

**REVISED**

**Palomar Pomerado Health**  
**Joint BOD/Strategic Planning Committee Meeting**  
(To which the Full PPH Board of Directors is invited)

**TUESDAY, June 20, 2006**

**⇒ NOTE: DATE/LOCATION CHANGE**

**5:30 p.m. DINNER**

**POMERADO HOSPITAL**

**6:00 p.m. START**

**CONFERENCE ROOM E**

**JOINT BOD/STRATEGIC PLANNING COMMITTEE MEETING AGENDA**

	<u>Time</u>	<u>Page</u>
! Call To Order		
! Public Comments		

**Information Item:**

1. Quarterly Facility Update	110 Minutes	13
2. * PMC West Foundation and Superstructure Approval	10 Minutes	14

***Adjournment to Strategic Planning Committee Meeting***

**STRATEGIC PLANNING COMMITTEE MEETING AGENDA**

! Call to Order		
1. * Approval of Minutes May 16, 2006	5 Minutes	1
2. * FY '07 Initiatives and Targets	20 Minutes	11
3. Committee Comments, Suggestions		

***Final Adjournment***

**Distribution:**

Alan W. Larson, M.D., Chairperson  
Nancy Bassett, R.N., MBA  
Michael Covert, CEO  
Bruce Krider  
Robert Trifunovic, M.D.  
Marcelo Rivera, M.D.  
Paul Tornambe, M.D.

Gerald Bracht  
Duane Buringrud, M.D.  
Jim Flinn  
Lorie Harmon  
Bob Hemker  
Marcia Jackson  
Benjamin Kanter, M.D.  
John Lilley, M.D.  
Lorie Shoemaker  
Al Stehly

**NOTE: *Asterisks indicate anticipated action; action is not limited to those designated items.***

“If you have a disability please notify us at 858-675-5106, 48 hours prior to the event, so that we may provide reasonable accommodations.”

## Approval of Minutes

**TO:** Joint BOD/Strategic Planning Committee on June 20, 2006  
**FROM:** Lorie Harmon, Secretary

**BACKGROUND:** The Secretary of the Strategic Planning Committee respectfully submits the minutes of the meeting held on May 16, 2006.

The Strategic Planning Committee minutes have been reviewed and approved by Dr. Larson, Committee Chairperson, and Marcia Jackson, Chief Planning Officer.

**BUDGET IMPACT:** None

### COMMITTEE RECOMMENDATION:

**Individual Action:** X

**Palomar Pomerado Health**  
**STRATEGIC PLANNING COMMITTEE**  
**INNOVATION – CONFERENCE ROOMS B & C**  
 May 16, 2006

AGENDA ITEM	DISCUSSION	CONCLUSION/ACTION	FOLLOW-UP/ RESPONSIBLE PARTY
<b>CALL TO ORDER</b>	Dr. Larson opened the Strategic Planning Committee meeting at 6:00 p.m.		
<b>ESTABLISHMENT OF QUORUM</b>	Dr. Larson, Michael Covert, Nancy Bassett, RN, Bruce Krider, Dr. Rivera, and Dr. Tornambe. Also attending were Gerald Bracht, Dr. Buringrud, Jim Flinn, Lorie Harmon, Bob Hemker, Marcia Jackson, Dr. Kanter, Lorie Shoemaker, and Al Stehly. Guests: Gustavo Friederichsen, Wallie George, Andy Hoang, Dr. Kung, Stonish Pierce, and Mike Shanahan.		
<b>NOTICE OF MEETING</b>	The notice of meeting was mailed consistent with legal requirements.		
<b>PUBLIC COMMENTS</b>	There were no requests for public comments.		
<b>MINUTES</b>  April 18, 2006		Motion made by Nancy Bassett, RN, seconded by Bruce Krider, and carried unanimously for approval of the April 18 Strategic Planning Committee minutes.	

