Maricopa County Special Health Care District

Bond Advisory Committee Meeting

June 10, 2013
2:30 p.m.

Agenda

MARICOPA SPECIAL HEALTH CARE DISTRICT
Count on us to care.

Committee Members	
Bill Post, Chair	Doug Hirano
Lattie Coor, Vice Chair	Diane McCarthy
Tony Astorga	Terence McMahon, Ex-officio
Paul Charlton	Rick Naimark
Kote Chundu	Joey Ridenour
Frank Fairbanks	Brian Spicker
Nita Francis	Ted Williams
Merwin Grant	

AGENDA – Bond Advisory Committee Meeting

Board of Directors of the
Maricopa County Special Health Care District

· Maricopa Medical Center · Administration Building · Auditoriums 1 and 2 ·
· 2601 E. Roosevelt · Phoenix, AZ 85008 · Clerk's Office 602-344-5177 · Fax 602-344-0892 ·

Monday, June 10, 2013
2:30 p.m.

If you wish to address the Committee, please complete a speaker's slip and deliver it to the Executive Director of Board Operations. If you have anything you wish distributed to the Committee and included in the official record, please hand it to the Executive Director who will distribute the information to the Committee Members. Speakers are limited to (3) three minutes.

ITEMS MAY BE DISCUSSED IN A DIFFERENT SEQUENCE

Call to Order

Roll Call

Call to the Public

This is the time for the public to comment. The Bond Advisory Committee may not discuss items that are not specifically identified on the agenda. Therefore, pursuant to A.R.S. § 38-431.01(H), action taken as a result of public comment will be limited to directing staff to study the matter, responding to any criticism or scheduling a matter for further consideration and decision at a later date.

General Session Presentation, Discussion and Action:

1. Update on Bond Advisory Committee's Project Process, Deliverables and Timeline 20 min
   Farzan Bharucha, Kurt Salmon

Agendas are available within 24 hours of each meeting in the Board of Directors Office, Maricopa Medical Center, Administration Bldg, 2nd Floor 2601 E. Roosevelt, Phoenix, AZ 85008, Monday through Friday between the hours of 8:00 a.m. and 5:00 p.m. Accommodations for individuals with disabilities, alternative format materials, sign language interpretation, and assistive listening devices are available upon 72 hours advance notice through the Clerk of the Board's Office, Maricopa Medical Center, Administration Bldg, 2nd Floor 2601 E. Roosevelt, Phoenix, Arizona 85008, (602) 344-5177. To the extent possible, additional reasonable accommodations will be made available within the time constraints of the request.

6/6/2013 3:54 PM

General Session Presentation, Discussion and Action:

2. Discuss and Review Alignment with the Strategic Planning Process 60 min
   Michael Eaton, Navvis & Healthways

3. Discuss and Review Preliminary Facility Implications 45 min
   Farzan Bharucha, Kurt Salmon

4. Wrap Up, Next Steps and Future Agenda Items 10 min
   Farzan Bharucha, Kurt Salmon

5. **Approve** Bond Advisory Committee Meeting Minutes dated May 13, 2013 5 min
   Committee

Adjourn

Maricopa County Special Health Care District

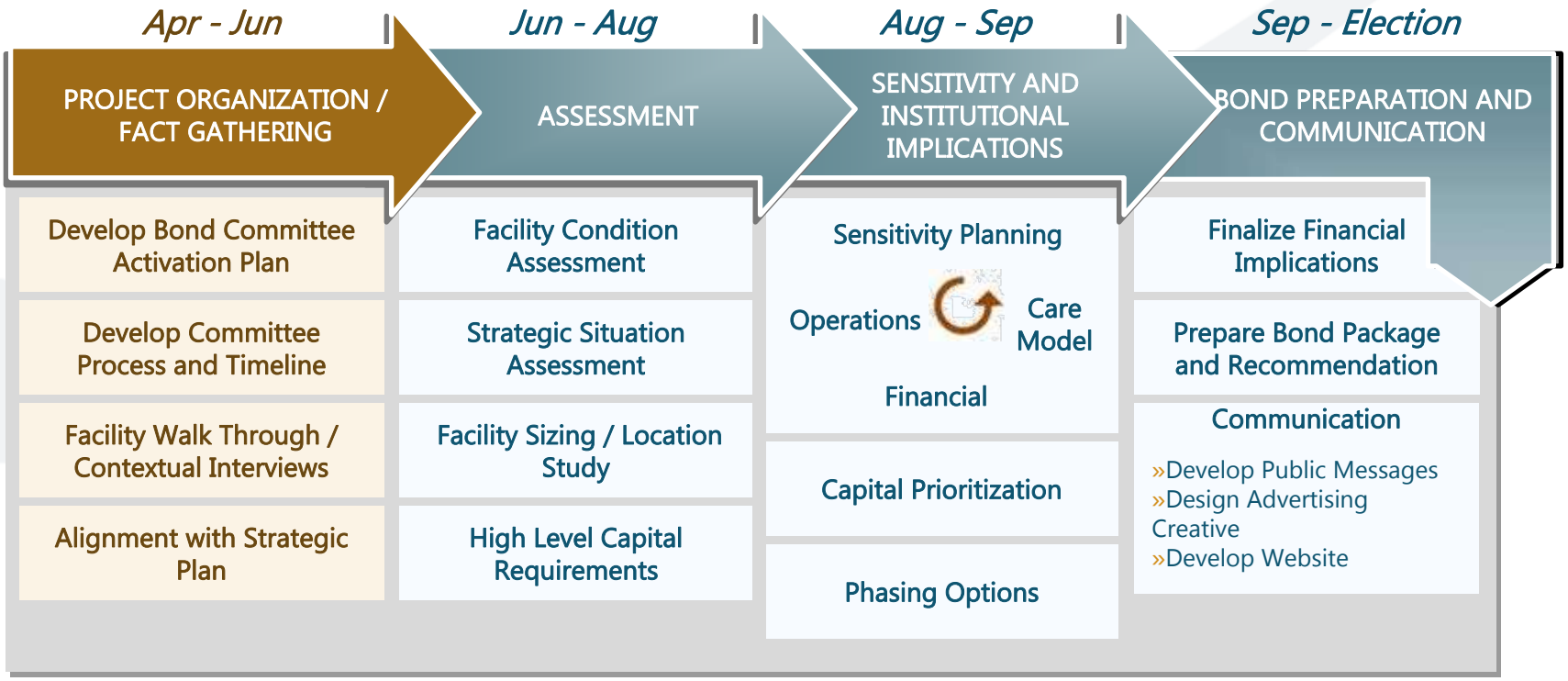
Bond Advisory Committee Meeting

June 10, 2013

Item 1.

