



TAHOE FOREST HOSPITAL DISTRICT

2016-03-17 Board Governance Committee Meeting

Thursday, March 17, 2016 at 8:00 a.m.

Eskridge Conference Room - Tahoe Forest Hospital

10121 Pine Avenue, Truckee, CA 96161

Meeting Book - 2016-03-17 Board Governance Committee Meeting

03/17/2016 Governance Committee Meeting

AGENDA

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GOVERNANCE COMMITTEE

AGENDA

Thursday, March 17, 2016 at 8:00 a.m.
Eskridge Conference Room - Tahoe Forest Hospital
10121 Pine Avenue, Truckee, CA 96161

1. **CALL TO ORDER**

2. **ROLL CALL**

John Mohun, Chair; Greg Jellinek, M.D., Board Member

3. **CLEAR THE AGENDA/ITEMS NOT ON THE POSTED AGENDA**

4. **INPUT – AUDIENCE**

This is an opportunity for members of the public to address the Committee on items which are not on the agenda. Please state your name for the record. Comments are limited to three minutes. Written comments should be submitted to the Board Clerk 24 hours prior to the meeting to allow for distribution. Under Government Code Section 54954.2 – Brown Act, the Committee cannot take action on any item not on the agenda. The Committee may choose to acknowledge the comment or, where appropriate, briefly answer a question, refer the matter to staff, or set the item for discussion at a future meeting.

5. **CLOSED SESSION**

5.1. Conference with Legal Counsel; Anticipated Litigation (Gov. Code § 54956.9(d)(2) & (d)(3))

A point has been reached where, in the opinion of the Board on the advice of its legal counsel, based on the below-described existing facts and circumstances, there is a significant exposure to litigation against the District.

Facts and circumstances that might result in litigation but which the District believes are not yet known to potential plaintiff or plaintiffs. (Gov. Code 549.56.9 (e)(1))

5.2. Hearing (Health & Safety Code § 32155)

Subject Matter: Compliance Committee Report – Closed Session

Number of items: One (1)

5.3. Approval of Closed Session Minutes: 02/17/2016

6. **APPROVAL OF MINUTES OF: 02/17/2016**

7. **ITEMS FOR COMMITTEE DISCUSSION AND/OR RECOMMENDATION**

7.1. Meaningful Use Update ATTACHMENT

Governance Committee will receive an update on the Meaningful Use initiative.

7.2. Contracts

New, amended, and auto renewed contracts are submitted to the Governance Committee for review

and consideration for recommendation of approval by the Board of Directors.

- 7.2.1. Kopp – Revised Consulting Engagement Letter..... ATTACHMENT
- 7.2.2. Cahill - TFHD Call Coverage Agreement..... ATTACHMENT

8. REVIEW FOLLOW UP ITEMS / BOARD MEETING RECOMMENDATIONS

9. NEXT MEETING DATE

The next Governance Committee meeting is scheduled for April 20, 2016 at 8:00 a.m.

10. ADJOURN

*Denotes material (or a portion thereof) may be distributed later.

Note: It is the policy of Tahoe Forest Hospital District to not discriminate in admissions, provisions of services, hiring, training and employment practices on the basis of color, national origin, sex, religion, age or disability including AIDS and related conditions.

Equal Opportunity Employer. The meeting location is accessible to people with disabilities. Every reasonable effort will be made to accommodate participation of the disabled in all of the District’s public meetings. If particular accommodations for the disabled are needed (i.e., disability-related aids or other services), please contact the Executive Assistant at 582-3481 at least 24 hours in advance of the meeting.



TAHOE
FOREST
HOSPITAL
DISTRICT

GOVERNANCE COMMITTEE

DRAFT MINUTES

Wednesday, February 17, 2016 at 8:00 a.m.
Tahoe Conference Room - Tahoe Forest Hospital
10054 Pine Avenue, Truckee, CA 96161

1. CALL TO ORDER

Meeting was called to order at 8:02 a.m.

2. ROLL CALL

Board: John Mohun, Chair; Greg Jellinek, M.D., Board Member

Staff: Harry Weis, CEO; Crystal Betts, CFO; Jake Dorst, CIO; Ted Owens, Director of Governance and Community Development; Stephanie Hanson, Compliance Analyst; Gayle McAmis, MSC; Tammi Allowitz, Contracts Coordinator; Martina Rochefort, Clerk of the Board

Other: Michael Colantuono, General Counsel (via phone); Jim Hook, The Fox Group (via phone)

3. CLEAR THE AGENDA/ITEMS NOT ON THE POSTED AGENDA

Item 7.4. will move before Item 5 to accommodate a change in presenter's schedule.