AGENDA ITEM	DISCUSSION	CONCLUSION/ACTION	FOLLOW-UP/ RESPONSIBLE PARTY
<p><b>RANCHO PENASQUITOS SATELLITE UPDATE</b></p>	<p>Management has continued to work with the architect and construction management firm on options for this site. Mike Shanahan presented an update on the Rancho Peñasquitos Facilities Master Plan.</p> <p><b><u>Project Description</u></b></p> <p>The renovation of the church would allow PPH to utilize the sanctuary as a community meeting space with multi-purpose functions.</p> <p>The Diabetes Health, Outpatient Behavioral Health, Community Outreach, and HealthSource programs would utilize approximately 12,200 square feet (SF) in a Community Wellness Center.</p> <p>The site analysis also allows for a 2-story, 40,000 SF clinical building. Management recommends that PPH look into partnering with a developer on this aspect of the project.</p> <p>PPH could lease a portion of the clinical building to provide such services as Outpatient Radiology, a support lab, or other outpatient services.</p> <p>Dr. Rivera suggested that the 2 buildings be placed in an “L” configuration, and asked if this would create any seismic problems. Mike Shanahan responded that there would not be any difficulty with this. Nancy Bassett, RN, did not feel that it was not necessary to create the “L” configuration. Dr. Kanter asked if there would be handicap accessibility for the sanctuary, and the answer was yes.</p>		

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	<p>An update on the Entitlement Process was presented. Key points include the following:</p> <ul style="list-style-type: none"> <li>• Biology Report complete</li> <li>• Draft Traffic Analysis due 5/19/06</li> <li>• Air &amp; Noise Analysis due 6/7/06</li> <li>• Preliminary submittal to the city of San Diego on 6/15/06</li> </ul> <p>Mike Shanahan also identified some potential development partner information, including the following:</p> <ul style="list-style-type: none"> <li>• The Project Team met with real estate market professionals, and there appears to be some level of interest</li> <li>• An RFP is being prepared for distribution to potential developer partners on June 16, 2006</li> <li>• There will be a 30-day response period, and a PPH review panel will be formed to interview finalists, with notification and recommendation by August 2006.</li> </ul> <p>The criteria and prequalification includes:</p> <ul style="list-style-type: none"> <li>• <b>Experience in Development of Outpatient and Medical Office Facilities</b>, with a proven track record with successful projects of similar make and size, operational and building management experience, and references from other health systems</li> <li>• <b>Financial and Market Strength</b> will include a survey of the existing market and the ability to attract tenants. Also included are the capacity for bonding, adherence to public bid policies, and any litigation history. PPH is open to creating equity interest to PPH and MD's.</li> <li>• <b>Project Personnel, Management Personnel</b> will</li> </ul>		

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	<p>include who is being assigned to the project, and what their background and experience is in</p> <p><b>Planning Process Update</b></p> <ul style="list-style-type: none"> <li>• The Development Company will be responsible for building the 40,000 SF medical office building, and its related site improvements <ul style="list-style-type: none"> <li>○ PPH will be responsible for renovation of the existing church, and related infrastructure improvements</li> <li>○ Successful applicants will be asked to enter into a Development Agreement, and terms to include are the following: <ul style="list-style-type: none"> <li>▪ PPH grants development rights</li> <li>▪ Option to purchase facility (PPH has option to purchase from developer)</li> <li>▪ PPH grant parking easements</li> </ul> </li> </ul> </li> </ul> <p>Dr. Rivera commented that he prefers that the developer does not own the entire building; he would prefer that PPH have some equity interest.</p> <p>A timeline for the projects was presented, and this topic will be revisited in August for an update.</p>	<p>Bob Hemker to follow-up with the percentage of POM OSP that we will own.</p>	<p><b>Bob Hemker</b></p>
<p><b>DRAFT FY '07 INITIATIVES</b></p>	<p>PPH Management has been working on establishing initiatives for FY '07, and a draft was shared with the Committee. Marcia Jackson discussed the draft initiatives in greater detail, and added that the EMT is looking forward to FY '07. Some initiatives will be ongoing and carry-overs, and they will strive for even higher goals/achievements. The initiatives will continue to change as time passes. Michael Covert pointed out that it</p>		

AGENDA ITEM	DISCUSSION	CONCLUSION/ACTION	FOLLOW-UP/ RESPONSIBLE PARTY
	<p>is very important to provide updates on the initiatives, so that we always have the most current statistics, since the bond rating agency, Moody's, will use this information to determine PPH's rating.</p> <p>Discussion included the following points:</p> <ul style="list-style-type: none"> <li>• Customer Service – improve baseline scores from July '06 customer service surveys (patients, physicians, and internal departments), with action plans to address identified issues – physicians, patients, and inter-departmental</li> <li>• Quality - develop project scope and plan for CPOE (Computerized Physician Order Entry) in FY '07; Dr. Kanter expressed the opinion that CPOE should be under objective 3.1 (Demonstrate high quality patient care), and not under objective 3.2 (Demonstrate safe patient care). Dr. Kanter asked if the JCAHO pilot should be added to 3.3 (Optimize process efficiency and effectiveness), and Marcia Jackson responded that EMT discussed this and felt that it didn't need to be a separate initiative since this should be our standard way of operating</li> <li>• Deploy Rapid Response Teams – will be rolled out to Quality Committee with pilot projects being initiated by the end of June</li> <li>• Implement recruitment plan – unbundled; develop a retention plan – not developed yet</li> <li>• Develop and implement an electronic interdisciplinary clinical documentation system across the continuum of care, except in Home Health, where OASIS will be used instead of Cerner, since they can stand alone in their documentation because they are so different.</li> </ul>		