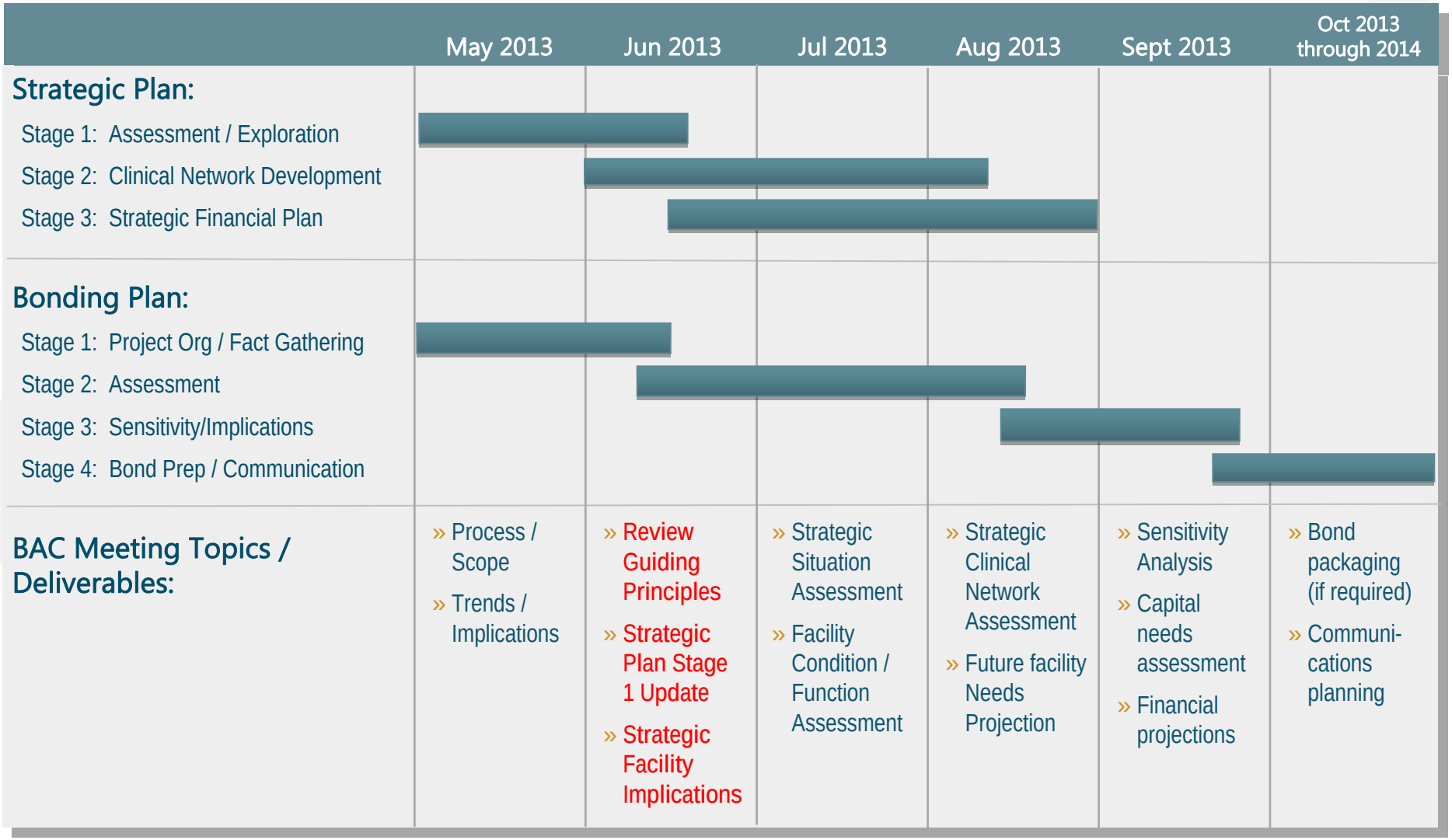
Process Update: Work Steps & Timeline

- This is the last meeting associated with Phase 1: Project Organization & Fact Gathering



MARICOPA INTEGRATED HEALTH SYSTEM

Process Update: Today's Meeting Agenda



MARICOPA INTEGRATED HEALTH SYSTEM

Process Update: Revised Guiding Principles

The Bond Advisory Committee will have a set of guidelines to reference throughout this engagement, to help direct its ultimate recommendations to the Board of Directors

The following represents a set of guiding principles discussed in the May meeting:

The Bond Advisory Committee will…

1. Ensure any and all capital asset recommendations will be balanced, sustainable, and fiscally responsible, and represent the best interests of the residents of Maricopa County
2. Advise facility and capital solutions that enable the strategic direction as laid out by leadership, and approved by the Board of Directors
3. Deliver facility recommendations that enable high quality, patient-centered care, and improved patient access
4. Consider all potential benefits and risks associated with any recommendation
5. Consider solutions which position the institution to be successful in a new paradigm based on the changing healthcare environment
6. Effectively educate the public on the benefits, and service offerings provided by the organization through improved transparency
7. Ensure the approach fosters creativity, collaboration, and flexibility in responding to the capital asset needs of the institution

MARICOPA INTEGRATED HEALTH SYSTEM

Maricopa County Special Health Care District

Bond Advisory Committee Meeting

June 10, 2013

Item 2.

Scope of our Inquiry

How Will MIHS **Define, Measure and Achieve Success** Over the Next Five Years?

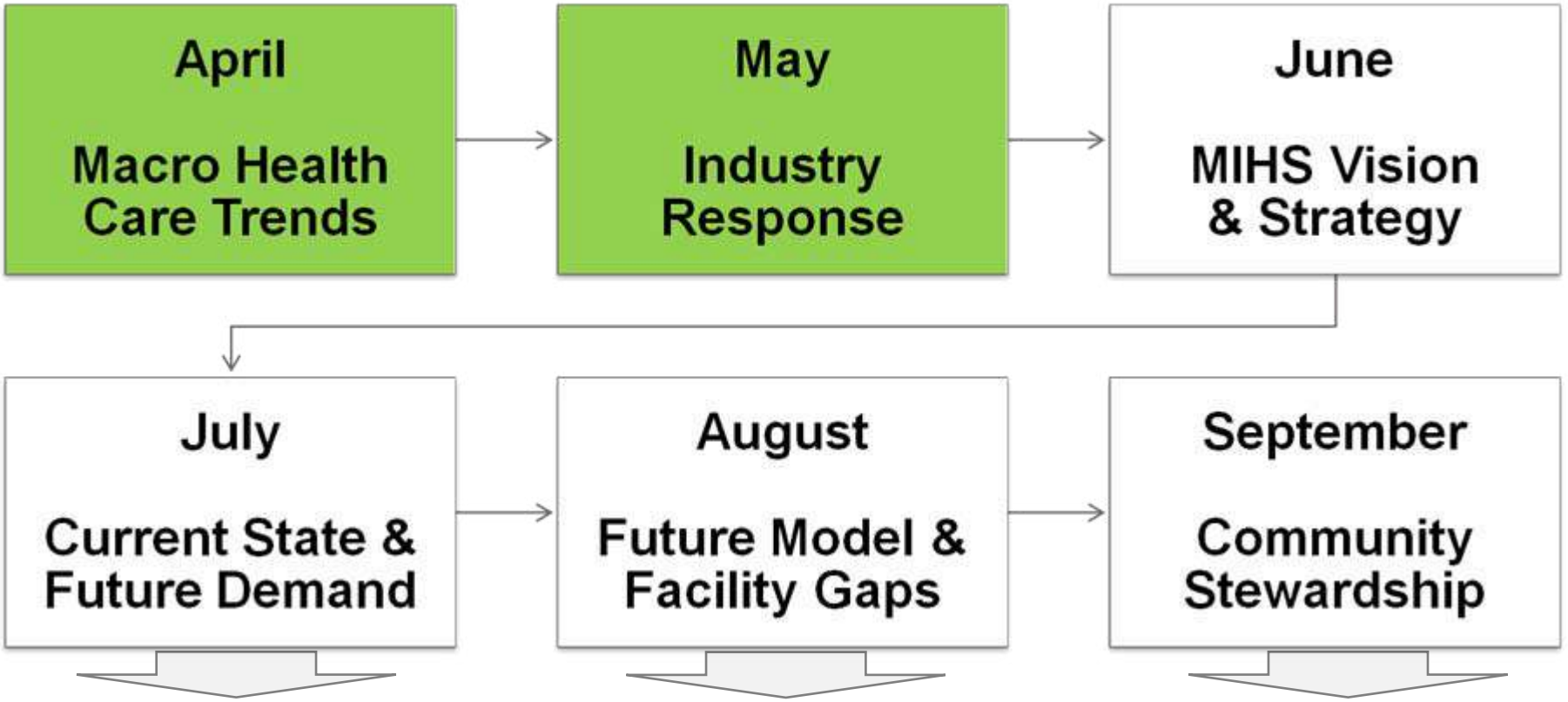
What Will Be **Meaningfully Different** About MIHS that Keeps Our Mission Relevant?

