

BOARD OF TRUSTEES QUARTERLY MEETING
 February 19, 2015
 Office of Statewide Health Planning & Development
 400 R Street, Suite 460
 Sacramento, CA 95811
 Start: 10:00 AM

IN ATTENDANCE	
Delvecchio Finley Gary Gitnick, MD William C. Hendry Kara Ralston Scott Sillers	Barbara Yaroslavsky Mary Helen Ybarra Felix Yip, MD Robert David Katherine Townsend, EdD MSN Jimmy Hara, MD, FAAFP

TOPIC	AGENDA ITEM	ACTION ITEM OR DISCUSSION
Call to Order/Roll Call	<ul style="list-style-type: none"> • Roll Call performed. • Quorum was present. 	
Presiding Officer Report, Scott Sillers	<ul style="list-style-type: none"> • Mr. Sillers announced Jeanette Torres resigned as Executive Director and Linda Onstad-Adkins was named as Acting Executive Director. • Mr. Sillers welcomed Katherine Townsend to the Board. • Dr. Townsend related her experience of 50 years as an instructor in and director of nursing programs for both Associate and Bachelor's degrees. Has served on the Healthcare Workforce Policy Commission for 10-years now. • Dr. Hara welcomed Dr. Townsend and shared he is glad the Song Brown Program is once again represented. 	
Approval of December 1, 2014 Minutes	<ul style="list-style-type: none"> • Mr. Sillers requested revisions and/or comments regarding the December 1, 2014 Minutes. No revisions or comments were offered. 	Minutes unanimously approved as presented.
OSHDP Director Report, Robert David	<ul style="list-style-type: none"> • Mr. David introduced Fran Muller as OSHDP's Chief Deputy Director, who comes from the Department of Social Services, serving as Chief of Administration Services, and previously started her State career at the Department of Finance. • Gov. Brown unveiled his proposed budget in January. Large initiatives 	

BOARD OF TRUSTEES QUARTERLY MEETING
February 19, 2015
Office of Statewide Health Planning & Development
400 R Street, Suite 460
Sacramento, CA 95811
Start: 10:00 AM

	<p>primarily focused on infrastructure funding and climate-change initiatives. Gov. Brown also noted the large growth in Medi-Cal enrollment, where a third of our population is now on Medi-Cal. Positive side is that many now have coverage. The budget will continue to stress our healthcare system, particularly primary care and make programs we now administer particularly important as they will continue to have interest from legislature, as we share the implementation of healthcare reform in the coming years.</p> <ul style="list-style-type: none">• Toni Atkins from San Diego was the new Speaker of the Assembly; Kevin de Leon was the new Senate President Pro Tem from East Los Angeles.• Assembly Member Rob Bonta from Alameda was Chairman of the Assembly Health Committee; Senator Ed Hernandez was Chairman of the Senate Health Committee. Senator Ed Hernandez was interested in cost and quality of healthcare, healthcare workforce issues, and accessibility to healthcare.• Assembly Member Shirley Weber from San Diego was Chairwoman of the Assembly Budget Committee; last year she chaired our Budget Sub-Committee and assisted with the Song Brown Expansion Budget Proposal she was familiar with HPEF programs.• OSHPD had a single budget change proposal which would allow implementation of SB 906 from 2014. OSHPD would work with the Department of Public Health to establish an annual cardiac catheter lab outcome reporting system.	
--	--	--

BOARD OF TRUSTEES QUARTERLY MEETING
 February 19, 2015
 Office of Statewide Health Planning & Development
 400 R Street, Suite 460
 Sacramento, CA 95811
 Start: 10:00 AM