AGENDA ITEM	DISCUSSION	CONCLUSION/ACTION	FOLLOW-UP/ RESPONSIBLE PARTY
	<p><b>DISCUSSION</b></p> <ul style="list-style-type: none"> <li>• Lorie Shoemaker discussed the FY '09 goals, including the Magnet designation</li> <li>• Implement a comprehensive leadership development program – the management team is the key to enhancing employee engagement</li> <li>• Implement a learning management system, including access to education. Wallie George announced that Ruth Szakaly would be providing a curriculum that leaders will go through. This curriculum will be parallel to and/or beyond any other. The UCSD Health Program can be used for master's degrees, using computerized e-learning, which will also be used for NEO.</li> <li>• Optimize the implemented Phase I IT applications – need to be well-oiled before next stage; Michael Covert pointed out that it will take the rest of this year to clean up and become stabilized, and then we can move forward. The next phase will greatly impact our physicians so we need to present them with a viable program. <ul style="list-style-type: none"> <li>○ FY '07 will focus on infrastructure and update</li> <li>○ FY '08 will be the implementation and go-live stage</li> </ul> </li> </ul> <p>Dr. Rivera asked the Committee to revisit the Baldrige information, and asked where the project was now. Marcia Jackson responded that a solid draft application goes to external review later this week, and that the completed application will be submitted on July 10.</p> <p>Dr. Larson asked if we are on schedule for '09 goals, and Marcia responded affirmatively. Michael Covert added that we're on schedule, but it will be challenging to reach</p>		

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	<p>our finance goal. Dr. Rivera agrees that we are on target for all domains, but our financial goals will be our stress point, and that we all have to have discipline about our finances. Gerald Bracht mentioned that we need ROI (Return on Investment) from initiatives.</p> <p>Dr. Larson told the Committee that we will see more detailed goal information at the June 20 meeting, which will be a full BOD meeting. Dr. Rivera announced that June 5 will be the first Budget Workshop (BOD), and that budget should be finalized for a special Board meeting on June 14.</p>		
<p><b>WELLNESS UPDATE</b></p>	<p>Bruce Krider led the Wellness Update discussion, defining wellness as education, coaching and instruction. He said that in the early 1980's, hospitals were involved in wellness, but they fizzled out, and are now making a comeback. He would like to see a model in which the med staff works with the hospital on wellness. He believes that we need to inventory what we currently offer, and then we can assess what we should be doing, taking care not to duplicate programs. There is a core minimum set of things we should provide. Bruce believes that we need a task force to work on this, and that task force will identify our needs, and compare to what we are currently doing. This group will also work more closely with the medical staff, which is not being done, to any great extent, in our area.</p> <p>Dr. Buringrud mentioned that Diabetes Health just expanded to San Marcos, almost doubling their size. Nancy Bassett, RN, suggested that we need to find out what we spend on urgent care, including what type of visits in ED, and pay for the wellness with what we save</p>		

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	<p>on non-reimbursed ED visits. She stressed that we do not make money on chronic care, so we need to educate the community, and keep them out of urgent care as much as possible.</p> <p>Dr. Rivera mentioned that Gustavo Friederichsen and Tina Pope recently did an assessment, and that we may be able to use this as a basis; possibly Neighborhood Healthcare can help with this. Bruce Krider suggested that we should survey physicians as to what they think would be most helpful to them and to their patients. Dr. Tornambe responded that the Primary Care Physicians (PCP's) should be already doing this, and that PPH should meet with those doctors to work through this. Dr. Kung informed us that although the PCP's should be doing this, they simply don't have enough time to educate all of their patients on all wellness topics such as diet, stress, and lowering their chance of strokes. In addition, reimbursement doesn't support these measures. If we could find a practical way to do this, it would put our name out in front of patients, which would be a great marketing tool, but it would be a long process. Bruce Krider suggested that we take advantage of "teachable" moments when we have severe events in our hospitals, and used cardiac rehab as one example.</p> <p>Dr. Larson said that we should keep focused on the phrase of our mission statement, "to promote health in the communities that we serve," on the front burner. He also suggested that we create a grid of our communities' needs versus our inventory of offerings, and be able to measure results in a timely fashion, to allow PPH to spend community wellness dollars wisely. This is a legitimate strategic topic, much as is our current focus on healing environments and customer satisfaction. Benefits to the</p>		