4. INPUT – AUDIENCE

No public comment was received.

5. APPROVAL OF MINUTES OF: 01/20/2016

Discussion was held on sentence in Section 7.1. stating "Mr. Henninger indicated showing that the District is not blindly paying physicians..."

Ted Owens suggested continuing approval of the minutes until we can confirm Mr. Henninger's statement.

Director Mohun moved to approve, seconded by Director Jellinek, the Governance Committee minutes of January 20, 2016.

Open Session recessed at 8:18 a.m.

6. CLOSED SESSION

Discussion was held on privileged matters.

Open Session reconvened at 8:42 a.m.

7. ITEMS FOR COMMITTEE DISCUSSION AND/OR RECOMMENDATION

7.1. **CEO Administrative Report**

CEO has asked General Counsel to render an opinion regarding the Caremark case. Governance Committee

requested the Caremark case be reviewed.

CEO received a request for Governance Committee to review Dr. Heifetz's contracts and logs. CEO learned another request for the same item had been made of the Compliance Committee. CEO has requested the Compliance Committee to review it to avoid competing requests.

Governance Committee also raised a question to CEO regarding Fair Market Value (FMV) compensation to physicians over cash receipts. CEO requested David Henninger of Hooper, Lundy and Bookman write an opinion regarding the standard in fair market practice.

As a follow up on the Board Retreat, Bryan Gregory starts Monday, February 22 as Director of the Cancer Center.

Director Mohun inquired about specifics of Fair Market Value issue. Mr. Mohun stated he feels Commercial Reasonableness is the bigger issue and whether internally the District is monitoring and auditing payments. Stephanie Hanson is conducting strong internal audit monthly at this time. Compliance feels this level of audit is necessary at this time.

Director Jellinek referenced the Twomey case where a hospital got in trouble for paying more than cash receipts. CEO will inquire about the case with Hooper, Lundy and Bookman and ask them to write an opinion.

7.2. 2015 Annual Compliance Report

Jim Hook reviewed the 2015 Corporate Compliance Program Annual Report prepared by The Fox Group.

Discussion was held on certifications for Medicare patients when length of stay is more than 96 hours.

Director Mohun inquired about Jake Dorst's title listed in the report.

Director Mohun feels a robust compliance education for physicians is important.

Compliance would like to pull back on computer based training and roll out more face to face education and interaction.

The Annual Report will be presented to the full board at the February meeting.

7.3. Contracts

New, amended, and auto renewed contracts are reviewed by the Governance Committee for consideration for recommendation of approval by the Board of Directors.

Director Mohun would like to review items 7.3.3. and 7.3.4. first.

7.3.1. Kopp – Consulting Engagement Letter

CEO provided a review of the engagement letter with Walter Kopp.

Director Mohun expressed his discomfort with contract. He feels the duties within the contract are CEO duties.

Discussion was held on Mr. Kopp's current tasks.

Director Jellinek suggested limiting Mr. Kopp's contract. CEO agreed with a 6 month term.

CEO indicated he will need Mr. Kopp's assistance on operational issues with medical staff.

7.3.2. Legarza – Radiation Oncology Coverage Agreement

Director Mohun inquired about volumes in Radiation Oncology.

This coverage agreement will cover days when Dr. Palmer is utilizing her vacation days.

Director Mohun felt On-Call Coverage is included in the SNO contract. CEO explained this contract is for clinical coverage (locums).

Discussion was held on whether or not Sierra Nevada Oncology (SNO) is required to cover for their vacation time.

SNO contract is 5 years old. Renegotiations will occur when contract can come up for review.

General Counsel advised the SNO contract was not on the agenda.

Discussion was held whether or not the District is responsible to pay for coverage.

CEO stated the District needs to have undisrupted care. The trend for oncology is growing year over year. This locums will only be scheduled if needed.

Standard has been that the hospital pay for locums coverage.

Governance Committee would like to know who has the burden to pay for coverage.

Discussion was held on what "call" coverage is and how the committee is interpreting it.

Director Jellinek moved, seconded by Director Mohun, to have legal counsel review the contracts and draft an opinion as to whether or not the District should enter into this contract.

7.3.3. Allen – TFHD Call Coverage Agreement / 7.3.4. Cahill – TFHD Call Coverage Agreement

This Call Coverage Agreement is to fill the gaps as this is an EMTALA service. These locums agreements are to assist with scheduling conflicts.