<p>Legislative and Public Affairs Report, Eric Reslock</p>	<ul style="list-style-type: none"> • Mr. Reslock noted 37 of the 120 Legislators were new to the Legislature. He and Mr. David were visiting Legislators to familiarize them with OSHPD and HPEF. • SB 26 proposed establishing a California healthcare cost and quality database. Many policymakers wished to link healthcare cost and quality. • SB 22 proposed establishing a graduate medical education fund administered by OSHPD's Healthcare Workforce Policy Commission. This bill is being watched to see how it affects our Foundation. The fund would function as a potential public-private partnership and would accept donations from the private sector. • Many more bills would be introduced prior to the deadline of February 27, 2015. • A great deal of discussion was occurring around improving and expanding residencies for primary care physicians. • Mr. Sillers requested Mr. Reslock's opinion regarding newly elected officials' priority for healthcare. Mr. Reslock felt it was too soon to have an opinion. New Legislators seemed to be focusing on local issues initially; however, healthcare would be the main issue in the future. New Legislators would likely follow the lead of veteran Legislators. • Ms. Yaroslavsky suggested Board Members meet with new Legislators from Board Members' districts. • Mr. David added that another dynamic was the new term limits for Legislators in that they could hold office for a maximum of 12 years. 	
--	--	--

BOARD OF TRUSTEES QUARTERLY MEETING

February 19, 2015

Office of Statewide Health Planning & Development

400 R Street, Suite 460

Sacramento, CA 95811

Start: 10:00 AM

	<p>That would be helpful in developing relationships and establishing expertise in policy areas.</p>	
<p>Acting Executive Director Report, Linda Onstad-Adkins</p>	<ul style="list-style-type: none"> • Ms. Onstad-Adkins advised of new members for various Advisory Committees. • Once the Director's Office signed the Annual Legislative Report for the Steven M. Thompson Loan Repayment Program, Board Members would receive a copy. • Staff requested testimonials from awardees and had received 40 responses. Testimonials would be posted to the website in March, and an email alert would be sent to Board Members. • Staff finalized the data sets needed for GIS mapping of awardees and their home and work locations across the state. That information would be used for marketing and reporting purposes. Board Members would receive a copy when available. • Staff recently opened an Instagram account for HPEF. • Ms. Yaroslavsky requested data regarding effectiveness of social media for HPEF. • Ms. Ybarra suggested placing awardee testimonials on the HPEF Facebook page. Staff would discuss that possibility with the social media team. • Mr. David advised that Mr. Reslock had an extensive background in implementing social media programs. • Mr. Reslock indicated HPEF was doing a good job with its social media. The purpose of social media was to create connections and community and to increase accessibility. 	<p>Annual Legislative Report for Steven M. Thompson Program to Board Members.</p> <p>Email alert for testimonials when posted to website.</p> <p>Provide Board Members with map of awardees' home and work locations.</p>

BOARD OF TRUSTEES QUARTERLY MEETING
 February 19, 2015
 Office of Statewide Health Planning & Development
 400 R Street, Suite 460
 Sacramento, CA 95811
 Start: 10:00 AM

	<ul style="list-style-type: none"> • HPEF received the Friend of Nursing Award from Sigma Theta Tau International at Holy Names University, we were nominated by Anna Mullins a current Nursing Advisory Committee Member • Staff began work on a three-year California Wellness Foundation grant. It would provide \$50,000 a year for three years, supporting our Allied and Health Professions Programs. • Three new staff members would join HPEF in March. • The Licensed Mental Health Advisory Committee needed volunteers to review applications. Mr. Sillers encouraged Board Members to volunteer if they could. It was a rewarding job. • Mr. Finley inquired whether the Advisory Committee and staff reviewed applications. Ms. Onstad-Adkins responded yes. • Ms. Yaroslavsky suggested any information that could sway opinions (such as name, gender, and ethnicity) be removed from applications prior to their being reviewed. • Dr. Hara inquired about the information presented to reviewers. Personal statements often indicated ethnicity, race, and sex. Ms. Yaroslavsky advised that the personal statement was typically used as a last means to narrow the field of applications. Dr. Hara suggested some information was needed for reviewers to form an opinion. 	
<p>OSHPD Conflict of Interest Policy and Its Impact on HPEF and Trustees, OSHPD Legal Office</p>	<ul style="list-style-type: none"> • Mr. Knapp reported Board Members were required to complete a Form 700 to disclose Board Members' financial interests. This was a 	

BOARD OF TRUSTEES QUARTERLY MEETING
 February 19, 2015
 Office of Statewide Health Planning & Development
 400 R Street, Suite 460
 Sacramento, CA 95811
 Start: 10:00 AM