AGENDA ITEM	DISCUSSION	CONCLUSION/ACTION	FOLLOW-UP/ RESPONSIBLE PARTY
	<p>district would include increasing market share and distinguishing PPH from other hospitals; hence we would be branded as dedicated to maintaining and improving each patient's health.</p> <p>Dr. Larson will put wellness back on the agenda in the future, and thanked everyone for a great meeting.</p>	<p>Dr. Larson to add wellness as agenda item at future SPC meeting.</p>	<p>Dr. Larson</p>
<p><b>COMMITTEE COMMENTS, SUGGESTIONS</b></p>	<p>There were no further Committee comments at this time.</p>		
<p><b>FINAL ADJOURNMENT</b></p>	<p>7:55 p.m.</p>		
<p><b>SIGNATURES</b></p> <p>Committee Chairperson</p> <p>Recording Secretary</p>	<p>_____ Alan Larson, M.D., Committee Chair</p> <p>_____ Lorie Harmon</p>		

## FY'07 Initiatives and Targets

**TO:** Joint BOD/Strategic Planning Committee on June 20, 2006

**FROM:** Marcia Jackson, Chief Planning Officer

**BACKGROUND:** PPH management shared the draft FY '07 Initiatives with the Strategic Planning Committee on May 16, 2006, and received feedback. PPH management is providing the Board with the updated initiatives grid showing the targets for the outcome measures for FY '07, FY '08, and FY '09.

**BUDGET IMPACT:** All initiatives are included in the approved FY '07 budget.

**STAFF RECOMMENDATION:** If the FY '07 targets are acceptable to the Board, provide approval.

**COMMITTEE RECOMMENDATION:**

**Action:** X

FY 07 Initiative Planning

Draft

FY09 Goals	Objectives	Outcome Measures	FY '07 INITIATIVES	FY07 Target	FY08 Target	FY09 Target
Financial Strength	1.1 Achieve profitability	OEBITDA Margin % with Property Tax	Develop, implement and operationalize a patient focused revenue cycle plan, inclusive of all business and clinical aspects.	10.25%	10.50%	10.75%
	1.2 Demonstrate business growth	Increase in Weighted PI Days	Update PPH Strategic Plan Implement comprehensive web strategy	225,570	234,590	234,970
Customer Service	2.1 Develop loyal patients	Patient Loyalty Scores	Hardwire best practices in service excellence Improve baseline scores from the July 06 Internal customer service survey with action plans to address identified issues	80th Percentile	85th Percentile	90th Percentile
	2.2 Increase physician loyalty	Physician Loyalty Scores or surrogate	Implement physician development strategy	80th Percentile	85th Percentile	90th Percentile
	Quality	3.1 Demonstrate high quality patient care	Core measures	Improve/hardwire performance for the evidence-based, publicly reported data through the Best Practice Teams action plans Develop project scope and plan for CPOE	PMC: 3/4 Core Measure Sets composite scores will be in the top 2 deciles POM: 2/3 Core Measure Sets composite scores will be in the top 2 deciles	PMC: 3/4 Core Measure Sets composite scores will be in the first decile POM: 2/3 Core Measure Sets composite scores will be in the first decile
3.2 Demonstrate safe patient care		Index of Compliance with National Patient Safety Goals, QRRs and CalNoc/NDNQI data	Improve patient safety by improving performance on the National Patient Safety Goals. Deploy Rapid Response Teams	Minimum of 2 applicable NPSGs at 95% compliance or above	3/3 applicable NPSGs at 95% compliance or above	3/3 applicable NPSGs at 100% compliance
3.3 Optimize process efficiency and effectiveness		% of time service standards are met. Progress on CAPE recognition	Develop and initiate prioritized plan to close identified gaps. Improve service by addressing departments under-performing on their service standards.	Receive CAPE Bronze award 75% of measures underperforming as of Q2 improve to next higher level by end of year. (Red to yellow or yellow to green)		Receive CAPE Silver award
Workforce Development	4.1 Attract, acquire and retain a high quality workforce  4.2 Demonstrate employee competence and growth  4.3 Create a learning organization	Employee engagement	Implement recruitment plan Develop a retention plan Develop and implement an electronic interdisciplinary clinical documentation system across the continuum	80th Percentile	85th Percentile	90th Percentile
		Management composite score on Gallup question about have had opportunities at work to learn and grow	Implement a comprehensive leadership development program	80th Percentile	85th Percentile	90th Percentile
		Score on Gallup question about have had opportunities at work to learn and grow	Implement a learning management system	80th Percentile	85th Percentile	90th Percentile
Workplace Development	5.1 Provide the tools and equipment for optimal performance  5.2 Provide facilities for optimal delivery and receiving of services	Score on Gallup question about tools and equipment to do job	Optimize the implemented Phase I IT applications.	80th Percentile	85th Percentile	90th Percentile
		Master facilities plan	Implement FY07 Facilities Expansion Plan	Complete Design Development by 9/30/06	Structural construction underway at PMC West and Pomerado	Hospital construction 30% complete at PMC West and 40% complete at Pomerado

