

December 26, 2007

## **Bannock County Citizens Panel Community Values Statement and Questions**

**Purpose:** Because of the difficulty in raising needed capital due to the *Frazier* decision, among other things, the Governing Board of Portneuf Medical Center (PMC) has asked Bannock County to explore the possibility of a transfer of PMC's ownership from the County to a private entity. In accordance with the process laid out by the Commissioners earlier this year, this Citizens Panel was appointed to develop the Community Values stated below. We have held hearings and work sessions and have reviewed reports of listening sessions with county residents and other stakeholders in our community's healthcare system. A draft of this report was also been circulated to the Commissioners and to the leadership of PMC for their comment prior to this final Community Values report from our Panel.

As the County considers any new governance model involving transfer of ownership to a private entity, the Citizens Panel has identified and recommended important Community Values to be used as decision criteria in this process and to be incorporated into the new relationship as binding commitments and guidelines for annual reviews of the integrity of those commitments. We have unanimously approved these Community Values and questions and forwarded them to our County Commissioners. It is our strong recommendation that any potential candidate desiring an affiliation Relationship involving PMC (Relationship), whether the private non-profit proposed by PMC, or any local, national, or other candidate, will need to address these Community Values to qualify for further consideration.

We offer the following list of these Community Values to the Commissioners and our County.

### Members of the Citizens Panel

Stephen Weeg	Dorsey Hill	Graden Stayley	Lewis Andrews
Dr. Mike Callaghan	Robert "Bob" Chandler	Tom Dial	Tom Sahlberg
Mark Buckalew	Nancy Renn, Ph.D, RN	Angela Mendez	Judy Adkins
Lela Liggins	Dr. Charles Evans	Mayor Steve England	

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### ***A. Relationship Criteria***

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Please address the following topics based on the information you have been provided about PMC, and add information that would demonstrate your commitment and ability to perform in these areas.

#### **1. Local and Regional Strength.**

- a. How would the Relationship improve local access to care and attraction of patients to locally provided services?
- b. Specifically, describe how you would expect the Relationship to:

- i. Reduce out-migration of patients from Bannock County.
  - ii. Increase in-migration of patients from other counties, including PMC's secondary service area, to PMC.
- c. How would the Relationship enhance PMC's position as a full-service regional acute care hospital with at least the same mix and level of services currently offered?
  - i. What type and level of services do you believe are essential to this community and what commitments would you make to important, but perhaps unprofitable service lines needed by the citizens of the County (such as, without limitation, mental health for all ages)?
  - ii. More specifically, how will you commit to sustain and enhance substantially the same types and level of services as currently offered, including, without limitation, psychiatric care, women's and children's services, pastoral care programs, interface with the local FQHC, and support for the hospital auxiliary?
- d. A strong, collaborative relationship between PMC and Idaho State University is critical. How would you have PMC partner or affiliate with Idaho State University in order to promote a tripartite mission of clinical training, research, and outstanding patient service and to explore various options relating to the future of health care delivery in the area?
- e. How would the Relationship increase PMC's capacity to serve as a comprehensive clinical service and referral center resource for Southeastern Idaho? Give special emphasis to the ability to support and work with smaller, rural points of access, including critical access hospitals and rural clinics.

## **2. Clinical Excellence.**

- a. How would the Relationship enhance measurable levels of clinical quality and patient satisfaction, including successful patient outcomes?
- b. How would the Relationship enhance measurable levels of hospital employee and physician recruitment, retention, and satisfaction?
- c. With regard to a., and b., above, please describe and/or show illustrative models and tools proven effective by your organization.
- d. Please describe illustrative operational models and administrative tools proven effective by your organization in increasing patient safety, operational efficiency, and clinical quality, and what models and tools you would suggest be implemented at PMC. Specifically address ideas and experience introducing successful innovations. (For this and following questions, please include experience from other relevant organizations in which members of your leadership team served as senior management.)
- e. Please describe the method and results of all such measures as currently applied to your organization in its current locations.
- f. Please describe and give specific examples of how you provide continuing education and staff development within your organization and the measurable expected benefit to be derived from those programs as it relates to PMC.