	<p>means for the public to monitor the bodies it created.</p> <ul style="list-style-type: none"> • If Board Members felt they had a conflict of interest, he requested they call him to discuss the issues. • Staff recently revised Form 700 to tailor the disclosure category for the Board. • Board Members should disclose economic interests that their actions and participation on the Board could directly affect. • Casey Foster, would soon email all relevant information related to Form 700 to Board Members for disclosure. • A discussion ensued wherein Board Members offered hypothetical situations of being an employee of a company that donated to HPEF, owning a few shares of stock in a company, owning a company, the company donating funds to HPEF, and HPEF buying goods from the company. Mr. Knapp advised that the Fair Political Practices Commission had created rules and a process for determining whether those scenarios and others required a disclosure or recusal. If Board Members had any questions, he would be happy to discuss the matter with them. The key to disclosing financial interests and to determining conflicts of interest was the body's purview. 	
<p>Review and Approval of July 30, 2014 Audit, Gilbert Associates, Inc.</p>	<ul style="list-style-type: none"> • Ms. Ellis explained that Gilbert and Associates audited HPEF's financial statements and issued an opinion that the financial statements were fairly stated. If auditors identified an issue that rose to the level of a significant deficiency or a material weakness, then they notified HPEF. Auditors issued an unmodified 	

BOARD OF TRUSTEES QUARTERLY MEETING
 February 19, 2015
 Office of Statewide Health Planning & Development
 400 R Street, Suite 460
 Sacramento, CA 95811
 Start: 10:00 AM

	<p>opinion for 2014.</p> <ul style="list-style-type: none"> • Auditors found no issues that rose to the level of a significant deficiency or material weakness with respect to internal controls. • Auditors did not identify anything in the audit that was uncorrected. However, they did find an error of approximately \$252,000 but did not deem it a significant deficiency. The error resulted from accounting not be captured in the proper fiscal period. • The financial statements did contain significant estimates with regard to awardees defaulting. Auditors ensured estimates were reasonably stated. • The organization followed significant accounting policies in preparing the financial statements. • There were no significant changes from the prior year to the current year. • Mr. Hendry felt the error underscored the need for the Finance Committee to review financial information quarterly. If significant issues were raised in quarterly reviews, then they would be presented to the Board. He wanted to understand the large increase in payments to Central Administrative Services. • Ms. Yaroslavsky asked if changes in policy had been made to ensure accounts were posted to the proper fiscal period. Staff explained that the person reviewing information had not located the proper date and thus posted them to the incorrect fiscal period. In future, more than one person would review information. Ms. Ellis advised that auditors wrote a separate letter to 	
--	--	--

BOARD OF TRUSTEES QUARTERLY MEETING
 February 19, 2015
 Office of Statewide Health Planning & Development
 400 R Street, Suite 460
 Sacramento, CA 95811
 Start: 10:00 AM

	<p>management regarding this incident and indicated it was important to account for funds in the proper period.</p> <ul style="list-style-type: none"> • Ms. Yaroslavsky questioned whether the Managed Care Administrative Fines and Penalties was directly attributed to penalties and fines. Staff responded yes. The Department of Managed Healthcare collected fines and remitted them to HPEF. Mr. Finley interpreted it as two different types of contributions made by the Department of Managed Healthcare. Mr. Hendry suggested the sentence was confusing as there was no additional contribution. • Mr. Finley inquired about the impact of not having a budget on allocation of funds and expense management. Ms. Yaroslavsky explained that requirements attached to funding for HPEF often defined how funds could be spent. In addition, HPEF could not ensure the amount of funds it would receive in a given year. Mr. Finley inquired whether there was some process that could be implemented to ensure expenses did not exceed revenues. In the prior year, expenses exceeded revenues and were covered by reserve funds. Staff indicated some reserve funds were encumbered. • Mr. Finley questioned the Advanced Fee Collection Fund. Staff advised that some professionals paid their licensure fees months in advance of the due date; therefore, those funds were not earned until the due date arrived. Mr. Finley asked if there was a risk some of those funds would have to be reimbursed. Staff answered no. • Mr. Finley inquired about the 	
--	---	--

