



# SPECIAL MEETING OF THE BOARD OF DIRECTORS OF TAHOE FOREST HOSPITAL DISTRICT

## RETREAT MINUTES

Tuesday, February 6, 2018 at 9:00 a.m. – 4:15 p.m.  
Wednesday, February 7, 2018 at 9:00 a.m. – 11:15 a.m.  
Cedar House Sport Hotel – Cervino Room  
10918 Brockway Road, Truckee, CA 96161

### Day 1 – Tuesday, February 6, 2018

#### 1. CALL TO ORDER

Meeting was called to order to 9:09 a.m.

#### 2. ROLL CALL

Board: Dale Chamblin, Board President; Randy Hill, Vice President; Charles Zipkin, M.D., Treasurer; Alyce Wong, Secretary; Mary Brown, Board Member

Staff in attendance: Harry Weis, Chief Executive Officer; Ted Owens, Executive Director of Governance and Community Relations; Martina Rochefort, Clerk of the Board

Other: Karma Bass and Erica Osborne of Via Healthcare Consulting

#### 3. INPUT – AUDIENCE

No public comment was received.

#### 4. RETREAT ITEMS FOR BOARD DISCUSSION

No formal action will be taken by the Board of Directors; only direction to staff. Any action items will be agendized for a Regular Meeting of the Board of Directors.

##### 4.1. Welcome and Opening Comments by Board President

Board President Dale Chamblin welcomed attendees to the retreat.

Director Chamblin suggested Order & Decorum become an official board policy.

Director Chamblin reviewed items related to board meetings:

- Board President will ask speakers at meetings in advance if they want questions asked during the presentation or at the end.
- Need to remember there is a television audience.
- Need to make every effort during public comment not to engage in debate.
- Update verbiage on agenda to “The Board President may choose to acknowledge” on input from audience.

##### 4.2. Retreat Objectives and Agenda

Erica Osborne, retreat facilitator, reviewed the main objectives of the retreat:

- Begin Strategic Planning process with discussion of key assumptions, critical issues and stakeholders
- Provide education and discussion on physician alignment issues

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- Discuss board's effectiveness and develop a board governance enhancement action plan for 2018

#### **4.3. Board Education**

Karma Bass, retreat facilitator, reviewed the definition of physician alignment.

Ms. Bass reviewed why healthcare is being forced to change, data on health care spending, and health outcomes and risk factors of industrialized nations.

The board would like to take the results of the Community Health Needs Assessment into consideration in future board activities.

Discussion was held on social determinants of health (i.e. socioeconomic status, education, access to healthy foods).

Discussion was held on Critical Access Hospital (CAH) designation. Most critical access hospitals would not survive without CAH status. Reimbursement is favorable. CAHs receive cost plus reimbursement.

Ms. Bass reviewed the fragile state of Critical Access Hospitals:

- 1330 Critical Access Hospitals (CAHs) in US and more than 70 have closed since 2010.
- 20% of US population lives in rural areas but only 7% of physicians practice there.
- CAHs represent 30% of acute care hospitals but receive 4% of Medicare payments to hospitals.
- 60%+ CAH revenues come from governmental sources which are threatened by cost containment efforts.

Private practice of medicine is becoming unsustainable. Physicians in the US are very frustrated with the practice of medicine.

In 2016, less than half of physicians have an ownership interest in a medical practice.

**Meeting recessed at 10:33 a.m.**

**Meeting reconvened at 10:46 a.m.**

Discussion about why hospitals acquire physician practices. Reasons include:

- Value-based payment, quality programs, and new care models require more physician participation.
- Hospitals must ensure community access to primary and specialty care.
- To build scale – a larger network of providers provides contracting clout.
- Physicians find administrative burden of private practice excessive and require employment (or will go elsewhere).
- Ability to capture “downstream” ancillary and surgical revenue is greater with owned practices or employed physicians.

Physicians seek employment to decrease their bureaucratic burden, focus on patient care, more steady compensation and work/life balance.

Discussion was held about physician unhappiness.

Physician alignment should be seen by everyone as a symbiotic relationship.

The board discussed how to educate the medical staff.

Ms. Bass reviewed the regulatory environment around physician contracts.

