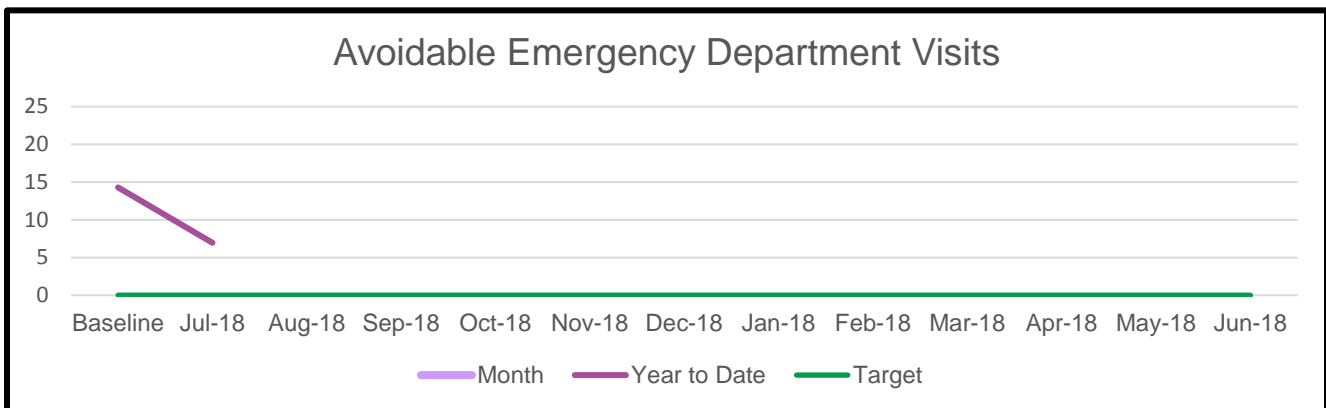


Likelihood to Recommend SMMC: Percentage of staff who agree or strongly agree that they would recommend SMMC as a great place to work. Measured using the annual Blessing White staff engagement survey. **Higher is better.**

RIGHT CARE, TIME AND PLACE METRICS



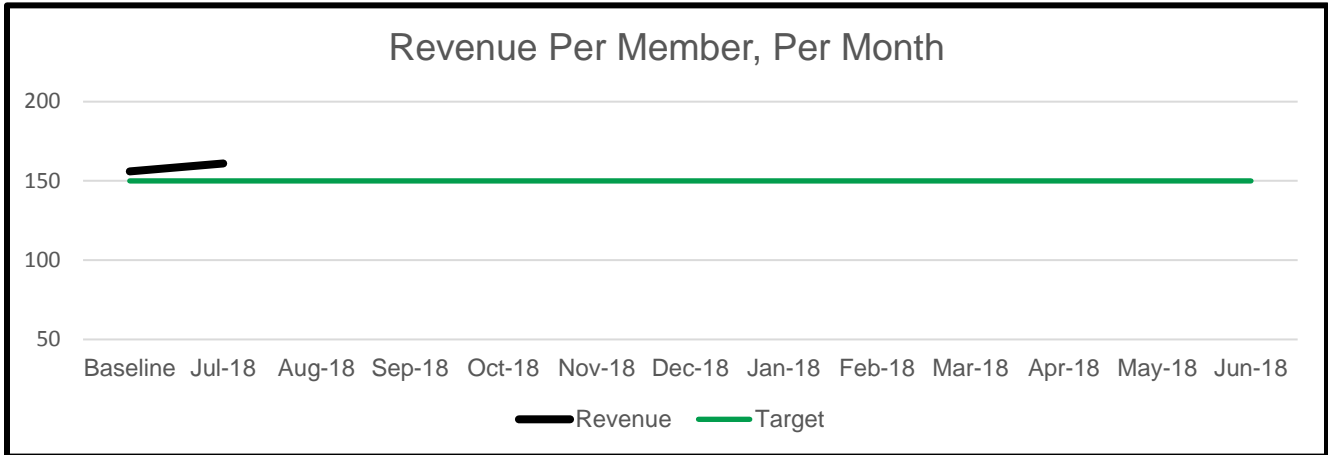
Psychiatric Inpatient Days – Not Medically Necessary: Percentage of acute inpatient psychiatry days where a patient may have been able to be discharged if there was a safe environment for them to go to. **Lower is better.**