BOARD OF TRUSTEES QUARTERLY MEETING
 February 19, 2015
 Office of Statewide Health Planning & Development
 400 R Street, Suite 460
 Sacramento, CA 95811
 Start: 10:00 AM

	<p>Hospital Building Fund. Staff explained that all HPEF expenditures were initially paid through this fund. At the end of the month, this fund was reimbursed from the appropriate account for each expenditure. Mr. David indicated the Hospital Building Fund received fees collected for hospital plan reviews. Ms. Yaroslavsky suggested a fee be placed on hospital construction to fund HPEF programs. Mr. David advised that would require statute revisions.</p> <ul style="list-style-type: none"> • Mr. Finley also questioned expenditures to Prison Industries. Staff clarified that HPEF was required to purchase certain items from Prison Industries. • Ms. Yaroslavsky motioned to approve the audit as amended. Ms. Ralston seconded the motion. 	<p>2014 Audit of Financial Statements approved unanimously.</p>
<p>Highlights of FY 2013-2014 Award Recipients' Practice Settings and Demographics, LaCandice McCray</p>	<ul style="list-style-type: none"> • Ms. McCray reported in Fiscal Year 2013-2014 HPEF awarded 2,068 individuals, 1,808 of whom were practitioners. This represented a 47 percent increase over Fiscal Year 2012-2013. Scholarships were awarded to 260 students, a 72 percent increase over Fiscal Year 2012-2013. The total amount of funds awarded was \$31,657,581. Of that amount, 42 percent of funds came from grants, 39 percent from other sources, and 19 percent from licensure fees. • Two individuals located in Alpine County were awarded for the first time in organizational history. • Feather River Hospital employed four awardees. • The University of California Davis Medical Center employed 11 awardees. • The Contra Costa Regional Medical 	

BOARD OF TRUSTEES QUARTERLY MEETING
 February 19, 2015
 Office of Statewide Health Planning & Development
 400 R Street, Suite 460
 Sacramento, CA 95811
 Start: 10:00 AM

	<p>Center employed five awardees.</p> <ul style="list-style-type: none"> • The VA Central California Healthcare System employed three awardees. • Children's Hospital of Los Angeles employed nine awardees. • Family Health Centers of San Diego employed nine awardees. • The mission of HPEF was to support individuals providing direct patient care in the areas of the most need through the state. • Staff revised surveys to inquire about the number of patients/clients/consumers served weekly; the percentage of those served from ethnic backgrounds; and the gender, age and percentage of those served who did not speak English as a first language. • Staff revised the post-program survey to inquire about plans to continue in the same career path or profession; plans to remain with the current employer; and plans to continue educational pursuits. • Dr. Yip questioned whether loan repayments should be awarded to practitioners in urban versus rural areas. Practitioners in urban areas received reasonable salaries and had the potential for greater salaries than practitioners in rural areas. Mr. Finley agreed that specialists in urban settings had a greater earning potential once their commitments were complete. However, recruiting and retaining those specialists in county or medically underserved facilities was difficult. Ms. Yaroslavsky noted that prison doctors and university medical professors were not intended to be awarded because they did not provide a community benefit and 	
--	--	--

BOARD OF TRUSTEES QUARTERLY MEETING
 February 19, 2015
 Office of Statewide Health Planning & Development
 400 R Street, Suite 460
 Sacramento, CA 95811
 Start: 10:00 AM