Alignment success factors:

1. Patient-centered mission and values
2. Clear, shared vision, strategy and goals
3. Operational excellence and performance focus
4. Physician leadership
5. Shared decision making
6. Aligned incentives and shared risk
7. Information transparency
8. Ongoing education and communication
9. Culture of teamwork
10. Trusting relationships

Next steps on physician alignment will be discussed on day two of the retreat.

**Meeting recessed at 11:57 a.m.**

**Meeting reconvened at 12:45 p.m.**

*Crystal Betts, Chief Financial Officer; Jake Dorst, Chief Information & Innovation Officer; Matt Mushet, In-House Counsel; Alex MacLennan, Chief Human Resources Officer; Scott Baker, Executive Director of Physician Services joined the meeting at 12:45 p.m.*

#### **4.4. Strategic Plan: Timeline and Data Collection**

Ms. Osborne reviewed the strategic planning process timeline.

The data sources that will be used for the environmental assessment were reviewed.

Monthly updates of the strategic planning process will be provided at board meetings.

#### **4.5. Strategic Plan: Key Assumption & Critical Issues**

Key assumptions drive where the strategic plan's focus and strategies are deployed.

The board reviewed sample key assumptions.

The board discussed strategic versus tactical. Generally, strategic is "what" and "why", tactical is the "how" and "when".

The board should stay focused at high level.

**Meeting recessed at 2:10 p.m.**

**Meeting reconvened at 2:19 p.m.**

#### **4.6. Strategic Plan: Stakeholders & Input Sessions**

The board reviewed a list of stakeholders and input sessions for the strategic planning process.

Methods for stakeholder input will be focus groups, surveys or interviews.

Internal Stakeholder input topics will include:

- Strengths, Weaknesses, Opportunities and Threats
- View 2021 – their preferred future for TFHD
- Business metrics, including:
  - Markets served
  - Reputation achieved
  - Quality, Safety and Satisfaction outcomes
  - Services provided
  - Physician Collaboration
  - Relations with other providers
  - Financial results, etc.
- Priorities for 2019
- Mission, Vision and Values

Typically the response rate is 15-20% for surveys.

*CFO, CIO, CHRO, In-House Counsel and Executive Director of Physician Services departed the meeting at 3:00 p.m.*

#### **4.7. Board Direction for TFHD's Future**

The board discussed their vision for the TFHD Board of Directors.

Board members expressed ideas of how they feel they are accountable to the community.

#### **4.8. Review of Day One and Next Steps**

Board members were tasked to think about next steps for discussion tomorrow.

### **5. PUBLIC COMMENT**

No public comment was received.

### **6. ADJOURN**

Meeting adjourned at 3:48 p.m.

#### **Day 2 – Wednesday, February 7, 2018**

### **1. CALL TO ORDER**

Meeting was called to order at 9:02 a.m.

### **2. ROLL CALL**

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Staff in attendance: Harry Weis, Chief Executive Officer; Ted Owens, Executive Director of Governance and Community Relations; Martina Rochefort, Clerk of the Board

Other: Erica Osborne of Via Healthcare Consulting

### **3. INPUT – AUDIENCE**

No public comment was received.

### **4. RETREAT ITEMS FOR BOARD DISCUSSION**

No formal action will be taken by the Board of Directors; only direction to staff. Any action items will be agendaized for a regular meeting of the Board of Directors.

#### **4.1. Welcome and Review of Previous Day's Work**

Board President welcomed everyone back to the retreat.

Board members reviewed their takeaways from the first day of the retreat.

#### **4.2. Board Self-Assessment**

Retreat facilitator reviewed the results of the Board's Self-Assessment.

Ms. Osborne suggested a theme of intentionality for this year's board action plan.

#### **4.3. Agree on Board Goals for 2018**

The Board of Directors discussed their priority list for 2018.

The board would like to look at raw data and trends. Discussion was held around the development of a dashboard.

Board members expressed a desire for a more strategic focus for the board.

Administration was tasked to come up with follow up items on physician alignment.

The board would like regular reporting of strategic planning efforts.

#### **4.4. Facilitator Closing Comments & Meeting Evaluation**

Board members filled out meeting evaluations at the close of the retreat.

### **5. PUBLIC COMMENT**

No public comment received.

### **6. ADJOURN**

**Meeting adjourned at 11:34 a.m.**