12

## Quarterly Facility Update

**TO:** Joint BOD/Strategic Planning Committee on June 20, 2006

**FROM:** Marcia Jackson, Chief Planning Officer

**BACKGROUND:** On a quarterly basis, the Strategic Planning Committee meeting is expanded to a full PPH Board meeting for the purpose of reviewing the facilities planning and design. The quarterly update will be provided at this meeting.

**BUDGET IMPACT:** None

**STAFF RECOMMENDATION:** For information only

**COMMITTEE RECOMMENDATION:**

**Information:** X

## PMC West Foundation and Superstructure Approval

**TO:** Joint BOD/Strategic Planning Committee on June 20, 2006

**FROM:** Marcia Jackson, Chief Planning Officer

**BACKGROUND:** In an effort to expedite our facility projects, one effective strategy will be to divide the total projects into sub-packages which can be submitted to OSHPD early while efforts continue on other aspects of the project design. The first such package for each hospital project is the Foundation and Structural package. This aspect of the project includes primarily the steel structure for the building. Board approval of the Foundation and Superstructure will enable the architectural and engineering team to complete these drawings and plans for submission to OSHPD, ultimately enabling an earlier start of construction. Design work will continue on the internal and external design for the campus, with these plans coming forward to the Board for approval in the next several months.