What **External Forces** Will Shape Our Ability to Deliver Sustainable Value?

What **Barriers to Success** (Threats and Weaknesses) Must Be Overcome?

NAVVIS™ & HEALTHWAYS

Planning Reports

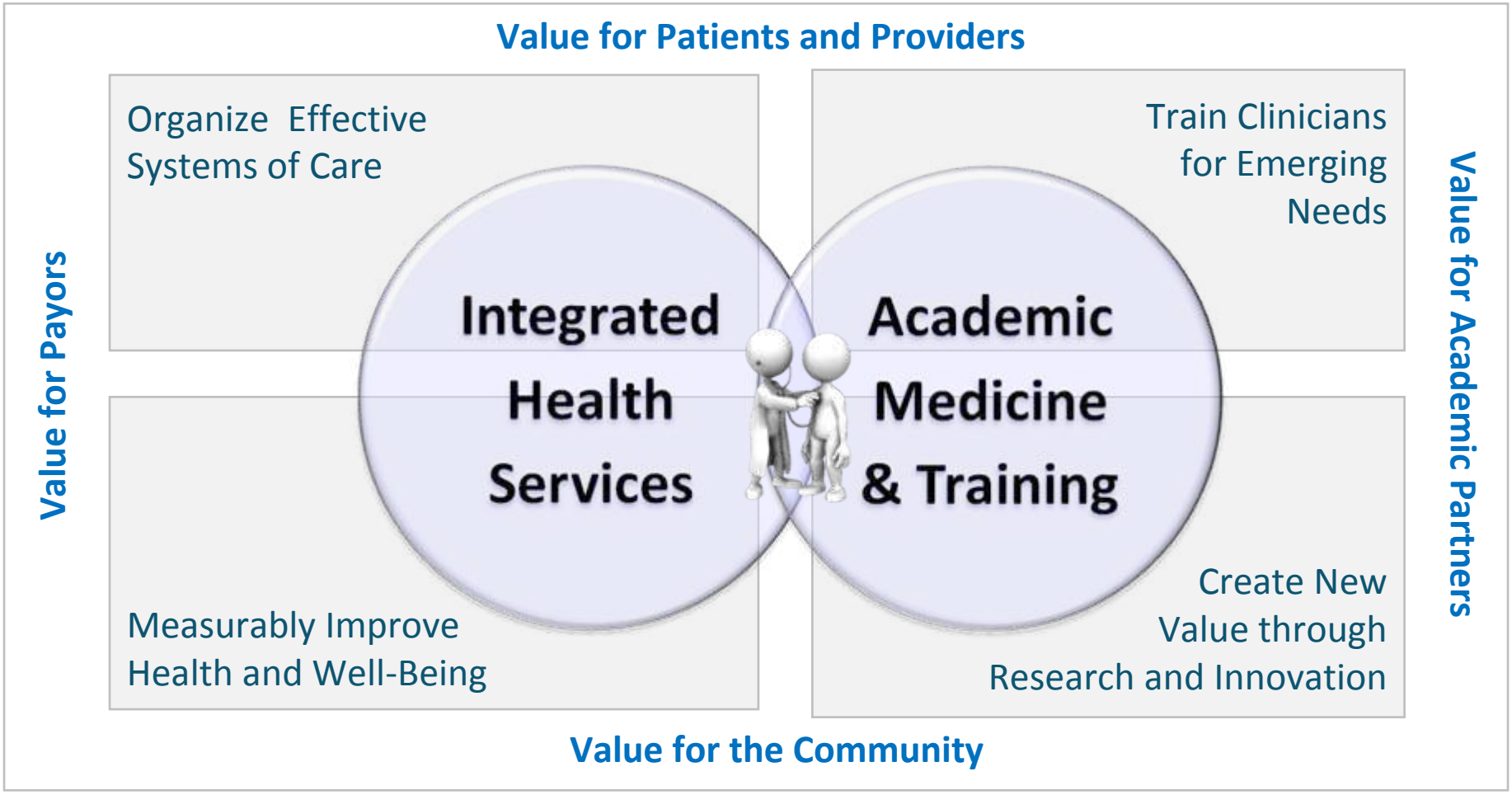


Kurt Salmon – Facility Assessments
Navvis – Demand Forecasts

Navvis – Care Model Needs
Kurt Salmon – Current Facility Gaps

Navvis – Financial Pro Forma
Kurt Salmon – Facility Cost Analysis

Vision and Value Proposition



NAVVIS & HEALTHWAYS

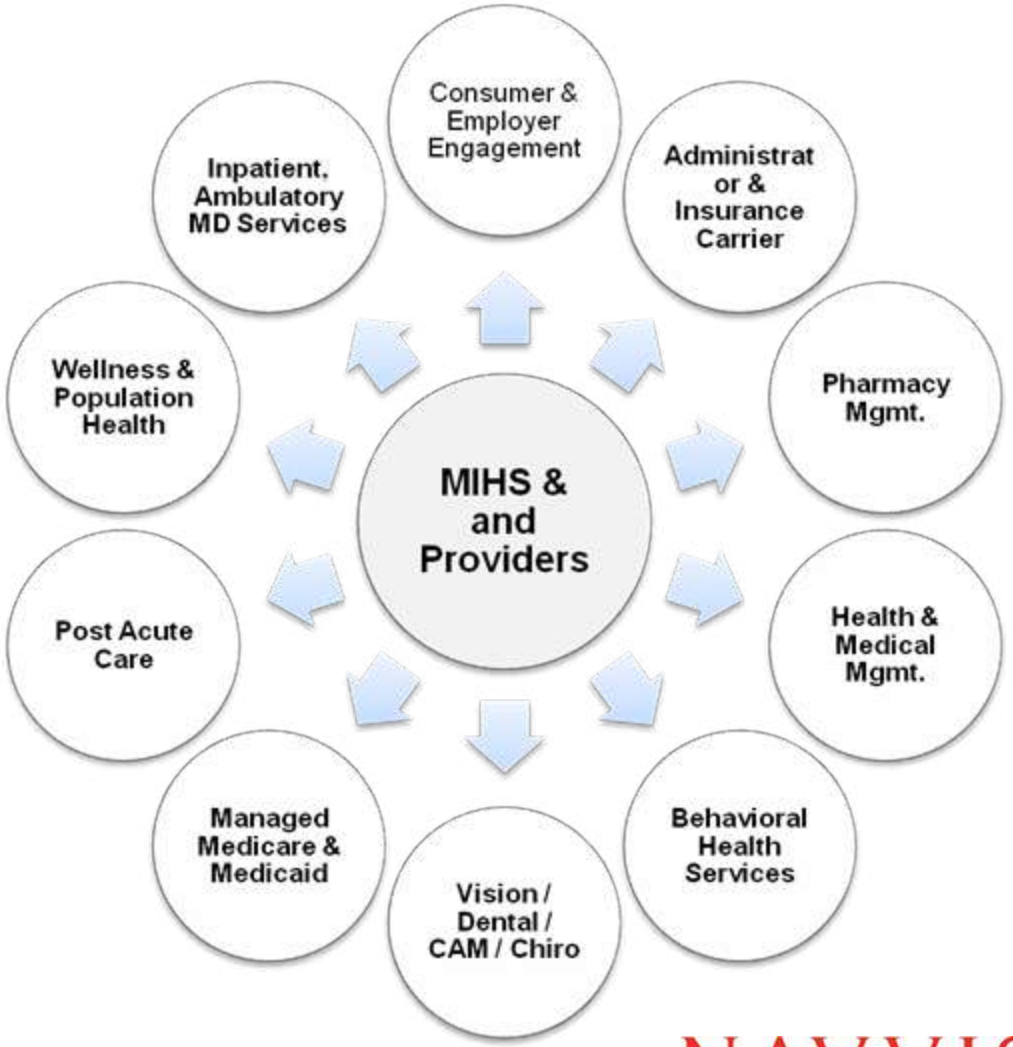
Summary Strategic Imperatives

Summary of MIHS Strategy Imperatives as Reviewed by the Board in May

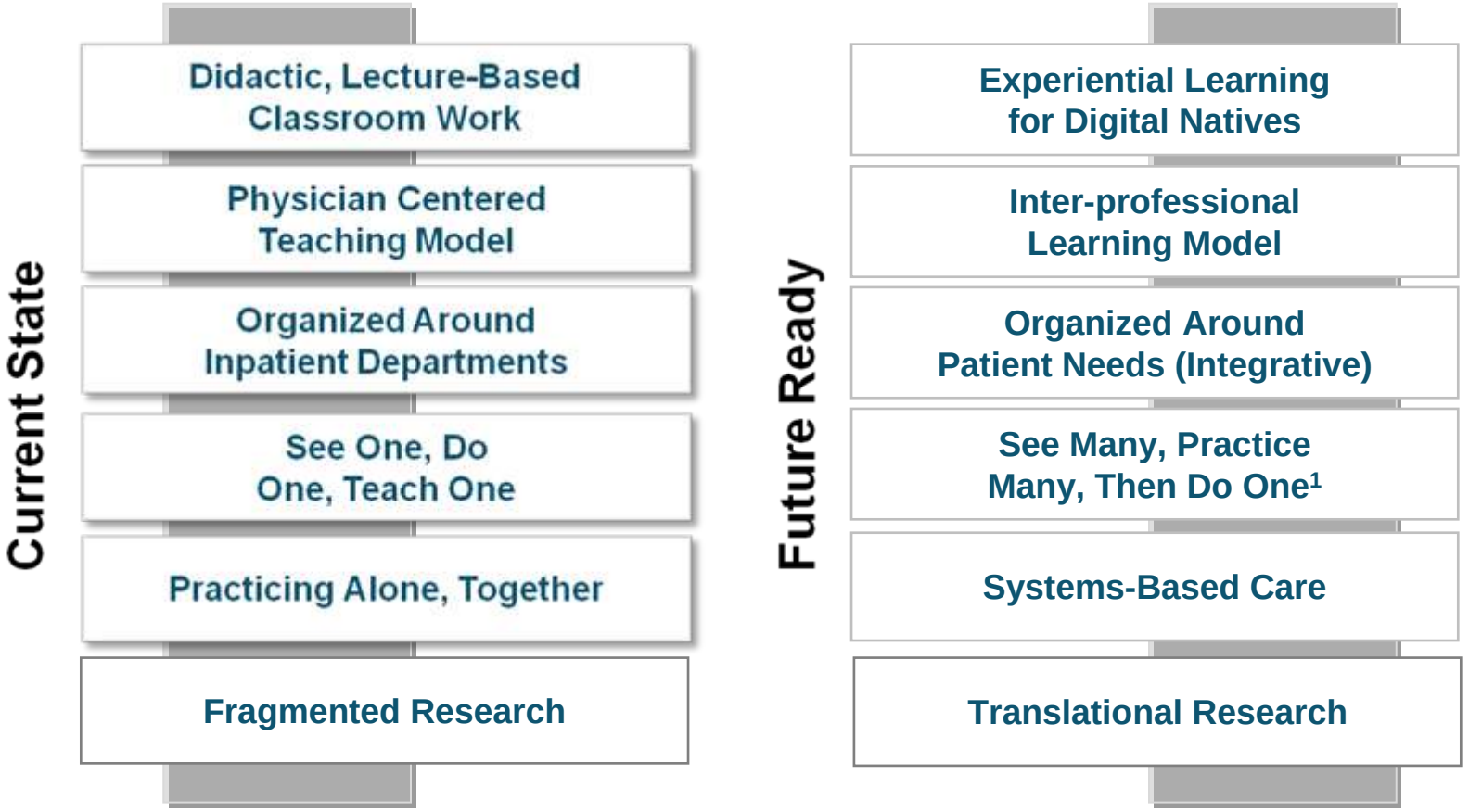
NAVVIS & HEALTHWAYS

Vision for a Integrated Care

- One-to-many model of partnership in the context of clinically integrated networks
- Focus on partners who can cost efficiently deliver services in a risk-based accountable care model
- Adopt a common participation agreement for entities in the network; multiple alignment models at the enterprise level
- Maintain independent entity governance model / shared network governance council



Vision for Academic Medicine



[1] After meeting benchmarked proficiency standards

NAVVIS & HEALTHWAYS

Gaps to Be Filled (Barriers to Success)

Access to Strategic Capital

- Can MIHS fund its strategies and operations if/when the Arizona Safety Net Provider Fund and Maricopa County tax levy authority sunset?

A Strong Brand

- When given a choice in 2014 to go elsewhere for care, will MIHS' core patient base abandon the brand for alternative choices?

Greater Scale in the Market / Population Health

- Can MIHS aggregate enough lives to deploy a system of care and spread risks and costs over a defined population managed in a risk based contract?

Academic Affiliation

- Should MIHS structure an affiliation with a medical school to maintain and enhance its residencies, workforce training, and research programs?

NAVVIS & HEALTHWAYS

The Desired Destination

Maricopa County Special Health Care District

Bond Advisory Committee Meeting

June 10, 2013

Item 3.