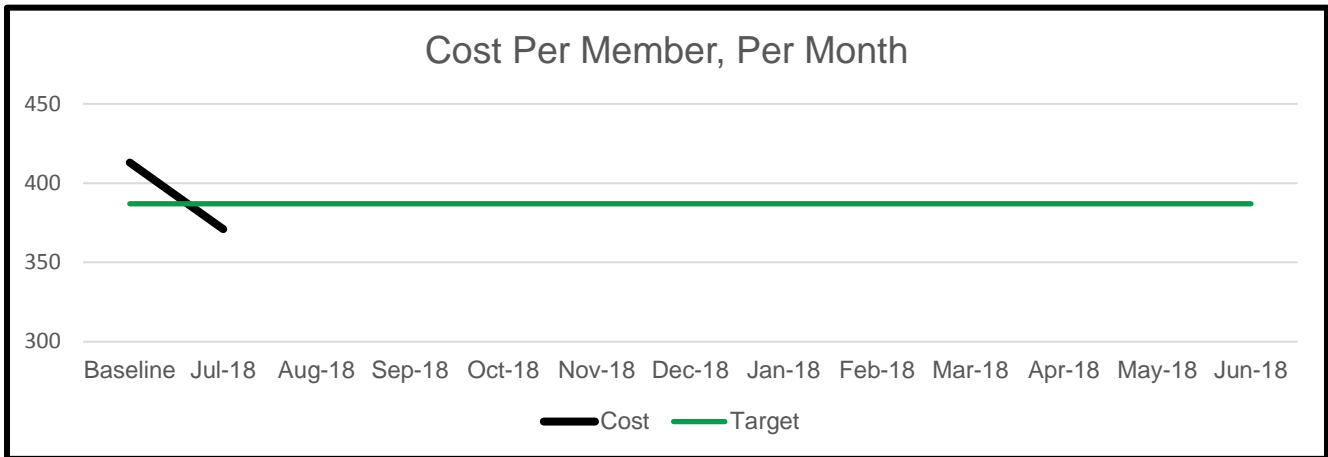
Potentially Avoidable ED Visits: Percentage of emergency department visits by established SMMC primary care patients where the discharge diagnosis is one that traditionally could have been treated in an outpatient setting rather than the emergency department. **Lower is better.**



FINANCIAL STEWARDSHIP METRICS



Revenue Per Member, Per Month: Total patient revenue divided by total number of assigned members. **Higher is better.**



Cost Per Member, Per Month: Total cost divided by total number of assigned members. **Lower is better.**

STRATEGIC UPDATES, RECOGNITIONS & AWARDS



Congresswoman Eshoo and Margaret Taylor visit SMMC – The San Mateo County Health Foundation coordinated a tour of the hospital for Congresswoman Anna Eshoo and Margaret Taylor, former director of the Health Department. Both women were founding members of the Foundation. The tour included SMMC’s Keller Center for Family Violence Intervention and a review of our plans to move Rehabilitative Services to the ground floor of the main hospital. *(Pictured Above, left to right: Dr. CJ Kunnappilly, SMMC CEO, Margaret Taylor, Leslie Williams-Hurt, Foundation CEO, Phuong Hathaway, Patient Services Supervisor - Rehab, Congresswoman Eshoo, Emily Weaver, Clinical Services Manager - Rehab, and Paul Rogerville, Foundation Board President.)*

Team-Based Care Strategic Initiative Launches with Value Stream Mapping Event – As part of our Team-Based Care Strategic Initiative, a team of North County staff members held a Value Stream Mapping Event the week of September 24th. In this type of improvement event, the team maps out the current condition informed by structured observations. They then use these observations to design a target condition (future state) that we will build towards this year. Finally, the team identified the initial areas of focus for improvement work as this strategic initiative moves forward. Congratulations to the entire team, they have given us an outstanding template to work from.

SMMC Submits Year-End PRIME Report-SMMC recently submitted its FY 17-18 PRIME report. PRIME is the pay for performance portion of the current Medi-Cal waiver. Each year, public hospitals are expected to move closer to the 90th percentile of all Medicaid providers in over 50 quality metrics across 9 focus areas. This was an extremely successful year with 12 metrics actually doubling the performance needed to hit this year’s targets. This performance has allowed SMMC to claim over 99% of available dollars. Congratulations to Kristin Gurley, Director of Performance Strategies, who helped organize the reporting process, our Business Intelligence team and all our project teams for this outstanding result.

Daly City Youth Health Center Grand Opening is a Huge Success – On September 10th, Daly City Youth Health Center hosted a Grand Opening at its new site at 350 90th St. The health center is a partnership between the Jefferson Union High School District, the medical center, and other County Health divisions. Attendees included: Congresswoman Jackie Speier, State Senator Scott Weiner, County Supervisor David Canepa, former Health Director Margaret Taylor, former County Supervisor Adrienne Tissier and many more. The event was packed and the highlight was a former youth client

describing how the health center had positively impacted her life. Our gratitude to the entire community who came together to support the opening of this beautiful and vital new center.

