



Sonrisas Board of Directors' Workshop
July 16, 2018, Noon-3 PM
PHCD Classroom
1819 Trousdale Drive, Burlingame
(Parking behind building.)

A G E N D A

Lunch provided and available at 11:30 am.

- 1. Introduction & Objectives: Chair Taverner (10 min.)**
 - A. Review of Agenda
 - B. Objectives – “Let’s be sure to address...”
 - C. Desired Outcomes

- 2. Follow Up Items from June Retreat and Board Meeting: Chair Taverner (15 min)**
 - A. Approval of one (1) fee schedule with 10% increases across the board
 - B. Approval to revise Affordable sliding scale from 10%-20%-30% to 15%-30%-45% discount
 - C. Agreement that PPO clients are desirable; no change to recruitment of same
 - D. Approval of June 11, 2018 Meeting Summary **TAB A**

- 3. Mission Statement: Director Hinshelwood facilitator (15 min)**

- 4. Fundraising Strategies and Game Plan: Director Hinshelwood facilitator (45 min)**
 - A. Annual Report
 - B. Director Roles – “Ambassador-Advocate-Asker”
 - C. Potential Donors
 - D. Director Commitments

BREAK 15 min

- 5. The Public/Private Model — Group Discussion (45 min)**
 - A. Benefits/Challenges: Operations, Funding etc
 - B. Implications: Mission, Fundraising, Marketing etc
 - C. Scenarios: worth considering, if so how?
 - D. Constraints

- 6. Director Round Table (15 min)**

- 7. Wrap Up and Next Steps: Chair Taverner (10 min)**

- 8. Adjournment**

NOTE: Items deferred until August 16, 2018 Regular Board meeting:

- 1) Direct cost/visit/payer
- 2) Status of AR
- 3) Review of PPO Contracts
- 4) Mobile Program Redesign

A

BOARD OF DIRECTORS
JUNE 11, 2018
PLANNING RETREAT/WORKSHOP
MEETING SUMMARY

1. **CALL TO ORDER:** Chair Taverner called the meeting to order at 12:10 Hours.
2. **ROLL CALL: Present: Directors** Taverner, Hinshelwood, Galligan, Cappel, Macias, and Young. **Absent:** Director Navarro. **Also, present:** CEO Jue, CFO Fama, CBO Yee
3. **PUBLIC COMMENT:** No members of the public present.
4. **INTRODUCTION AND OBJECTIVES:** Chair Taverner opened the session with a brief power point that outlined the agenda, objectives and anticipated outcomes, as well as, provided an overview on the Board's role and Governance.
5. **STATE OF THE 'NATION':**
 - A. **Achievements & Challenges-**CEO Jue presented the achievements and challenges experienced over the past year with a focus on the last 10 months since separating from Minnesota when she assumed full administrative responsibility for SDH. *[Presentation appended to and made part of these meeting notes.]* She noted the key influences on performance and the confounding relationship between accomplishments and challenges. Some of the examples offered were improved operating efficiencies being eroded by 1/1/18 Denti-Cal complexities, maintaining full staffing with a severe Dental Assistant labor shortage throughout the County, and increasing visits and challenges of the mixed payer model on operations and staff satisfaction. She also noted the need to reassess staff roles and responsibilities going forward and the risks of effectively implementing a provider contract with the County's FQHC given demonstrated reluctance by the County's Dental Director.
Areas for follow up:
 1. **Projected IV sedation volumes**
 2. **Dealing with County Dental Director**
 3. **Advocacy efforts re: Denti-Cal complexities.**
 - B. **Financial Position – CBO Yee** referred to the FY 2019 Draft Budget included in the meeting materials noting that it is a conservative budget that reflects the actual trends over the past four months and does not include any projections for new programs such as IV sedation, an FQHC partnership, or Cal Wellness funding. The projected bottom



line, net of non-cash items, is a loss of \$30,303. **Budget will be presented for approval at 6/22/18 Board meeting.**

6. KEY INITIATIVES REVIEW:

A. Fee Schedule and Payer Mix Review – CFO Fama referred to the summary included in the meeting materials that compared San Mateo to Coastside and San Mateo to regional private office rates for in- and out-of-network PPO patients. Discussion focused on the pros and cons of one vs. two fee schedules for SDH given the 30% difference between the two Centers; the impact on patient visits if Coastside fees are increased; and what, if any, impact on the bottom line would an increased fee schedule create. The FY 2019 budgeted visits by payer are:

Private insurance:	2%
Affordable (discounted cash)	10%
PPO	22%
Commercial	5%
Denti-Cal	59%

Areas for follow up:

1. Financial impact of two SDH fee schedules
2. Percent of Affordable payments collected and does it generate net revenue
3. “Affordable Plan” – does calling it a plan evoke insurance compliance issues?
4. Develop a Board policy for annual fee schedule review

B. Insurance Reimbursement status – Contracts will be requested from each insurance company and then analyzed to determine if SDH is receiving the correct level or reimbursement and if any of the contracts can be renegotiated?

C. Affordable Plan – CEO Jue reviewed SDH’s sliding scale payment structure, patient eligibility criteria, and the amount of discounts awarded. In FY 2018, 10% of total visits were Affordable and 78% of those are Coastside Center patients.

D. Mobile Program – CEO Jue reviewed a summary of the agreements in place. There are 14 in total, all signed in 2016. Only two are being serviced: CASA de Redwood and the Farmworkers. Direct cost for every trip is \$1,000K. The past year’s experience indicates minimal demand for full onsite operatory services. Management is developing a revised mobile program that would better meet needs and address desired mix and fee structure. **Chair Taverner** suggested we consider consultant or Master’s student help.



Additional areas for follow up:

1. **Analysis of direct cost/visit by payer to help identify payer mix 'sweet spot'**
2. **Further study of mixed payer model impact on quality and staff**
3. **Presentation of revised mobile program and business plan.**

7. ROLE OF THE BOARD –

A. Survey Results [Attached] – Chair Taverner noted split votes on level of frustration, Board size, Board skill mix, and meeting frequency. Directors' discussion that followed included the comments below:

- Frustrated at times with information provided – is it the right content?
- Not really a bad situation given the changes and evolution of program.
- Found survey easy; understand why there is still some frustration given ATD conundrum while still looking for right track.
- We're going about getting on the right track, but it's taking too long.
- Frustrated we still don't know what will work; critical to PHCD in determining its appetite for future funding.
- Let's move on to solving/redesigning the future model; we are creating a whole new organization.
- If we change model, what's the impact on mission?
- Need to add more resources to fundraising.
- Need to evaluate the focus of paid marketing if PPO patients are a net loss as well.
- Dashboard needs more refining; not meaningful.

B. Mission Statement- A summary of Board responses to the "Compelling One-Minute Message" exercise was distributed along with the resulting word cloud. *[Both are appended to and made part of these meeting notes.]* It was agreed to use the former Coastside mission statement for now. **Director Hinshelwood volunteered to take a stab at drafting a new statement to help focus further discussion.**

8. SETTING AND MEETING DEVELOPMENT STRATEGIES- **Director Hinshelwood** quickly reviewed his presentation on Fundraising focusing on the Board's critical role in a successful process. *[Presentation is appended to and made part of these meeting notes.]* He emphasized the Directors' role as ambassadors and faces of the organization. He recommended setting an \$800K fundraising target for FY 2019 and \$5K/ Director ask. He reviewed the 3-A's in fundraising roles and asked for volunteers:

- Ambassador: Director Galligan
- Advocate: Director Young
- Asker: Directors Taverner and Cappel



Fundraising Next steps:

- A. Develop leave-behind materials**
- B. Write up “mission moments”**
- C. Develop an annual report**
- D. Next session, each Director to come back with;**
 - 1) Personal commitments**
 - 2) List of potential donors**

9. SUMMARY – Chair Taverner summarized conclusions and prioritized next steps –

- A. Fee schedule evaluation**
- B. Payer mix target – Review of PPO contracts and effect of Affordable rates**
- C. Accounts receivable review by Payor**
- D. Direct cost/visit/payer**
- E. CEO recommendation on fee schedule**
- F. Mobile program redesign and plan**
- G. Draft Mission statement**

It was agreed to schedule another workshop July 16 – time and place TBD.

10. ADJOURNMENT – Chair Taverner adjourned the session at 3:50 pm.

Written and submitted by
Cheryl A. Fama, CFO