



Essential Hospitals Institute  
Board of Directors Meeting Minutes  
April 1, 2014

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| <b>Board Members Present (12):</b> <ul style="list-style-type: none"> <li>• Clifford Wang – (Chair)</li> <li>• Caroline Jacobs – (Secretary)</li> <li>• Anna Roth – (Treasurer)</li> <li>• Bruce Siegel (Ex Officio)</li> <li>• Leon Haley Jr</li> <li>• Erica Murray</li> <li>• Christine Neuhoff</li> <li>• L. Reuven Pasternak</li> <li>• Donald Goldmann</li> <li>• Alan Weil</li> <li>• Winston Wong</li> <li>• Julie Ceresse (Ex Officio)</li> </ul> | <b>Board Members Absent (3):</b> <ul style="list-style-type: none"> <li>• Johnese Spisso – (Past Chair)</li> <li>• John Bluford</li> <li>• Susan Moffat-Bruce</li> </ul> | <b>Staff Present (13):</b> <ul style="list-style-type: none"> <li>• Sarah Callahan</li> <li>• David Engler</li> <li>• Beth Feldpush</li> <li>• Rhonda Gold</li> <li>• Ricky Harrison</li> <li>• Xiaoyi Huang</li> <li>• Kristine Metter</li> <li>• Bianca Perez</li> <li>• Katie Reid</li> <li>• Jummy Siwajuola</li> <li>• Cassandra Blohowiak</li> <li>• Katherine Susman</li> </ul> |
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| Agenda Items   | Minutes  |
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| Welcome and Call to Order (Wang)                           | <ul style="list-style-type: none"> <li>• Call to order at 8:03 am</li> </ul>   |
| Approve Consent Agenda (Wang)                              | <ul style="list-style-type: none"> <li>• Approve December 2013 meeting minutes</li> <li>• Approve September 2013 meeting minutes</li> </ul> <p><i>Wang requested a motion to approve the consent agenda. There was a motion, a second, and unanimous approval of the consent agenda.</i></p>   |
| National Quality Forum Adjustment for Socioeconomic Status | <ul style="list-style-type: none"> <li>• Siegel announced an additional agenda item: a board briefing on a recent National Quality Forum (NQF) development. To date, NQF has precluded socioeconomic status adjustments in quality and outcomes measurement. A recently assembled task force evaluated that policy and formally recommended changing it. As NQF directly advises the Centers for Medicare &amp; Medicaid Services (CMS), allowing social determinant adjustments would be a major change. The NQF proposal is open to public comment and America's Essential Hospitals has urged members to engage in the discourse (ending April 16). The group also discussed the arguments against this change, including risk of masked disparities and apprehension in the business community.</li> </ul> |
| Treasurer's Report (Roth)                                  | <ul style="list-style-type: none"> <li>• The Institute recently completed an audit, and financial statements will be distributed following the investment, audit and compliance committee's review.</li> </ul>   |

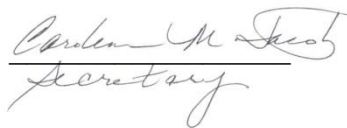
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|                                     | <ul style="list-style-type: none"> <li>• The board reviewed the updated budget projections from 2013. Notably, after reviewing documentation from CMS, auditors reclassified 2012 and 2013 savings from deferred liability to earned revenue. This totals \$4.3 million and significantly impacted the ending net balance for the Institute budget. It was noted that the government does have the right to request the return of those funds. The organization will use the funds to develop and expand programs, and will present those plans to the board, once completed. In 2013, the Institute had unrestricted revenue of \$10.7 million, offset by \$4.89 million in expenses, leaving a surplus of \$4.78 million. Total net assets were \$7.74 million, with \$2 million temporarily restricted for existing grants. The ending 2013 net balance represents one year of operating expenses in reserve.</li> <li>• The board then reviewed the 2014 revised budget. Due to the CMS reclassification, \$485,000 of association support is no longer needed. The association will retain those funds for its programs, making this the first time the Institute is self-supporting—a long-standing organizational goal. The approved budget assumed \$5.17 million in renewal funding from CMS, though actual funding totaled \$5.5 million, offsetting the change in association support. Expense changes reflected in the revised budget include salary market adjustments recommended by external consultants and an additional staff position. These personnel changes total \$165,000. The revised budget now reflects an operating deficit of \$80,000, which can be more than supported by the \$5.66 million in unrestricted net assets.</li> </ul> <p><i>Wang requested a motion to revise the 2014 approved budget to reflect the elimination of \$485,000 in support from the association, and to approve the revised 2014 budget. There was a motion, a second, and unanimous approval of the revised 2014 budget.</i></p> <ul style="list-style-type: none"> <li>• The group then reviewed the long-term financial forecast, including the upcoming relocation of the association’s offices. The move will happen before the end of 2015, when the current building will be demolished. There will likely be a 65 percent increase in square footage cost (in line with the DC market). The total cost of the move is estimated at \$4 million. The board reviewed projections for the next three years, using both the current dues structure and a proposed restructured system, which the board briefly discussed and on which the association board will vote in June. The new structure uses a tiered system based on expenses to provide more equity and growth across the organization’s membership.</li> <li>• The board heard updates on fraud prevention and internal controls. The organization is consistently compliant with both Federal Information Security Management Act and Payment Card Industry guidelines.</li> </ul> |
| Education Committee Report (Jacobs) | <ul style="list-style-type: none"> <li>• Section 1115 Delivery System Reform Incentive Payment (DSRIP) waivers are now a significant component of the organization’s educational programming.</li> <li>• The committee has helped prepare and plan for June’s annual conference, VITAL2014, which will feature four tracks: executive leadership, clinical leadership, finance, and patient safety and quality. The conference will host new interest group meetings, Rapid-Fire sessions, and two post-conference workshops.</li> <li>• The committee encouraged the organization to conduct a comprehensive analysis of distance learning participation across the membership. Initial data indicate that small- to medium-size hospitals are highly active, while larger institutions are less</li> </ul>  |