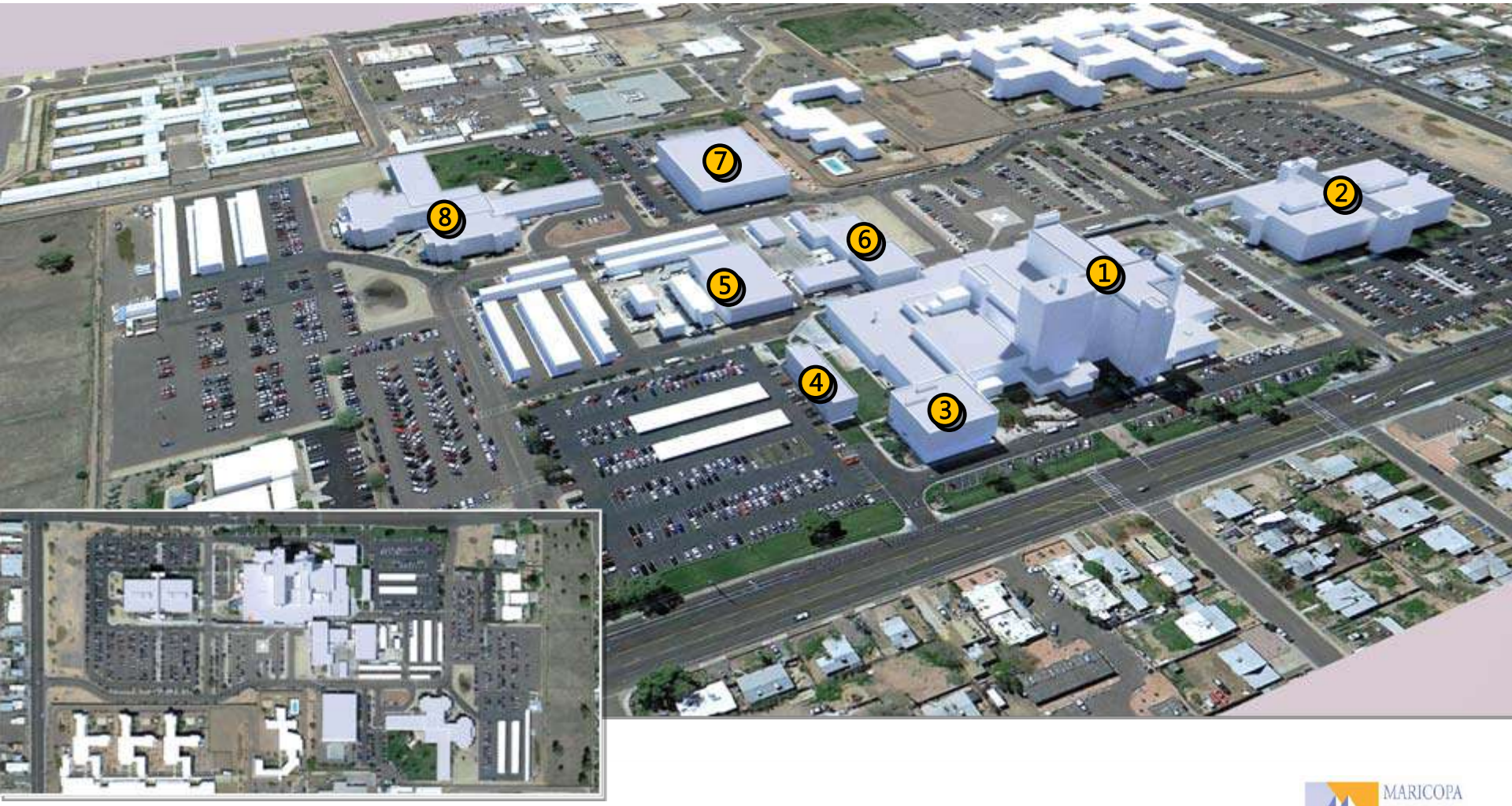
Preliminary Facility Implications

The proposed strategic direction, reviewed by the Board, could have a significant impact on future facility requirements

1. Developing a clinically integrated network implies potential facility investment beyond traditional acute care facilities
2. Improving access to the community implies an extension of the existing ambulatory platform, and potentially the development of new/different access points
3. Building a "brand" that is more quality and service-oriented could require greater levels of investment in the ambience/feel associated with MIHS facilities
4. Shifting to systems-based care, organizing around patient needs, and embracing new models of teaching and clinical research, could all require a major rethink of optimal layouts and adjacencies within future facilities

Facility Implications: Future Capital Needs

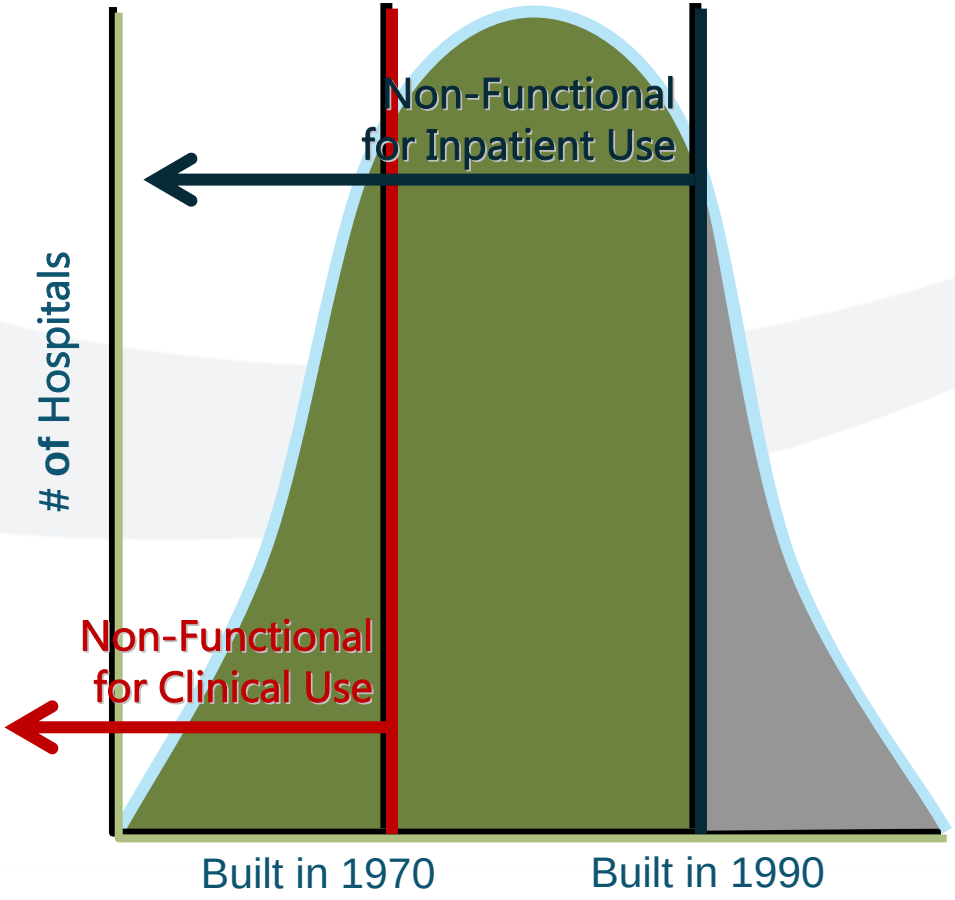
1 Main Tower	1970	**3** Administration	1996	**5** Power Plant	1970	**7** 2611 Warehouse	1995
2 Comp. Healthcare Center (CHC)	1994	**4** Hogan Building	1989	**6** Laundry/Maintenance	1970	**8** 2619 Building	1975