**3. Commitment to Physicians.**

- a. How would the Relationship support PMC's ability to align effectively with members of its medical staff?
- b. Please describe successful physician integration models which have been utilized by your organization or its affiliates, and what model or models you would suggest be implemented at PMC.
- c. How would a relationship with your organization improve PMC's ability to recruit physicians, particularly to its identified Center of Excellence initiatives?

**4. Commitment to Future Capital Investment in Pocatello.**

- a. Please describe your organization's commitment to provide PMC with sufficient investment and working capital to address PMC's growth requirements related to expanding the spectrum of clinical services in a growing market. Describe what commitments you would make to assure PMC's long-term financial stability and ability to support clinical excellence in the future.
- b. Please provide your thoughts on PMC's current master facility plan [, a summary of which is attached hereto,] and your ability (and time required) to complete such a plan. Please address the restrictions imposed by the recent Frazier decision. If you would intend to modify PMC's current master facility plan, please state the general nature and scope of healthcare and related facilities that your organization would intend to construct, renovate, or expand in Pocatello, including diagnostic, outpatient, and inpatient services, if any. Please include an estimate of size of each facility and the time required for development, subject to further diligence.
- c. What is your organization's commitment to funding PMC's future annual routine capital expenditures (in addition to any specific capital expenditures referenced above)? Please state this commitment in terms of a minimum percentage of net revenues, a comparison to annual depreciation expense or some other metric.
- d. What portion of the cash flow, before management fee or comparable corporate overhead expense, generated by the Relationship would your organization reinvest in PMC within Pocatello?

**5. Public and Not-for-Profit Hospital Characteristics.**

- a. Please list the key characteristics/elements of a public hospital or 501(c)(3) healthcare entity (*other* than its tax exemption or access to tax exempt debt) that the Relationship would preserve and enhance in Pocatello and Southeastern Idaho.
- b. Give examples of how these characteristics are served in your organization and its affiliates.

**6. Access Regardless of Ability to Pay.**

- a. Under any model of the Relationship, how would your organization commit to a “social contract” with Bannock County and the Southeastern Idaho region, including the Shoshone-Bannock Tribe, to maintain and expand access to care for indigent and uninsured patients?
  - i. Would your organization commit to provide all services offered by PMC to all residents of PMC’s primary service area without regard for their ability to pay? Would you place any limits on providing such care?
  - ii. How would your organization expect to fund such commitments?
- b. Please describe your organization’s current policy and programs to expand access to care for indigent and uninsured residents, including your organization’s specific experience.
- c. Identify examples of any other formal efforts by your organization, whether current or proposed, to expand access to care for indigent and uninsured patients and any measurement tools in place or proposed.
- d. Please describe how you determine charity care as opposed to bad debt and how you provide services, bill, and attempt collection in each category.

**7. Community Care Beyond PMC’s Facilities.**

- a. How would the Relationship support and provide leadership and resources to the continuum of community care in Bannock County and Southeastern Idaho, including effective outreach programs beyond the walls of PMC’s facilities?
- b. Please describe your ideas for support of, and coordination with, public health programs offered by governmental or not-for-profit entities in Bannock County and Southeastern Idaho, including Idaho State University, area school health programs, FQHC clinics, and community wellness programs, such as that in place in Chubbuck.
  - i. In light of the existence of the recent Memorandum of Understanding among the County, Idaho State University and PMC (MOU), provide specific ideas and commitments to support Idaho State University’s existing training mission for healthcare professions, including residencies and preceptorships.
  - ii. Please take this opportunity to describe any similar activities your organization currently undertakes.
- c. How will your relationship work with the Shoshone-Bannock Tribe to engage with and promote PMC’s local and regional health care mission as it relates to the Indian people and their need for health care and related services, such as, without limitation, mental health treatment, drug and alcohol treatment, treatment for the indigent, etc. Describe how you would work with Indian Health Services to promote and provide services, including preventive health care programs to the Tribe and its members.

