

**CITY OF NEWBERG  
COUNCIL AGENDA  
WEDNESDAY, DECEMBER 22, 1993  
7:00 P.M.  
NEWBERG COMMUNITY HOSPITAL  
ROOMS 3,4,5**

**I. CALL MEETING TO ORDER**

**II. ROLL CALL**

**III. CONTINUED BUSINESS:**

1. Presentation by Sisters of Providence
2. City Council and Hospital Commission questions.
3. Public Questions
4. Sisters of Providence Closing questions

**IV. EXECUTIVE SESSION:**

1. Review and discuss real property transaction with the City's designated agent Jim Whitman of Whitman/Garvey Associates pursuant to ORS 192.660(1)(e)(g)(j).

**V. ADJOURNMENT TO NEXT MEETING**

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V. ADJOURNMENT TO NEXT MEETING

CITY OF NEWBERG  
CITY COUNCIL, HOSPITAL COMMISSION JOINT WORK SESSION  
TUESDAY, DECEMBER 21, 1993  
5:30 P.M.  
NEWBERG COMMUNITY HOSPITAL  
ROOM 2

THE CITY COUNCIL OF THE CITY OF NEWBERG WILL HOLD A WORK SESSION WITH THE CITY HOSPITAL COMMISSION TO REVIEW THE DECEMBER 21, 1993 COUNCIL AGENDA ITEM. THE COUNCIL AND HOSPITAL COMMISSION WILL NOT MAKE ANY DECISIONS ON THE AGENDA ITEMS AT THE WORK SESSION. THE WORK SESSION WILL BE HELD AT THE NEWBERG COMMUNITY HOSPITAL.

THE CITY COUNCIL AND HOSPITAL COMMISSION MAY ADJOURN INTO EXECUTIVE SESSION TO REVIEW AND DISCUSS A REAL PROPERTY TRANSACTION WITH THE CITY'S DESIGNATED AGENT JIM WHITMAN OF WHITMAN/GARVEY ASSOCIATES PURSUANT TO ORS 192.660(1)(e)(g)(j).

THE WORK SESSION WILL BE FOLLOWED BY THE CITY COUNCIL MEETING TO BE HELD AT THE NEWBERG COMMUNITY HOSPITAL AT 7:00 P.M..

DATED THIS 10TH DAY OF DECEMBER, 1993.

  
DUANE R. COLE  
CITY MANAGER

\WSNOTE

**CITY OF NEWBERG  
COUNCIL AGENDA  
TUESDAY, DECEMBER 21, 1993  
7:00 P.M.  
NEWBERG COMMUNITY HOSPITAL  
ROOMS 3,4,5**

**I. CALL MEETING TO ORDER**

**II. ROLL CALL**

**III. BUSINESS:**

1. Presentation by Legacy.
2. City Council and Hospital Commission questions.
3. Public Questions
4. Legacy Closing questions

**IV. EXECUTIVE SESSION:**

1. Review and discuss real property transaction with the City's designated agent Jim Whitman of Whitman/Garvey Associates pursuant to ORS 192.660(1)(e)(g)(j).

**V. ADJOURNMENT TO NEXT MEETING**

**CITY OF NEWBERG  
COUNCIL AGENDA  
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7:00 P.M.  
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ROOMS 3,4,5**

**I. CALL MEETING TO ORDER**

**II. ROLL CALL**

**III. BUSINESS:**

1. Presentation by Sisters of Providence
2. City Council and Hospital Commission questions.
3. Public Questions
4. Sisters of Providence Closing questions

**IV. EXECUTIVE SESSION:**

1. Review and discuss real property transaction with the City's designated agent Jim Whitman of Whitman/Garvey Associates pursuant to ORS 192.660(1)(e)(g)(j).

**V. ADJOURNMENT TO NEXT MEETING**

EXECUTIVE SESSION MATERIAL  
ORS 192.660(1)(e)(g)(j)  
Deliberation with person  
to negotiate Hospital Real Property  
Transaction

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NEWBERG COMMUNITY HOSPITAL  
JOINT MEETING OF CITY COUNCIL AND HOSPITAL COMMISSION  
DECEMBER 1, 1993  
MEETING NOTES

Initial Discussion

Views were expressed by various members of the group regarding the results of the process and input to date. After group discussion, it was consensed that the process as generally envisioned was sound, provided due process, and that it was important to continue it through to completion.