Discussion was held on standard for physicians who are put on call. Physicians are required to be at the hospital within 30 minutes.

Director Mohun stated if the District has data to show when on call physicians are coming in, it would help him understand if additional physicians are needed.

Discussion was held on liability coverage for locums.

Director Mohun felt the word “any” should be “and” in section 2.2. Contracts coordinator will review. The contracts are formed from templates created by Hooper, Lundy and Bookman.

Governance Committee recommends the contracts be presented to the full board.

Governance Committee would like to see date line added to signature pages of contracts.

7.4. Board Retreat Recap with Lisa Toutant

Item was heard before Item 5.

Lisa Toutant reviewed her facilitator meeting notes from the Board Retreat on February 1 and 2, 2016.

Ted Owens suggested adding goals to board agenda for subsequent review in 6 months.

Governance Committee would like to add goals to board portal.

8. REVIEW FOLLOW UP ITEMS / BOARD MEETING RECOMMENDATIONS

Committee would like to a review of ABD-21 in the future.

Committee would like an update on Meaningful Use I.

9. NEXT MEETING DATE

Governance Committee meetings will be held on the third Wednesday of the month at 8:00 a.m. The Governance Committee meeting in March will be held on Thursday, March 17 at 8:00 a.m.

10. ADJOURN

Meeting adjourned at 10:27 a.m.

Meaningful Use Status Update

2015 Meaningful Use

- July, 2015: Successful attestation for MU Stage 1 for both TFH and IVCH.
- 90 day reporting period from April 1, 2015-June 30, 2015.
- Utilized T Systems (ED), CPSI and InteHealth (Patient Portal).
- T Systems allowed the CPOE measure to be met at both facilities.

2016 Meaningful Use (MU becomes a full calendar year attestation)

- ONC Final Rules for MU changed the requirements such that all CAH hospitals no matter what stage they were at in the attestation process would need to meet Stage 2 requirements.
- This changed the CPOE required percentage such that TFH and IVCH could no longer meet the measure using T Systems.
- Would require implementation of CPSI CPOE house wide and in full use by January 2016.
- CPSI CPOE had breaks and safety issues.
- Recommendation of Executive Steering committee, Med Tech Council and Physician Advisory group to continue work toward a new EHR and the RFI process for a new enterprise EHR solution. Decision to hold off on any further CPSI implementations including CPSI CPOE.
- Financial analysis of impact was a decreased reimbursement of Medicare of 0.33%. Calculated estimate of total financial impact was a potential of \$180,000.

2017 Meaningful Use

- Unless new EHR is fully implemented by Jan. 1, 2017 and MU statistics are obtainable to meet all stage 2 criteria, TFH and IVCH will need to apply for a hardship exemption. The deadline for this application is Nov. 30, 2018 for the MU reporting period of Jan. 1 2017-Dec. 31, 2018.
- If hardship exemption is not obtained, the Medicare reimbursement will drop another 0.33%.
- This would be the final reduction and would be corrected with a successful attestation.

CPSI Physician Applications	Column1
Expenses Outstanding when Project Stopped October 2015	
Training and Travel-CPSI staff	6,500.00
Staffing-including physician hours	132,313.00
RX Printers	7,500.00
Sure Scripts	20,000.00
Interfaces for Sure Scripts	36,000.00
WOWs with PC	21,000.00
Total	223,313.00

We had a combined budget for the Point of Care (ICU, MS, OB) and Physician Apps. We extracted what was left after we halted the physician project. Please see spreadsheet attached that is titled Phys Apps Outstanding Expenses.

The total is approximately \$223,133.00

Please note that the decision to halt the project was not cost related but related to the safety of the CPOE product at the time. It was not ready in the CW5 version and that was our only option. Other CPSI hospitals were using the CW4 product but we were locked into CW5. Certain portions of the product were not functioning properly which made it very unsafe. The Physician Advisory Team made the recommendation to not move forward and the project was halted twice. We retested each time and still found serious issues.

In the mean time, the MU rules for all Stage 1 level hospitals changed such that we would have to be ready with CPOE on January 1, 2016 and run for a full calendar year to meet the stats. We would no longer qualify as we had for year 1 using CPOE stats in T Systems.

The decision was made by the Executive Steering Committee and Physician Advisory Team to take the financial penalty hit or apply for possible hardship but not to implement CPOE. We were moving forward with a RFI process at this time for a new EHR vendor.

7.2. Contracts

Contracts redacted.

Available for public viewing via a Public Records request.