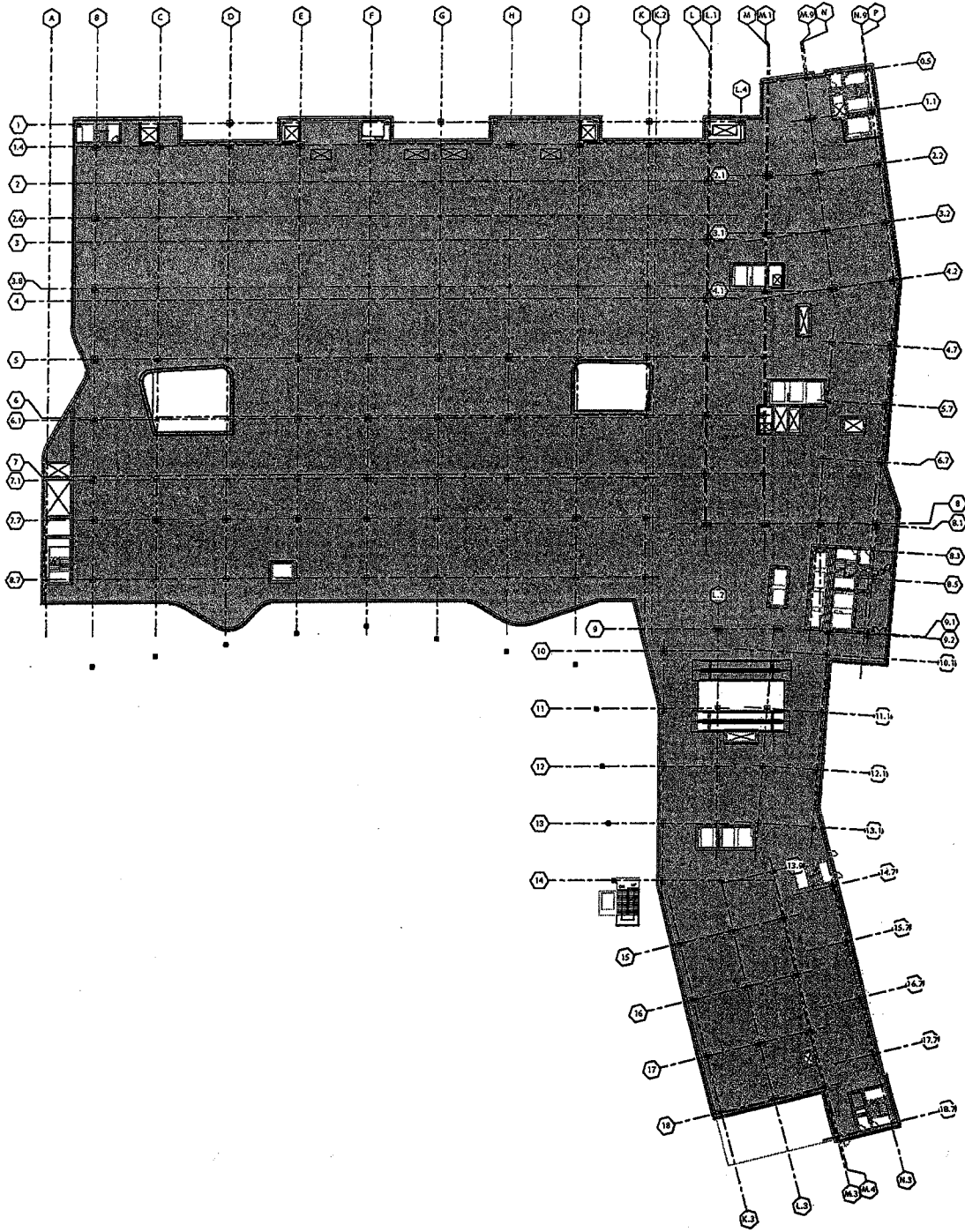
**BUDGET IMPACT:** None

**STAFF RECOMMENDATION:** Board approval of the PMC West Hospital Foundation and Superstructure.

### COMMITTEE RECOMMENDATION:

Action: X



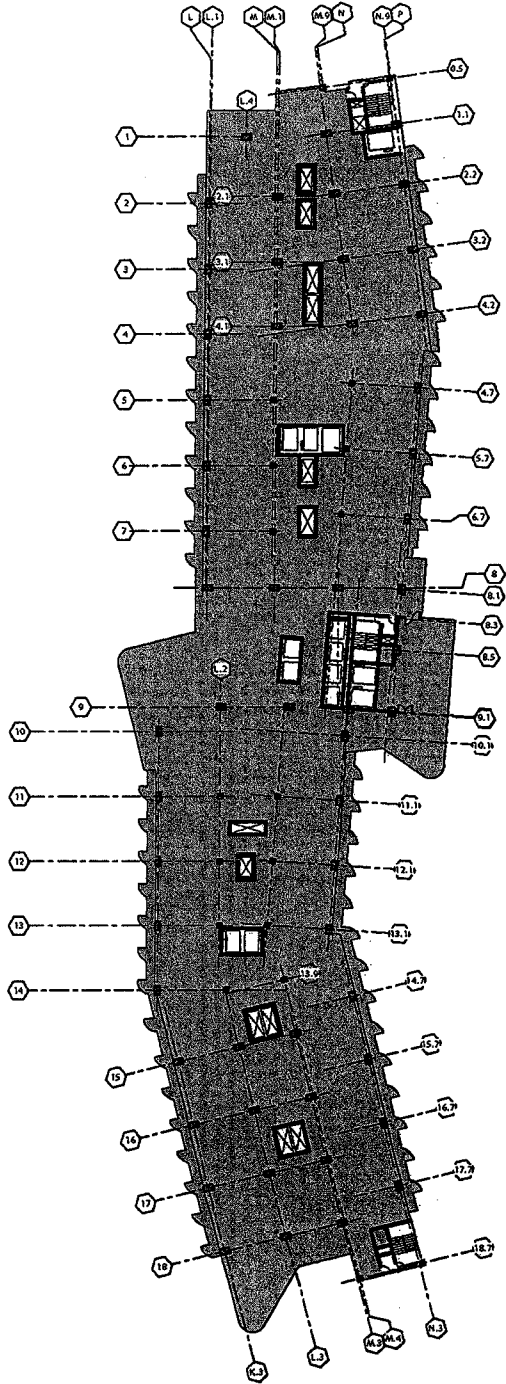


SUPERSTRUCTURE - LOWER FLOOR

JUNE 14, 2008  
Scale: NTS

PALOMAR  
POMERADO  
HEALTH

Palomar Medical Center West  
**ANSHEN+ALLEN ARCHITECTS**  
FOR PALOMAR POMERADO HEALTH  
An Association of Anshen+Allen and CO Architects