Strategic Approach

The strategic approach developed earlier was reviewed and refined in light of progress made to date. It was noted that the public input received during the November 16th forum was very helpful in developing the evaluative attributes. In order for information to be as helpful and informative to the public as possible, it was consensed that the strategic approach should be refined as follows:

- o The evaluative attributes as refined at the 12/1/93 meeting should be shared with the Graphic for use in its continuing program of reporting to the public.
- o The potential affiliation candidates should be selected and invited to make presentations.
- o The candidates' presentations should be made at open public meetings, followed by executive sessions for continued dialogue between the candidate and the Council/Commission.
- o Final evaluation of candidates and selection of one candidate with whom to enter into negotiations would be conducted in a public meeting, at which time the evaluative attributes would be discussed with the public, together with a summary of the interview discussions and an assessment of the comparative strengths of the candidates' presentations and responses.

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## Evaluative Attributes

It was suggested that use of the word "criteria" be replaced with other words, such as values or qualifications. [Note: "attributes" was used in the material sent to the candidates.]

The "attributes" as developed at the 11/23 meeting were reviewed and refined. The revised "attributes" were then weighted through a roundtable process as follows:

<u>CATEGORY</u>	<u>GROUP 1</u>	<u>GROUP 2</u>	<u>GROUP 3</u>	<u>AVG</u>
A	3.0	2.4	2.1	2.5
B	3.0	3.0	2.5	2.8
C	3.0	2.6	3.0	2.9
D	3.0	2.0	2.0	2.3
E	3.0	2.4	2.7	2.7
F	3.0	2.0	3.0	2.7
G	3.0	2.6	2.2	2.6
H	3.0	1.6	2.0	2.2

In light of the relatively close weighting of the various attributes, it was consensed that no further attention be given to the weights at this time, but that the Council/Commission members should use their "attribute" summaries to evaluate the presentations in each of the categories.

## Identification of Candidates

The three roundtable discussion groups convened again, to develop recommendations concerning the candidates that should be invited to present, in consideration of the group's selected affiliation alternatives, the key factors for success, and the evaluation "attributes".

Results of the roundtable discussions produced a unanimous agreement on including Legacy and SPO and excluding Kaiser and Health Trust. Two of the groups lacked consensus regarding inclusion of Brim, with the third group recommending its exclusion.

Following discussion in the entire group, which considered (a) the "fit" of Brim's organizational attributes with the group's selected affiliation alternatives, and (b) the need to obtain additional information from Brim in order to properly assess that "fit", the roundtable groups reconvened. Each group reported out a consensus in favor of inviting presentations from SPO and Legacy.

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## Discussion Regarding Approach to Presentation Meetings

As stated above, it was consensed that the candidates' presentations should be heard in open public meetings. Discussion regarding providing an opportunity for questions from the floor did not come to closure (leaving the matter open to evaluate at the time); however, the group consensed that members of the public should be encouraged to attend both presentation sessions and invited to provide (signed) written input to the Council/Commission.

It was agreed that the presentations should be scheduled for dates prior to Christmas, if possible, with a minimum of one week being allowed for compliance with public notice requirements. It was suggested that we try to focus on arranging back-to-back presentations during the time period from 12/9 to 12/17, but being flexible to respond to time availability of the candidates' representatives. [Note: after adjournment, it was pointed out that the regularly scheduled council meeting for 12/21 would likely have a light agenda, and might work for one presentation -- this dovetailed with Legacy's available dates of 12/21, 12/22 and 12/23.]

It was agreed that all members of the group should participate in asking questions of the candidates. It was further consensed that questions should be developed in advance to assure that all aspects of the "attribute" summary were adequately addressed. While it was recognized that questions would develop and/or be modified in response to the presentation and other responses of a candidate, the importance of asking the same questions to both candidates was stressed.

The draft letter of invitation was reviewed and refined through group discussion. It was agreed that the attributes should be shared with the candidates prior to their presentations, and that Jim Whitman should be authorized to discuss and clarify them as requested by the candidates.

## Advance Development of Questions

It was agreed that each member of the group would develop at least three questions, and forward them through Duane Cole and Spike Sumner to Jim Whitman for compilation. In addition, each roundtable accepted responsibility for developing questions pertaining to assigned portions of the attribute summary.

