



DATE: 5/22/13

**JOINT BOARD OF DIRECTORS/MEDICAL STAFF
SPECIAL BOARD PLANNING MEETING MINUTES**

AGENDA ITEM	DISCUSSIONS/CONCLUSIONS	ACTIONS/FOLLOW-UP/ RESPONSIBLE PARTY
PRESENT AT MEETING:	<p>Board: Roger Kahn, President; Larry Long, Treasurer; John Mohun, Vice President; Karen Sessler, M.D., Secretary, Dale Chamblin</p> <p>Medical Staff: Chris Richards, M.D.; Rick Ganong, M.D.; Steve Thompson, M.D.; Myron Kamenetsky, M.D.; Peter Taylor, M.D.; Tad Laird, M.D.; Nina Winans, M.D.; Else Uglum, M.D.; Debbie Brown, M.D.; Pat Osgood, M.D.; Shawni Coll, M.D.; Ali Ganong, M.D.; Bob Chase, M.D.; Ricki Alpert, M.D.; Syndi Keats, M.D.; Daphne Palmer, M.D.; Greg Mohr, M.D.; Gina Barta, M.D.; Josh Scholnick, M.D., Jeff Camp, M.D., Chuck Zipkin, M.D.; Jeff Dodd, M.D.; Steve Dolton, M.D.</p> <p>Staff: Bob Schapper, CEO; Virginia Razo, PharmD, Chief Operating Officer; Crystal Betts, Chief Financial Officer; Judy Newland, RN, TFHD Administrator/Chief Nursing Officer; Terri Schnieder, Director, Medical Staff Services; Paige Thomason, Director, Marketing & Communications; Janet Van Gelder, RN, Director of Quality; Carl Gerlach, Director of Planning and Business Development; Ted Owens, Director of Community Development; Marsha Schapper, Director of Multi-Specialty Clinics; Jeanne McAuliffe, Executive Assistant; Michelle Cook, Administrative Assistant</p>	
1. Social Time		
2. Dinner		
3. Call to Order	Mr. Kahn called the meeting to order at 6:52 p.m. and turned the meeting over to Dr. Barta. Dr. Barta discussed the Medical Staff Mission and Vision Statements.	
4. Roll Call	It was noted that all Board Members were present.	
5. Clear the Agenda/Items Not On the Posted Agenda	Mr. Kahn cleared the agenda and asked if there were any changes to the agenda as posted. There were none.	



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6. Input -- Audience	Audience input was sought, but none was offered.	
7. Introduction	<ul style="list-style-type: none"> • Mr. Schapper welcomed the medical staff, board members, and management to the annual Joint Board/Medical Staff Meeting. He indicated that the District had sent physicians, board members, and staff to the Estes Park Conference. At this conference, Health Care Reform and the Affordable Care Act were discussed. The guest speakers tonight will be facilitating discussion on both Health Care Reform and the PPO project. Mr. Steve Chihos is a professional change agent and his goal for this meeting will be to facilitate the strategic planning process. Mr. Carl Gerlach, Director of Business and Development will present the PPO project. 	
8. Guest Speaker: Steve Chihos, Health Care Reform	<ul style="list-style-type: none"> • Mr. Chihos presented a PowerPoint on “Health Care Reform”, highlights as follows: <ul style="list-style-type: none"> ○ This meeting is not to rewrite the organization’s mission or vision statement, but a format to discuss the District’s goals and objectives; ○ Programs & Projects will feed into the goals and the objectives will feed into the Mission and Vision of the organization; ○ He indicated that significant external changes are on the horizon. Successive waves of change will likely come faster in the future- allowing less time to adapt; ○ There will be strategic shifts in our environment; ○ As a hospital we will need to adapt in the areas of unavoidable external circumstances such as in the Affordable Care Act (ACA), The Triple Aim, and focus on population health and changes in payer mix; ○ The focus for tonight’s discussion will be the following: <ul style="list-style-type: none"> ▪ To come to a consensus on a strategic planning process; 	



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	<ul style="list-style-type: none"> ▪ Develop a shared understanding of influencing factors; ▪ Discuss 1 year, 2 year, and 3 year strategic goals; ▪ Commit to refreshing our 3 year rolling strategic planning; ▪ Later we will develop near term (4-8 weeks) goals; ○ Discussion was held on what was learned at the Estes Park Conference. The following was discussed: <ul style="list-style-type: none"> ▪ The changes coming to healthcare; ▪ The country's inability to afford to deliver healthcare as it was doing before; ▪ Value based purchasing will be emphasized with a focus on quality and service; ▪ Lean manufacturing techniques; ○ Demographic changes will impact every provider: <ul style="list-style-type: none"> ▪ We need to research our demographic and how will economics impact our area such as an influx in retirees; ▪ As providers we need to gain more expertise in geriatric medicine; ○ ACA and Triple Aim will provide national/state/local strategic focus; ○ The financial models will change: <ul style="list-style-type: none"> ▪ Change incentives for how you get paid; ▪ Increase market share; ▪ National EMR; ▪ Single payer system; ▪ Deliver models will need to adapt: ▪ Significant unknowns remain; ○ Strategic Planning and Execution Framework: <ul style="list-style-type: none"> ▪ Current Strategy vs. influencing factors; 	