MARICOPA INTEGRATED HEALTH SYSTEM

Facility Implications: Future Capital Needs

By 2020, more than 2/3rds of MIHS existing clinical facility capacity on-site will be 30+ years old, and of diminishing use based on contemporary standards

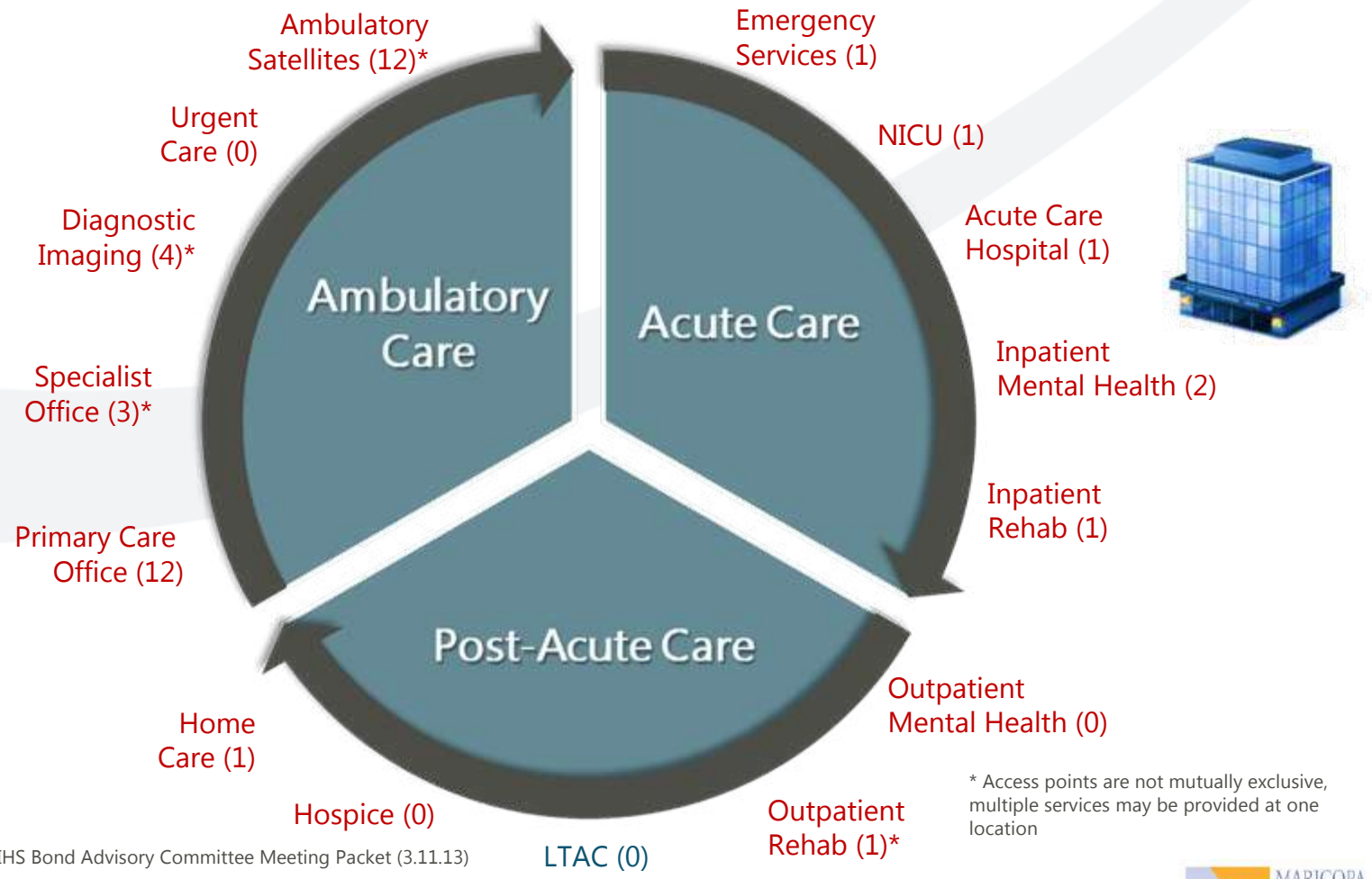


- Hospitals built before 1990 will be unable to accommodate the equipment and systems advancements of the past decade
- Construction costs are approaching $2M per bed; higher on West Coast and many urban markets
- Retrofitting existing hospitals to meet current codes and requirements becoming increasingly expensive
  - In some cases, "gut and renovate" is almost as expensive as "new build"

MARICOPA INTEGRATED HEALTH SYSTEM

Facility Implications: Future Capital Needs

- Investments in upgrading existing facilities must be balanced against the need to invest in other physical assets along the care continuum



* Access points are not mutually exclusive, multiple services may be provided at one location

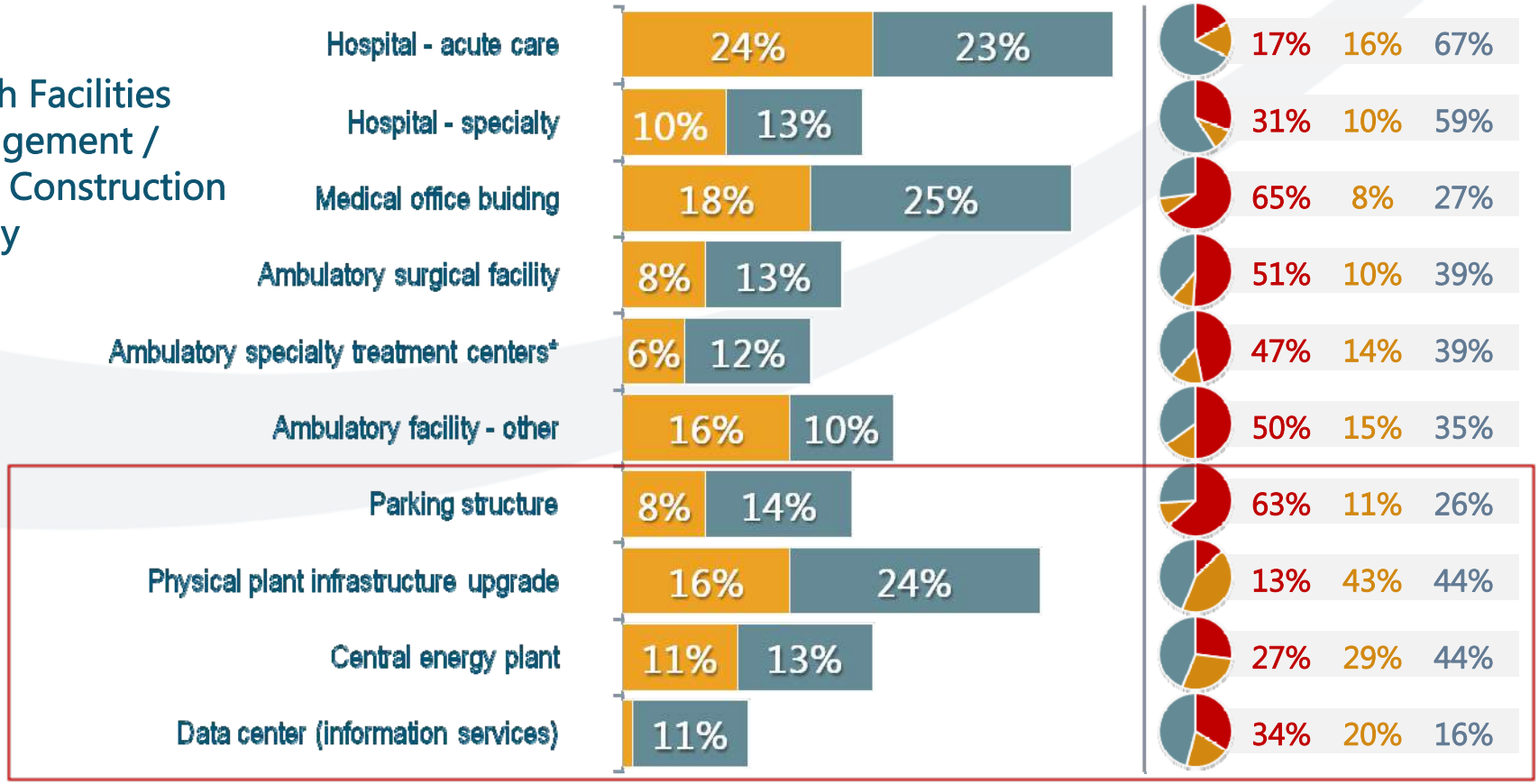
Sources: MIHS Website; MIHS Bond Advisory Committee Meeting Packet (3.11.13)

