

CUMBERLAND COUNTY POLICY COMMITTEE
FEBRUARY 18, 1997, 8:30AM
SPECIAL MEETING TO REVIEW HEALTH CARE
SERVICES PROPOSALS

MEMBERS PRESENT: Chairman Rollin Shaw
Commissioner Ed Melvin
Commissioner Johnnie Evans (arrived at 9:40)

OTHERS: Cliff Strassenburg, County Manager
James Martin, Deputy County Manager
Juanita Pilgrim, Asst. County Manager
Danny Higgins, Staff Attorney
Marsha Fogle, Clerk to the Board

The Committee heard presentations from three companies as follows:

1. Kaiser Consulting Network: Mr. Stan Grant, Chief Executive Officer, and Ms. Linde Finsrud Howell, Vice President, made the presentations.

Mr. Grant and Ms. Howell reviewed the qualifications of those people who would be performing the study. The study would be done in phases:

PHASE I: "Lift Off": Project Initiation and Initial Information Gathering.

During this phase a Steering Committee would be developed, historical and strategic information gathered, and a work plan developed. The plan would include a project schedule, proposed outcomes, resources and delineation of the "stakeholders".

PHASE II: Assessment: Quantitative

Phase 2 will include collection and analysis of existing data, collection of community resource data, competitor analysis, gap analysis, analysis of the migration for services and development of visual models.

PHASE III: Assessment: Qualitative

Interviews would be scheduled, opinion data collected, analysis of current and potential relationships would be performed, and payer information, current, strategic and potential would be ascertained (difficult to get).

PHASE IV: Intervention: Planning Retreat

During this phase data information would be presented, potential models would be evaluated, and a vision developed.

PHASE V: "Touchdown": Strategy and Model Development

This phase would include a comprehensive report reviewing all potential options, a final report to include financial analysis, legal perspectives, antitrust issues, provision of indigent care, partnerships, mergers, etc., and a grid development for determining the "best fit" for our community.

Stan Grant noted the following critical factors necessary for collaboration and integration:

- stakeholders are interdependent
- solutions emerge by dealing constructively with differences
- joint ownership of decisions is involved
- stakeholders assume collective responsibility for the direction of the process
- collaboration and integration are emergent processes

In response to questions, the following information was secured:

1. Recommended number of people on the Steering Committee: 25 maximum
 2. Members of the Steering Committee: Significant Stakeholders (not always easy to determine who; however, addition of grassroots stakeholders important)
 3. Research and the gathering of information will be performed by the company; the County may have to point them in the right direction;
 4. Demographics affect stand-alone hospitals; there are advantages and disadvantages; i.e., advantage is a captured market, a disadvantage is providing the complete spectrum of services to the community;
 5. Many times its not how many hospitals you have, but how they connect.
2. Physician Management Resources, Inc.: Mr. Richard Johnson and Mr. Max D. Francis made the presentations.

The Study would take into consideration health trends, the economic era, managed care issues and what role the county wants to play, i.e., a leadership role or a secondary role. The study will be conducted in phases as follows:

PHASE I: Preliminary Steps: Clarify expectations, working relationships, develop a Task Force, define the communication process, and measure the stakeholder inventory;

PHASE II: Preliminary Data Analysis: Send out requests for data, evaluate stakeholder interests, evaluate demographics - determine applicable norms and develop a scorecard to define the needs;

PHASE III: Assessment of Needs: Quantify data collected, identify community health priorities, identify critical stress factors and identify barriers;

PHASE IV: Develop Options: Define evaluation criteria, review options, select priorities, refine organization design, prepare interim report, define implementation strategy;

PHASE V: Implementation, Planning, Evaluation: Identify implementation plan, mandated issues, and sponsors, determine commitment, submit report and recommendations.

In selecting the option to follow, it must:

- support quality of care
- have community support
- be politically feasible
- be financially feasible
- invite provider contributions
- meet fiduciary responsibility

In response to some questions, the following information was secured:

1. The Task Force should consist of 12-15 people (need people on the task force who will be affected)
2. The process should take about 5 months
3. Prism Consulting Services Inc. : Mr. Ed Parkhurst and Mr. Tom Manak made the presentations. They reviewed their qualifications.

In summary, they will assist the County in determining how best we can proactively and optimally develop an integrated regional health delivery system which is responsive to emerging trends and citizen interests. Some major issues that will be addressed:

1. decreasing demand for inpatient services;
2. increasing demand for ambulatory services;
3. integrating physicians;
4. reimbursement for chronic disease, medicare, medicaid;
5. achieving regional consensus and participation in an integrated delivery model - considerations include relationships, governance, management, ownership, legal, etc.;
6. increasing competition;
7. managed care developments

The proposed approach/scope - Iterative/cumulative decision making process:

1. Determine project organization; (very important)
2. Data collection/analysis (county will be collecting a lot of the data based on data request);
3. Interviews, situational assessment, needs analysis and trends analysis will be done;

Strategic issues will be identified, options will be identified, impacts and implications will be delineated, and from this, will come an optimal approach and an implementation plan.

Both Mr. Parkhurst and Mr. Manak noted the importance of a good project organization. In discussing "who" should be on the project team, it was suggested that perhaps two teams be put together. One would be a Steering Committee (10 to 12 people) and one would be a Stakeholder's Group (more comprehensive group).

The project will take four to six months. Fees are \$92,000 plus reimburseables. The county will do a lot of the data collection based on the data request. Time on site will be 400 - 500 consulting hours. Sixty to seventy percent of the time will be spent on site.

MEETING ADJOURNED