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	<ul style="list-style-type: none"> ▪ Strategic planning; ▪ Come up with 4-6 goals for Tahoe Forest Health System; ▪ In the coming weeks, you will hear more about this process. ○ The group held a brainstorming session. The feedback from the group exercises will be gathered and distributed in a written report. 	<p><u>Mr. Chihos will send out a written report from the feedback received during the brainstorming session.</u></p>
<p>4) Guest Speaker: Carl Gerlach, PPO</p>	<ul style="list-style-type: none"> • Mr. Gerlach presented the PPO, highlights as follows: <ul style="list-style-type: none"> ○ He discussed the strategic context- health care reform and the manifestation of this; ○ He indicated that although TFHS is classified as rural, its business challenges are suburban -Reno is urban and is highly competitive; ○ There is a lot of the District's market share going to Reno; ○ Vail Resorts requested the formation of a PPO. Their objective is to allow their employees greater access to providers in this area; ○ In response, the District will form a non-exclusive PPO to offer expanded coverage to employers in the North Lake Community; ○ A PPO functions by coordinating communication between employers, PPOs, and insurance products; ○ Physicians determine if they wish to participate in each opportunity; ○ There is not an anti-trust risk. A PPO does not set rates. Physicians are free to contract independently. The California Health and Safety Code allows hospital districts to do this and legal risks are minimum; ○ Physicians participate via a "Physician Participation 	



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	<p>Agreement”;</p> <ul style="list-style-type: none"> ○ The District is the facilitator and would execute the PPO Physician Participation Agreements; ○ Other employers who have expressed interest: Town of Truckee, School District, TTPUD; ○ The advantages are the following: <ul style="list-style-type: none"> ▪ Allows the physician to see those patients who want to see them but cannot because the physician is too expensive “out of network”; ▪ In the public interest we want to make sure there is access. People go to Reno because out of pocket is less; ▪ Allows employees of Vail Resorts to have an alternative and expand their access to local providers. Vail Resorts would like more physicians in their network. The PPO acts as the facilitator and the physician does the negotiation with Vail Resorts. ● Ms. Schapper elaborated: <ul style="list-style-type: none"> ○ These are going to be direct contracts that the PPO will hold with employers in the community and we will not be contracting with the health insurance plans. Vail Resorts would like one contract with a list of providers. When a physician signs agreements to participate in the PPO, there will be a different agreement with each employer. This is a mechanism for our providers in our community to directly contract with employers; ● Dr. Coll said the advantage to the physicians is the following: <ul style="list-style-type: none"> ○ Not losing our patients to the Reno market or an ACO; ○ Primary care doctors would see more local patients and referrals from within the community; 	
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	<ul style="list-style-type: none"> • Dr. Coll asked Ms. Schapper for more detail on United Health; • Ms. Schapper responded that once a claim is submitted it will be paid at the contract rate. United Health will be directed by the employer to pay this rate; • Mr. Schapper said Mr. Gerlach is working on the demographics. The District is hearing from the school district that they are not going to the hospital because we are too expensive. The care is leaving our area because of this market share issue. We are going to become a managed care market. Mr. Gerlach is committed to doing the analytics to develop service lines to absorb costs in favorable way. The District is going to have to match Reno's quality, pricing, and bundle with a different mechanism; however, there are limitations because of Medicare's reimbursement regulations and how low we can go with pricing; • Dr. Coll asked how the physicians should proceed after this meeting; • Ms. Schapper will get the provider contracts out to everyone to review and will meet one on one or in a group meeting to discuss in more detail; • Dr. Sessler said the District is the community's healthcare system and the Board's responsibility is to respond to healthcare needs in this community to the best of their ability. She recommended the medical staff be open to change and to please meet with Ms. Schapper to discuss more how the needs of the community can be best met; • Mr. Kahn said the Board will need to review the analytics to see what is going on in our community, and then proceed to see how we can deliver healthcare more efficiently; 	



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	<ul style="list-style-type: none"> Mr. Schapper said rural hospitals are going to have a hard time staying alive and it is up to the community and of its alignment with providers of all types to determine the appropriate scope of practice in the community. This will bring many challenges for the Board. The District will need to focus on providing the highest quality and to strive to have ultimate access to pricing and to stay in the community. The District will be openly talking about the redesign of health care in our system. 	
<p>5) Board Members Reports/Closing Remarks</p>	<p>There were none.</p>	
<p>6) Adjourn</p>	<p>The meeting adjourned at 9:16 p.m.</p>	

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