MARICOPA INTEGRATED HEALTH SYSTEM

Facility Implications: Future Capital Needs

» Investments in core infrastructure are often rate-limiting steps that must be completed before facility development can be initiated

2012 Health Facilities Management / ASHE Construction Survey



Project time frame: Currently under construction; Planned in the next three years

Construction Type for facilities projects that are under construction or planned for construction in the next three years: New; Replacement; Expansion/Renovation

Facility Implications: Future Capital Needs

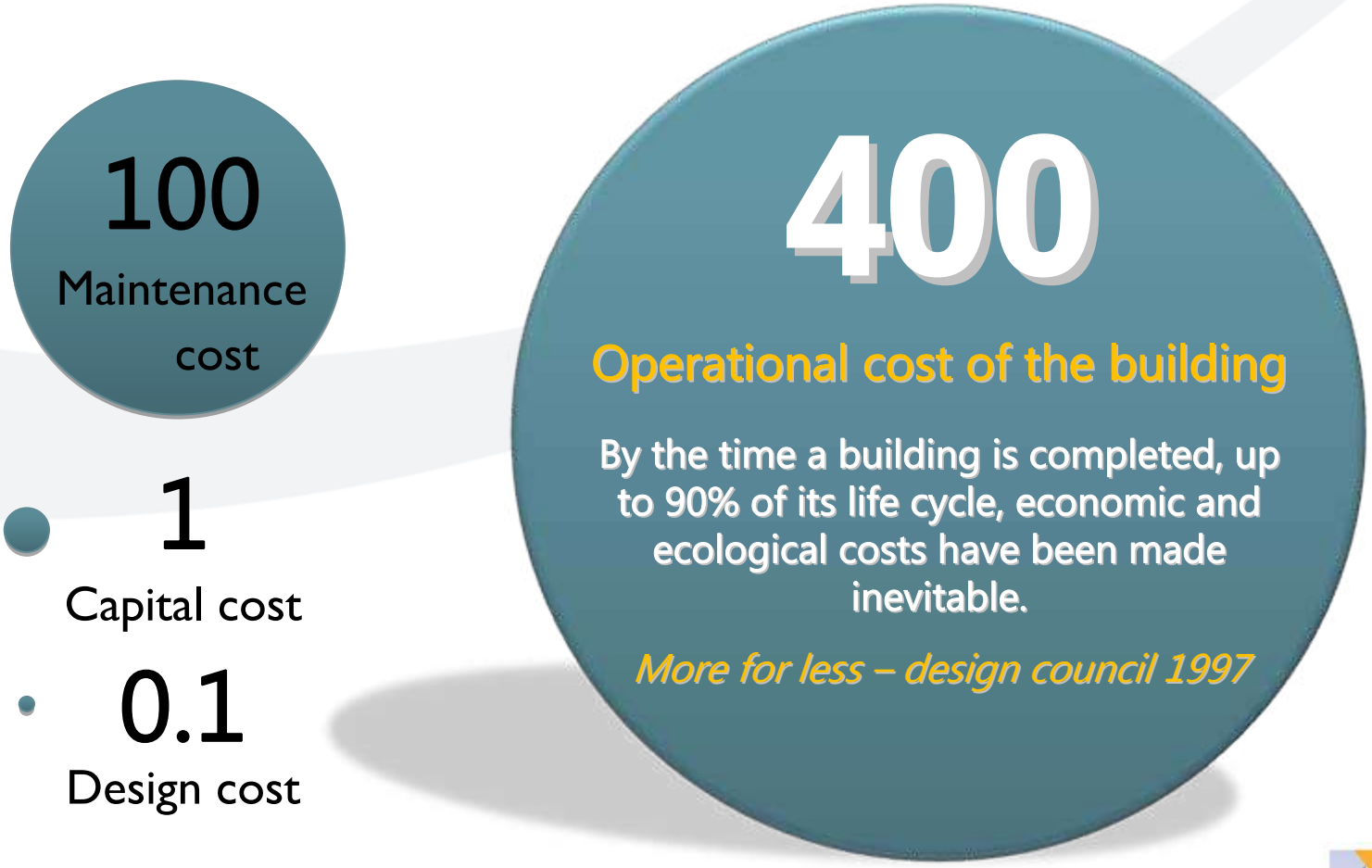
- The economic realities of non-facility related investments (e.g., expansion of the medical staff, IT systems) impacts availability of capital for facility development

1. Typical healthcare information technology investments are outpacing facility investments (typically well over $100M)
   - Integrated next generation HIT platforms
   - ICD-10
   - Telemedicine
   - Real-time feeds from bio-medical equipment
   - Automation: lab, pharmacy, supply chain
2. "Arms race" for new technologies expected to cost tens of millions of dollars by 2020
   - New medical devices; continuous imaging and surgical upgrades
   - Robotics and miniaturization
   - Remote monitoring/ telemedicine
3. Average annual operating loss per employed physician (national data) between $50K and $100K