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## NEWBERG COMMUNITY HOSPITAL ATTRIBUTES FOR USE IN EVALUATING POTENTIAL LINKAGE as of December 1, 1993

The attributes set forth below have been identified by NCH's Board of Commissioners and the City Council for use in evaluating the strengths and characteristics of area-wide systems with respect to potential affiliation with NCH:

### WEIGHT

### ATTRIBUTES BY CATEGORY

- |       |    |  |
|-------|----|--|
| _____ | A. | <u>Mission, Philosophy and Approach.</u>   |
| _____ |    | o Compatibility of mission, philosophy and ethical standards, as confirmed by performance, capital budgets and income statements.                  |
| _____ |    | o Willingness to involve local leadership in the governance of NCH and the local delivery system, including use of a local governing board.        |
| _____ |    | o Flexibility and openness to designing and developing a local system that is responsive to the specific characteristics of the local environment. |
| _____ |    | o Demonstration of a high level of continuing interest in serving the Newberg area.  |
| _____ |    | o Willingness to structure a relationship that will insulate the Hospital's decision-making processes from political pressures.                    |
| _____ | B. | <u>Standards of Quality.</u>   |
| _____ |    | o Commitment to high standards of quality and appropriate levels of care to meet patient needs.  |

- \_\_\_\_\_ o Emphasis on assurance of quality is inherent in the overall design of the payor system.
- \_\_\_\_\_ o Involvement of physicians in local governance, as an indicator of emphasis on quality.

\_\_\_\_\_ C. Commitment to Newberg.

- \_\_\_\_\_ o Demonstrated ability and willingness to make a significant, long-term commitment and investment to serving the Newberg area.
- \_\_\_\_\_ o Willingness to make the benefits of the system fully available to NCH and the local delivery system.
- \_\_\_\_\_ o Demonstrated commitment to providing home health, outreach programs and community health education within the scope of locally available services.

\_\_\_\_\_ D. Physician Relations and Local Collaboration.

- \_\_\_\_\_ o Demonstrated ability to work collaboratively with local physicians and other healthcare providers to develop a local integrated delivery system of "seamless" care.
- \_\_\_\_\_ o Demonstrated ability to work collaboratively with the local medical community to evaluate unmet needs and successfully recruit physicians as determined appropriate.
- \_\_\_\_\_ o Commitment to physician determination of patient referral patterns, based on the physicians' best clinical judgment regarding the appropriate medical care needs of the patient.
- \_\_\_\_\_ o Proven ability to provide practice management support for physician practices and develop effective physician networks.
- \_\_\_\_\_ o Philosophy supportive of a commitment to accepting the entire medical community "as a whole piece" as part of an affiliation.

\_\_\_\_\_ E. Market Strength.

- \_\_\_\_\_ o Sufficient present market position in the Portland metropolitan area to ensure ability to comprehensively develop and establish an area-wide integrated delivery system.
- \_\_\_\_\_ o Compelling evidence of a strong market position and sufficient participation in managed care products to ensure that area residents, including those employed in and around Portland, will have broad access to the:
  - \_\_\_\_\_ a. Programs and services of NCH; and
  - \_\_\_\_\_ b. Services of local area physicians.
- \_\_\_\_\_ o Compelling evidence that participation in managed care plans through the affiliation will enable NCH and its physicians to provide a broad spectrum of services to local residents.
- \_\_\_\_\_ o Ability to assume and allocate the economic risk associated with managed care and capitation payment methodology and direct contracting arrangements.
- \_\_\_\_\_ o Ability to maintain a strong market position in the face of adversarial competitive conditions.
- \_\_\_\_\_ o Evidence that the market strengths of the system and NCH are complementary.

\_\_\_\_\_ F. Financial Strength.

- \_\_\_\_\_ o Compelling evidence of strong financial position and performance into the long-term future, including a reasonable geographic spread of risk.

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\_\_\_\_\_ G. Management Strength and System Support.

- \_\_\_\_\_
- o Strong system level management and corporate support systems, coupled with demonstrated ability to provide effective, experienced local operational leadership.
  - o Proven track record of effective system operations.
  - o Compatible management style that emphasizes local flexibility and visionary leadership, and that minimizes rigid, arbitrary and autocratic practices.
- \_\_\_\_\_

\_\_\_\_\_ H. Geographic Fit.

- \_\_\_\_\_
- o System characteristics and geographic configuration that are compatible with and complement the continuation of a significant and appropriate primary and secondary healthcare presence in Newberg, consistent with quality standards.