SMMC Holds Active Shooter Drill - SMMC recently conducted an active shooter drill at the hospital in partnership with the San Mateo Police Department (SMPD). The drill, part of our ongoing efforts to improve safety for staff and patients, was designed to test our ability to respond to a violent intruder and participate in a unified command center with the SMPD during an investigation. Staff volunteered to conduct a simulation, which tested their ability to run, hide and fight during a violent intruder scenario. The drill was preceded by numerous trainings and the simulation was recorded to be used in future staff training.

Many thanks to the staff, leaders, volunteers, and partners who made the drill possible. Special thanks to Ava Carter, Safety Officer, Mona Vasiliou, Safety and Emergency Preparedness Coordinator, and Lieutenant Anthony Torres, Director of Security, for their planning of the event and their dedication to the safety of our staff and patients.

Rehabilitation Services Names New Manager - Congratulations to Emily Weaver, PT, DPT who has accepted the permanent position as Manager of Rehabilitation Services. Emily, who has been working out of class in this position for the last several months, has been with the medical center for the last 5 years; most recently serving as Supervising Therapist. We are excited to have her in this new role. Congratulations!

Leadership Transition at Coastside Clinic – On October 20th, Dr. Rebecca Ashe will retire after 22 years of county service. Dr. Ashe has served patients at the Innovative Care Clinic, Ron Robinson Senior Care Clinic and Coastside Clinic. In her most recent position as the Supervising Physician for Coastside Clinic, she was instrumental in building it from a small satellite to the full scope clinic that it is today. We are grateful to Dr. Ashe for her leadership and commitment. We wish her all the best in her future endeavors.

SMMC Raises Over \$11,000 for Heart Walk - This year, the SMMC Heart Walk Team is proud to have raised \$11,005 benefitting the American Heart Association. A large group of committed Heart Walk Champions planned and executed numerous events that generated broad awareness and enthusiasm for this worthy cause.

I want to thank Phuong Hathaway for her outstanding leadership as the chair of SMMC's 2018 Heart Walk Committee and for recruiting champions in all our locations including: Stephanie Alvarez, Hend Azzerayer, Brenda Batt, Akram Cader, Maureen Cavanaugh, Rachel Daly, Angela Gonzalez, Grace Gutierrez, Angelina Hurrell, DeAndre James, Cynthia Javines Delmo, Detdet Lapuz, Robbi Larcina, Luci Latu, Rubi Lopez, Efren Loza, Donna Nuno, Diana Oakes, Jessica Ortega, Gloria Padron, Jackie Pelka, Dianaliza Ponco, Karen Pugh, Gina Ravella, Deborah Rivera, Robine Runneals, Ron Senior, Tony Takapu, Daniel Vallejo and Emily Weaver. Congratulations to the entire team!

SMMC Leaders Recognized for Wellness Activities- Congratulations to both Yvonne Sylten, Manager of Medical and Surgical Specialty Clinics and John Jurow, Manager of Radiology Services, for their recent recognitions by the County Wellness Committee. The Wellness Leadership Recognition Program recognizes "supervisors and managers who create healthy, thriving work environments and a culture that promotes employee health, safety and well-being in an engaging way that can be replicated and/or expanded." Both John and Yvonne were selected based on nominations from their staff and will be honored at a luncheon and a Board of Supervisors meeting. Congratulations and thank you to them both for making SMMC a healthier workplace.

Revenue Cycle Transformation team plans for FY19 Initiatives - The Revenue Cycle teams are looking to build on last year's successes as they launch into FY18-19. Specifically, the teams will continue to work in these operational improvement focus areas:

- 1) **Revenue Cycle:** SMMC is engaging on outside consultant to conduct a full assessment of our current revenue cycle operations and identify ways to improve revenue capture and cash collection, using industry standards and benchmarks as guidelines. We believe the current improvement work is on the right track and look forward to the additional opportunities that will be identified.
- 2) **Registration Accuracy:** SMMC is acquiring a new software tool, Experian's eCareNEXT, to assist registration & admitting staff with managing and monitoring the accuracy, completeness and timeliness of registration data to improve patient billing. The contract for this software is going to the Board November 13th and we'll formerly kick off the implementation project in early January.
- 3) **Medical Necessity:** This on-going work strives to ensure we adequately assess and report a patient's need for acute care hospital services and submit compliant claims to our third-party payors. Thanks to continuous monitoring, feedback, training and workflow changes to create efficient and effective systems, we have already seen significant improvements and will continue these efforts throughout FY18-19.
- 4) **Clinical Documentation Improvement:** This project will enhance clinical documentation to support quality reporting, medical necessity determinations, compliance and patient billing. Phase 1 is underway, which consists of assessing current state and developing recommendations for the workflows and staffing needed for an inpatient and outpatient CDI program. Phase 2 just started and consists of implementing Chartwise, a software tool to electronically manage workflows and reporting.
- 5) **Automated Billing Follow-up Work queues:** Our patient billing staff rely on manually intensive excel spreadsheets to manage accounts for collection follow-up. This is antiquated, inefficient and ineffective, resulting in delays in cash flow and loss of revenue. We have issued an RFP for a software tool to be implemented as an interim solution until the EHR 2.0 project is implemented and we expect to select a vendor in late October.