	received much higher salaries.	
<p>Review and Approval of HPEF 2013-2014 Annual Report, Meredith Smith</p>	<ul style="list-style-type: none"> • Ms. Smith indicated the latest draft of the Annual Report incorporated many of the changes suggested by Board Members at the December Board meeting. • Applicants' ethnicity was self-reported through CalREACH. Staff reported any category identified by at least 50 applicants (not awardees). • Staff placed quote marks around awardee remarks to indicate those were the awardees' words. • Additional awardee stories would be available on the website by the end of March 2015. • Staff was linking awardees locations on a state map to their testimonials. • Dr. Yip inquired whether Indian meant American Indian or Asian Indian. Ms. Smith did not know because "Indian" was self-reported. Dr. Yip asked how applicants self-reported. Ms. Smith indicated applicants completed a blank field. • Dr. Hara presumed the other category was primarily Asian such as Korean, Japanese and Chinese. Ms. Smith did not know because the information was self-reported. Dr. Hara clarified that the federal government did not consider Chinese, Korean, and Japanese as minorities. • Ms. Yaroslavsky recommended "self-reported" be made more visible. • Mr. Hendry noted vast differences in financial information over the previous draft. Ms. Smith explained that the previous draft contained placeholders rather than actual information because the financial information had not be completed. 	

BOARD OF TRUSTEES QUARTERLY MEETING
 February 19, 2015
 Office of Statewide Health Planning & Development
 400 R Street, Suite 460
 Sacramento, CA 95811
 Start: 10:00 AM

	<ul style="list-style-type: none"> • Mr. Hendry recalled that Dr. Hara previously suggested the use of logos for grant companies. Ms. Smith advised that some companies agreed and others did not. Therefore, staff chose not to feature some companies over others. The same reasoning was applied for not utilizing statements from grant companies. • Mr. Hendry inquired whether staff contacted the Speaker of the Assembly for a quote. Ms. Smith answered yes; however, she was not aware why a statement was not given. • Mr. Hendry inquired about a state map of awardees. Ms. Smith indicated a map of awardees with links would be placed on the website. 	<p>2013-2014 Annual Report approved unanimously</p>
<p>Mental Health Loan Assumption Program Award Recipients Share Impact of the Award, Tianna Williams</p> <p>Kerrie Melton</p>	<ul style="list-style-type: none"> • Ms. Williams was privileged to work with diverse clients in assisting them to overcome social problems and personal challenges. Being a part of her client's growth, hope, and recovery was rewarding. • She had suffered from depression and anxiety and was an insulin-dependent diabetic. • She was grateful for the award because it lessened financial stresses. She could continue working towards becoming a Licensed Clinical Social Worker. • Ms. Melton had been in foster care and received services from the agency for which she worked. • She began working as a mental health outreach worker and was encouraged to return to school. • Receiving the MHLAP award allowed her to pay off her student loans and to continue her education towards a BA degree. 	

BOARD OF TRUSTEES QUARTERLY MEETING
 February 19, 2015
 Office of Statewide Health Planning & Development
 400 R Street, Suite 460
 Sacramento, CA 95811
 Start: 10:00 AM

	<ul style="list-style-type: none"> • The MHLAP Program assisted facilities with retaining good, qualified employees. • Mr. Raya presented both ladies with certificates of appreciation. 	
<p>Board President Report, Gary Gitnick, M.D.</p>	<ul style="list-style-type: none"> • Dr. Gitnick recalled a recent TED Talk which suggested meetings should have goals. He suggested future Board meetings be considered in terms of goals, decisions, and creativity. • The Board should brainstorm fundraising at a future meeting. Perhaps Board Members as individuals could initiate legislation to benefit HPEF. • A future meeting should include a discussion of bringing programs together under a marketing umbrella. • When awardees spoke at Board meetings, staff should invite the Legislators from the awardees' districts to be present. • New Legislators were clearly an opportunity for Board Members to market HPEF programs. 	
<p>Agenda Items for the Next Board Meeting</p>	<ul style="list-style-type: none"> • Mr. Sillers announced the next Board meeting was scheduled for May 28, 2015. • Ms. Yaroslavsky requested an agenda item concerning active outreach programs to showcase medical professions to young people. • Mr. Finley requested an item regarding options for programming. Ms. Yaroslavsky suggested he convene a separate meeting of interested Board Members. • Mr. Hendry suggested Board Members meet with Legislators immediately following or the day prior to Board meetings in Sacramento. 	

BOARD OF TRUSTEES QUARTERLY MEETING
February 19, 2015
Office of Statewide Health Planning & Development
400 R Street, Suite 460
Sacramento, CA 95811
Start: 10:00 AM

Public Comment	None.	
Adjournment	• Adjourned at 12:26 p.m.	