## **8. Commitment to the Community**

- a. How would your organization and PMC remain active in the life and fabric of the community, such as with civic organizations, regional planning, and economic development?
- b. Please describe what and how you plan to provide the minority populations in the region appropriate and accessible health care services, employment opportunities, representation from within and without your organization, and any steps you have taken or plan to take to assure that diversity of culture is appropriately addressed in your commitment to the community.
- c. How would you assist PMC in its collaboration with regional and area hospitals and Idaho State University? How would you promote PMC's role as a regional hub? How would a relationship with your organization strengthen PMC's role as an engine of regional economic development?
- d. Set forth the long-term commitment which your organization would make to the County in order to assure the continued operation of PMC as a full-service acute care hospital in the community with the services you proposed in Question 1.c.ii, above, on a going-forward basis.

## **9. Reporting Community Benefit.**

- a. How would the Relationship support a formal, ongoing process to measure and report on community benefit, demonstrating and quantifying the return received by the community? How do you define the term "community benefit?" In other words, what are the elements of the term "community benefit" as you define it? Please be as specific as possible.
- b. Please provide any current community benefit results prepared for your organization and its affiliates.
- c. What is your viewpoint on the overall economic development potential of Pocatello and Southeastern Idaho? In what specific ways would a relationship with your organization impact that development potential?
- d. Please describe how your relationship would support local business. Please include and be specific regarding construction, contracting for services, purchasing of supplies, materials, equipment and utilization of local workers and developers, etc.

## **10. Commitments to Employees.**

- a. In the event of an integration including the current operations of PMC, how would the Relationship preserve existing commitments to current hospital employees and administration?
- b. Would your organization support the hiring of all employees in good standing, honoring seniority, and providing substantially equivalent compensation and benefits?

## **11. Governance and Local Control.**

- a. What structure or combination of structures would you propose for the Relationship, whether partnership, not-for-profit membership, acquisition,

joint operating agreement, lease, management contract, or any other transfer of ownership or operations?

- b. How would you define “local control” as it relates to this community in any relationship with your organization, including board structure and responsibilities, the role of physicians in governance, the role of community members in governance and dialogue, methods of ensuring accountability to the community, training for board members, local hiring and training practices respecting the culture and diversity of the region, etc.
- c. Please describe how your structure(s) would offer significant accountability to, the Pocatello and Southeastern Idaho community.
- d. Please describe how the relationship would work between PMC’s local governance structure and your organization’s board, matters for which you would especially rely on the local board, and the limitations on PMC’s local board authority, including those matters for which approval of your organization’s board would be required.
- e. Please describe the composition of the local board operating PMC, including how members would be appointed and removed. For instance, set forth whether the Relationship would include the County Commissioners having continued rights to appoint a certain number of members of the local board.
- f. How would the local board have influence on and input to your organization’s board on matters that impact the Pocatello and Southeastern Idaho communities?

## **12. Experience.**

- a. For the leadership of your organization, please describe their experience in developing, implementing and managing new Relationships both within your organization and when they belonged to other organizations.
- b. Please identify, based on your organization’s experience, the most critical factors or obstacles in successfully developing new Relationships.

## **13. Compliance.**

- a. Please identify what protocols and procedures your organization has in place to ensure compliance of your organization and its affiliates with applicable laws.
- b. Please describe the extent to which your organization is subject to a corporate integrity agreement, a settlement agreement with a governmental entity or a subpoena which would have an affect on the going-forward operations of PMC.

## **14. Financial Resources.**

Please provide a copy of your most recent audited financial statements and your plan to provide the capital needed to achieve PMC’s master facility plan, specifying the time frame needed to complete the facility and program development as planned.