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|  | <p>engaged. The organization will complete more analyses going forward to assess needs and tailor future programming.</p> <ul style="list-style-type: none"> <li>The 2014-2015 Fellows Program has 43 registrants from 18 organizations. Recent trends indicate that more hospitals are sending teams to the program, which will enhance the opportunity for fellows to sustain what they learn within their institutions. This year's program consultant is Cambridge Leadership Associates. The group discussed program growth and the desired balance between active participation and manageable size (50 fellows).</li> </ul>   |
| Appoint Essential Hospitals Institute Director (Wang)                | <ul style="list-style-type: none"> <li>Staff was excused so the board could discuss the Essential Hospitals Institute director appointment. Siegel formally recommended that the board appoint David Engler, PhD, senior vice president of leadership and innovation. Though not required by the bylaws, the Institute nominating committee vetted this recommendation to ensure transparency. The group discussed the personnel changes that preceded this appointment, noting that the departures of Jill Steinbruegge and Linda Cummings led leadership to unify research and leadership and innovation under Engler's position. The board then discussed its role in appointments and staff decisions as outlined in the bylaws and by historical precedent. The group underscored the need for strong research capacity and development in the integrated departments.</li> </ul> <p><i>Wang requested a motion to approve the appointment of David Engler as director of Essential Hospitals Institute. There was a motion, a second, and unanimous approval of the appointment.</i></p> |
| Institute Board Appointments (Wang)                                  | <ul style="list-style-type: none"> <li>The Institute nominating committee met February 21 to consider candidates for the 2014-2015 board of directors. There are currently two vacant director positions with unexpired terms created by the retirement of Melissa Stafford Jones and the unfortunate passing of Jared Loeb. The nominating committee proposed Erica Murray, MPA, and Ann Scott Blouin, RN, PhD, fill those director positions, effective immediately.</li> </ul> <p><i>Wang requested a motion to approve the election of Erica Murray and Ann Scott Blouin to fill the director positions currently vacant and with unexpired terms. There was a motion, a second, and unanimous approval of the candidates.</i></p> <ul style="list-style-type: none"> <li>Staff returned to the room.</li> </ul>   |
| PCORI Chronic Disease Management for the Underserved Project (Perez) | <ul style="list-style-type: none"> <li>The Patient-Centered Outcomes Research Institute (PCORI) asked Essential Hospitals Institute to conduct a landscape review on chronic disease management in the safety net. Throughout 2013, Essential Hospitals Institute staff reviewed and analyzed chronic care data through site visits to patient-centered medical homes, literature review, and interviews with providers at six hospitals.</li> <li>Staff identified five themes of effective chronic care management: cross-community multidisciplinary team care, communication/outreach tailored to vulnerable populations, customized and personalized care, addressing special populations' needs, and robust data and measurement. Essential Hospitals Institute staff presented these findings to the PCORI advisory board in January and published a final report in March.</li> <li>The board discussed facilitators and barriers to each of these components and</li> </ul>   |