SMMC Lauches Supply Chain Assessment- We recently hired a new Director of Materials Management and are using this opportunity to engage our Group Purchasing Organization vendor, Vizient, to conduct a comprehensive assessment (people, process, technology, and performance metrics) of supply chain operations in order to identify improvement recommendations to maximize the efficiencies and effectiveness of the supply chain operations, including supply cost savings. The assessment launched last month and we expect Vizient's recommendations to be presented in mid-October and look forward to incorporating them into our FY19-21 budget planning.

Organization Prepares for Changes to Public Hospital Financing- The financing mechanisms for public hospitals continue to evolve as a result of the changing federal and State healthcare landscape and priorities. This introduces uncertainty into our planning for strategic initiatives and future budget cycles. We are working closely with the California Association of Public Hospitals and Health Systems to look at various scenarios and financial impacts of existing and future Medicaid waiver programs (PRIME and Global Payment Program) and other supplemental programs, such as the Enhanced Payment Program and the Quality Incentive Program. The most likely shift in financing mechanisms is the continued evolution from fee-for-service models to value-based models, which will be based on quality scores, patient outcomes and utilization management. We are confident that our current strategic initiatives to expand primary care and optimize specialty care, combined with our prudent reserves, position us to effectively respond to the changing finance environment and plan for the FY19-21 budget cycle.

SNAPSHOT: San Mateo County Health

TO: SMMC Board Members | FROM: Louise Rogers, Chief

INDICATOR	NUMBER	CHANGE FROM PREVIOUS MONTH	CHANGE FROM PREVIOUS YEAR
ACE Enrollees	26,395 (August 2018)	25.2%	22.7%
SMMC Emergency Department Visits	3,457 (August 2018)	0.1%	-2.5%
New Clients Awaiting Primary Care Appt.	213 (September 2018)	-46%	-77%

SMC Health Hosts Learning Exchange with Taiwan Ministry of Health & Welfare



On August 21st, San Mateo County Health received a delegation of officials from the Taiwan Ministry of Health and Welfare. Led by Vice Minister of Health Jui-Yuan Hsueh, fifteen senior officials came to the US to gain a better understanding of American approaches and to share experiences in emerging health challenges. En route to the Health Policy Roundtable at Duke University, the delegation learned about the partnerships that link SMC Health to housing, schools, neighborhoods, and economic prosperity. Taiwan is projected to reach the benchmark of a “super-aged society” in 2026, with more than twenty percent of the population at age 65 or older. “The visit was a learning opportunity for Health staff to understand how

Taiwan has wrestled with the challenges it faces in innovative ways and was a valuable exchange for all of us,” said Louise Rogers, SMC Health Chief.

California Emergency Services Association Honors Emma Hunter

The Coastal Chapter of the California Emergency Services Association presented EMS Management Fellow Emma Hunter with the Bill Singer Award for her work in addressing the medical needs of sheltered populations, promoting disaster preparedness for vulnerable communities, and creating a redundant emergency communications platform with the SMC Health alert network. As a management fellow, Emma has been crucial in creating a sustainable health emergency preparedness infrastructure, which has set San Mateo County apart among the sixteen county members of the Coastal Region.

Daly City Youth Health Center Inaugurates New Facility



Congresswoman Jackie Speier (*at left, center*) was the special guest at the celebration of the Daly City Youth Health Center’s move to new, expanded facilities. Founded in 1990 as a primary care clinic for teens, and affiliated with San Mateo Medical Center, the Daly City Youth Health Center now serves over 600 teens per month for primary care, behavioral health, reproductive health, and other services. Two blocks from its old location, the new facility with expanded office, storage, and clinical space will allow for program growth and improved service delivery in an open, vibrant, and safe setting.

SMC Health CIO Eric Raffin Earns Healthcare Industry Distinction

Chief Information Officer Eric Raffin recently became a CHIME Certified Healthcare CIO. Launched in 2008 by the College of Healthcare Information Management Executives (CHIME), the program is the only certification designed exclusively for leaders in health information technology and represents one of the industry’s highest professional achievements. Currently, more than 400 healthcare CIOs in 26 countries have earned the designation. To achieve Certified Healthcare CIO status, candidates must have at least three years of experience in the position, participate in programs and events that continue their education as an IT leader, and pass a rigorous examination. The designation recognizes strategic leadership and the value of information technology in healthcare delivery.