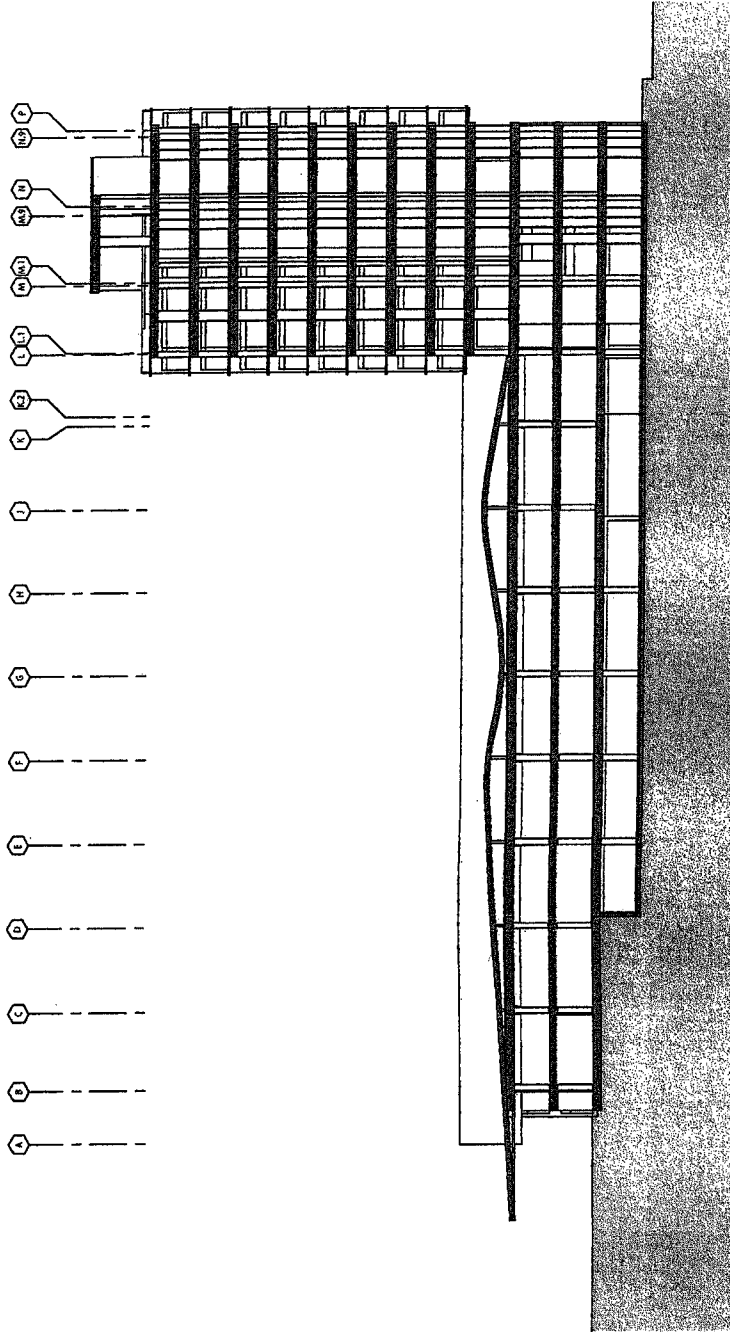
SUPERSTRUCTURE - UPPER FLOOR

JUNE 14, 2008  
Scale: NTS

PALOMAR  
POMERADO  
HEALTH

Palomar Medical Center West  
**ANSHEN+ALLEN ARCHITECTS**  
FOR PALOMAR POMERADO HEALTH  
AN ASSOCIATION OF ANSHEN+ALLEN AND CO ARCHITECTS