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|  | <p>discussed the implications for essential hospitals. The group expressed that this project is meaningful in showcasing safety net successes, rather than deficiencies.</p>  |
| <p>Partnerships with Community Health Centers Project (Harrison)</p>   | <ul style="list-style-type: none"> <li>• “Transforming Care Delivery in America’s Safety Net: Aligning Efforts to Improve Access and Care Coordination” is a partnership between Essential Hospitals Institute, the National Association of Community Health Centers (NACHC), and The George Washington University School of Public Health and Health Services (GW). The project is funded by Kaiser Permanente Community Benefit through state-level support to safety net hospitals and community health centers. The goal of this project is to develop support and document state-level collaboration around access and care coordination within the safety net. The role of the Institute and NACHC is to engage members, convene stakeholder and/or policy roundtable meetings, provide technical assistance, and disseminate analyses. GW’s role is to conduct research through interviews and develop case studies.</li> <li>• The partnership has conducted 65 interviews and identified key priorities for safety net organizations: Medicaid expansion, outreach and enrollment, government funding streams, workforce capacity, participation in qualified health plans, and payment/delivery system reform. Interview findings are also being used to guide initial support strategies and gauge what types of assistance will be most effective.</li> <li>• In 2014, the partnership will engage additional communities, create a clearinghouse of tools, hold five state-level meetings, and develop webinars and issue briefs to disseminate learning tools. In 2015, the project will continue to seek stakeholder support, and focus on sustainability and dissemination.</li> <li>• The group discussed the progression of this project in light of the changing health care climate and new delivery systems. It was noted that a fifth community will be found to replace one that stopped participating. The group noted the importance of active discourse throughout this project, including with other organizations seeking the same goal.</li> </ul> |
| <p>EHEN Accomplishments, Current Work, and Future Goals (Callahan)</p> | <ul style="list-style-type: none"> <li>• In December 2013, the Institute received a third year of funding for its Essential Hospitals Engagement Network (EHEN) from CMS. Throughout 2014, EHEN will continue to focus on sustaining improvement projects through leadership, and begin a new training program to teach hospital staff how to collect standardized race, ethnicity, and language (REAL) information. The organization has started working on CMS/Partnership for Patients (PfP)-identified target areas, including reductions in readmissions and catheter-associated urinary tract infections, and eliminating early elective deliveries. The board reviewed various charts showing EHEN’s progress, which is consistently positive and consistent with other hospital engagement networks. As of 2013, EHEN had prevented 2,200 harmful events and averted \$24 million in costs.</li> <li>• EHEN is currently looking at harm counts versus harm rates to reduce organizational harm and align quality improvement measures. An additional focus is analyzing REAL data to reduce care disparities within hospitals. EHEN is also continuing to enhance focus on patient and family engagement through research and distance learning events, working on specific goals set forth by the PfP.</li> <li>• The Institute hopes to continue its EHEN work in 2015 and take advantage of the next iteration of CMS/PfP-supported performance improvement work. Board members received a full 2013 EHEN annual report in their materials.</li> <li>• The board discussed the process of hospital-reported progress to determine data,</li> </ul>  |

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|                               | external evaluator scores, and standardization of metrics among HENs. The group also addressed EHEN incentive payments, which offer modest monetary support as reward for participation and achievement of goals.   |
| Works in Progress<br>(Engler) | <ul style="list-style-type: none"> <li>• The organization has developed programming on Section 1115 DSRIP waivers, including a webinar series and research brief. The webinar series showcases hospital-specific experiences in three states. Presentations are shaped by 10 uniform questions to provide consistency and clear comparison throughout the series. The information from these webinars will contribute to a forthcoming research brief, to be published in September. The group discussed the growing importance of this topic in the policy world and the best way for the organization to serve all members in that capacity.</li> <li>• Population health is a growing topic across the nation and the membership. The organization conducted an environmental scan on member activities in the field as the definition of population health continues to take shape. The Institute will present the results of the study in a research brief. The group discussed the difference between population health and population management, both of which play roles in essential hospitals.</li> <li>• In February, America's Essential Hospitals held a joint meeting with the National Foundation to End Senior Hunger (NFESH), a nonprofit organization advocating on behalf of food-insecure seniors. The meeting convened representatives from health associations, corporations, and three association member hospitals. Staff is formulating next steps and assessing capacity for a systematic project in this area. America's Essential Hospitals will extend focus beyond seniors to include all age groups. Interest among members seems very strong.</li> </ul> |
| Adjourn                       | The meeting was adjourned at 11:56 am.  |

Submitted by:

 5/11/14  
Secretary

Caroline M. Jacobs, MPH, MEd  
Secretary