110



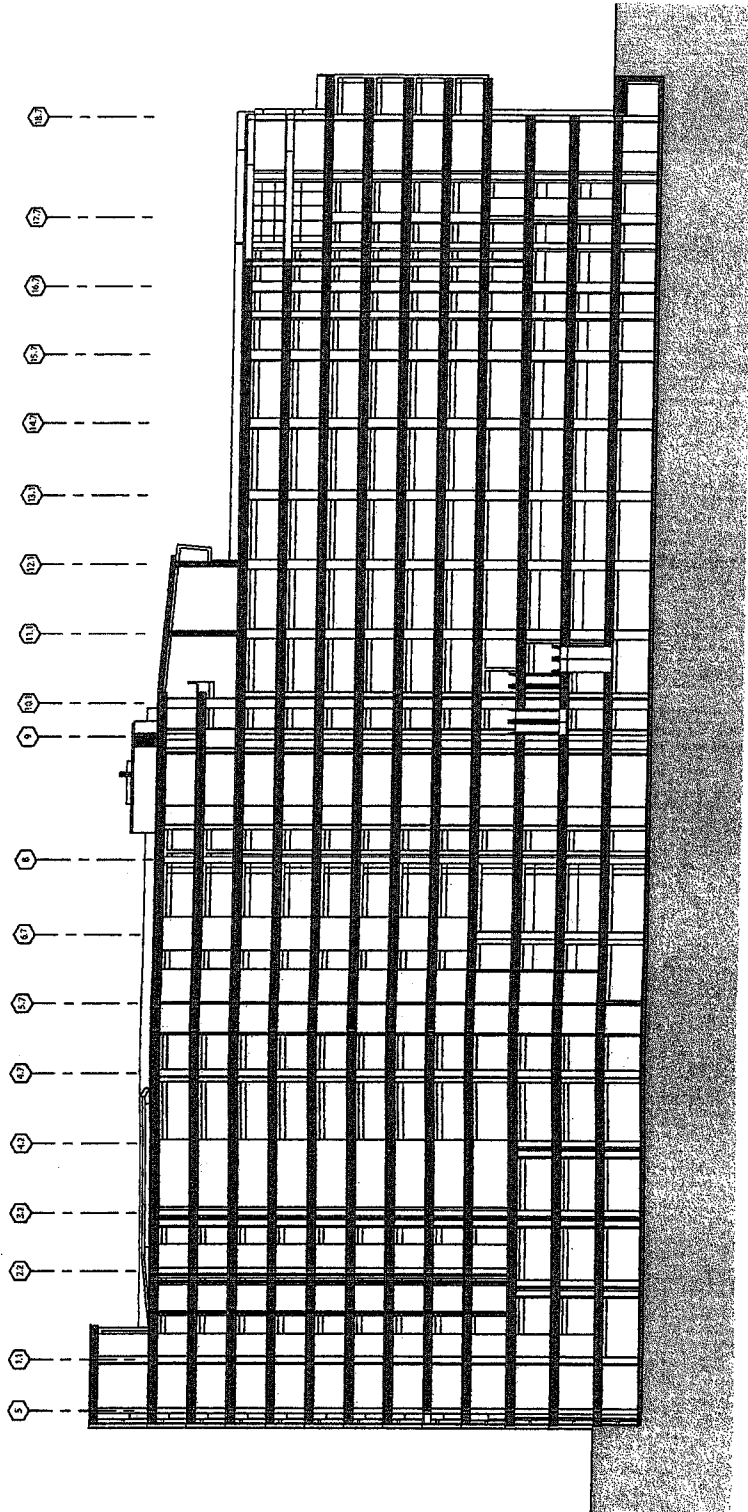
- Level Roof 1018'-6"
- Level Penthouse 994'-6"
- Level 11 972'-6"
- Level 10 952'-6"
- Level 9 946'-6"
- Level 8 930'-6"
- Level 7 914'-6"
- Level 6 898'-6"
- Level 5 882'-6"
- Level 4 866'-6"
- Level 3 848'-6"
- Level 2 830'-6"
- Level 1 812'-6"
- Level 0 794'-6"

SECTION - NORTH/SOUTH

JUNE 14, 2006  
Scale: NTS

Palomar Medical Center West  
ANSHEN-ALLEN ARCHITECTS  
FOR PALOMAR SHERIDAN HEALTH

PALOMAR  
POMERADO  
HEALTH



SECTION - EAST/WEST

JUNE 14, 2008  
Scale: NTS

Palomar Medical Center West  
ANSHEN+ALLEN ARCHITECTS  
FOR PALOMAR POMERADO HEALTH

PALOMAR  
POMERADO  
HEALTH

18