MARICOPA INTEGRATED HEALTH SYSTEM

Facility Implications: Future Capital Needs

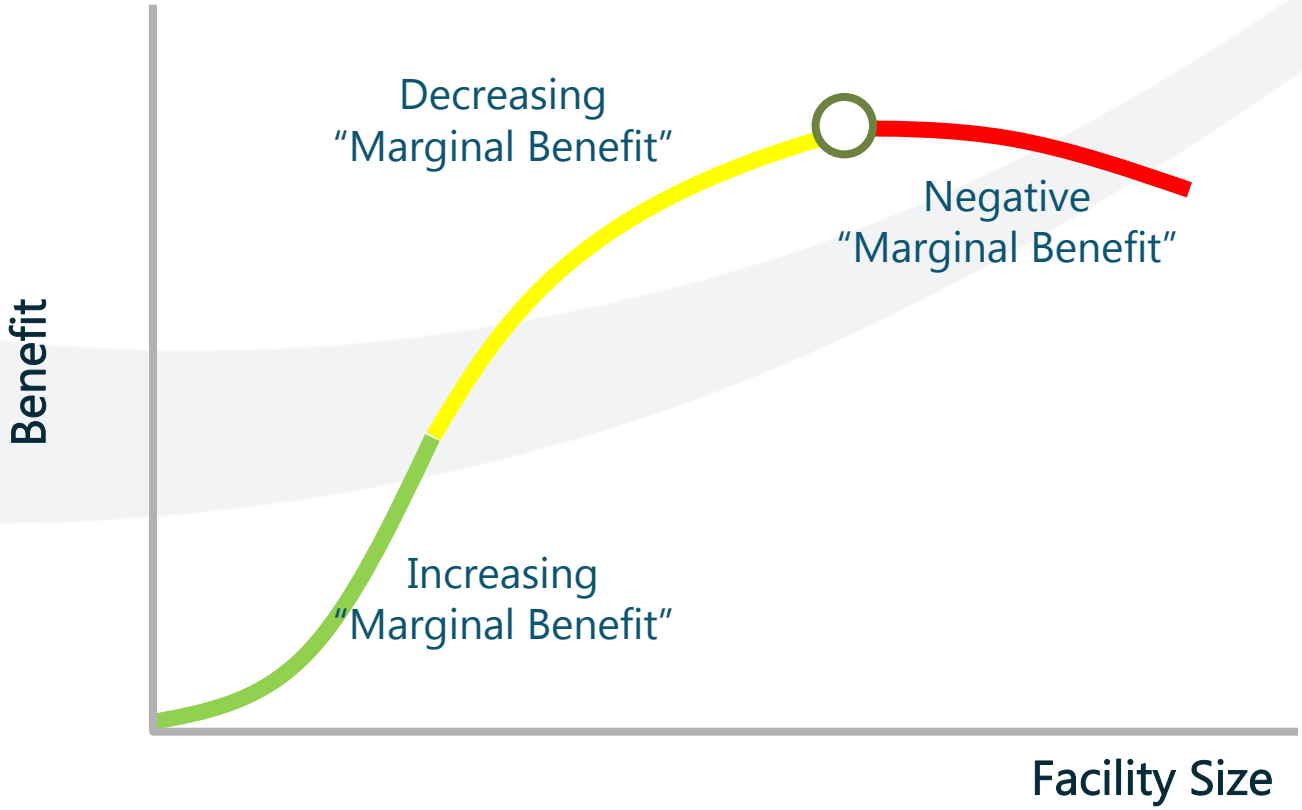
- Ultimately, the cost of designing and building any new facility is a fraction of the lifetime costs of maintaining and operating it



MARICOPA INTEGRATED HEALTH SYSTEM

Facility Implications: Considerations for MIHS

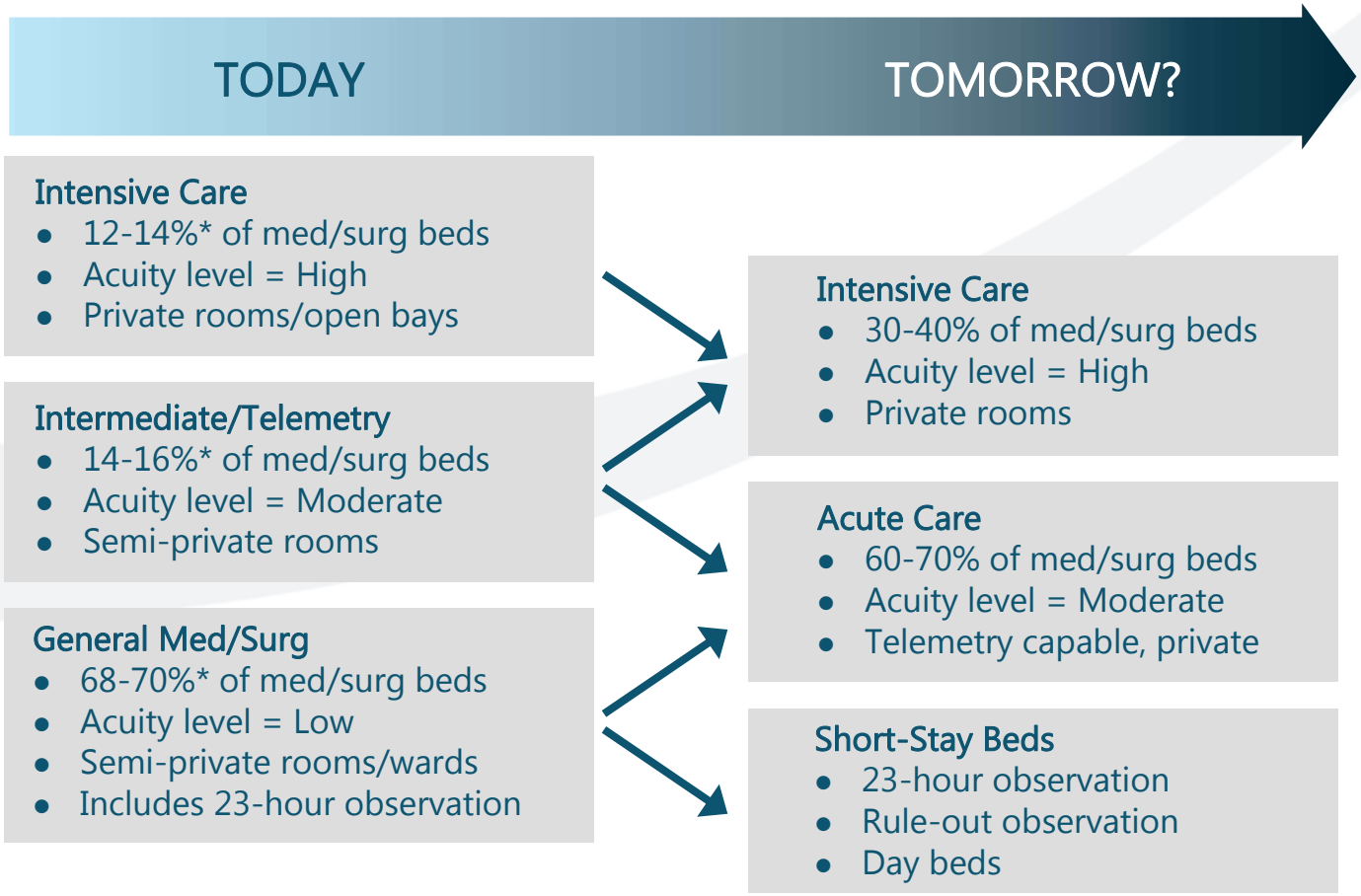
- MIHS may need a smaller/different inpatient platform



MARICOPA INTEGRATED HEALTH SYSTEM

Facility Implications: Considerations for MIHS

» MIHS may need a different mix of beds



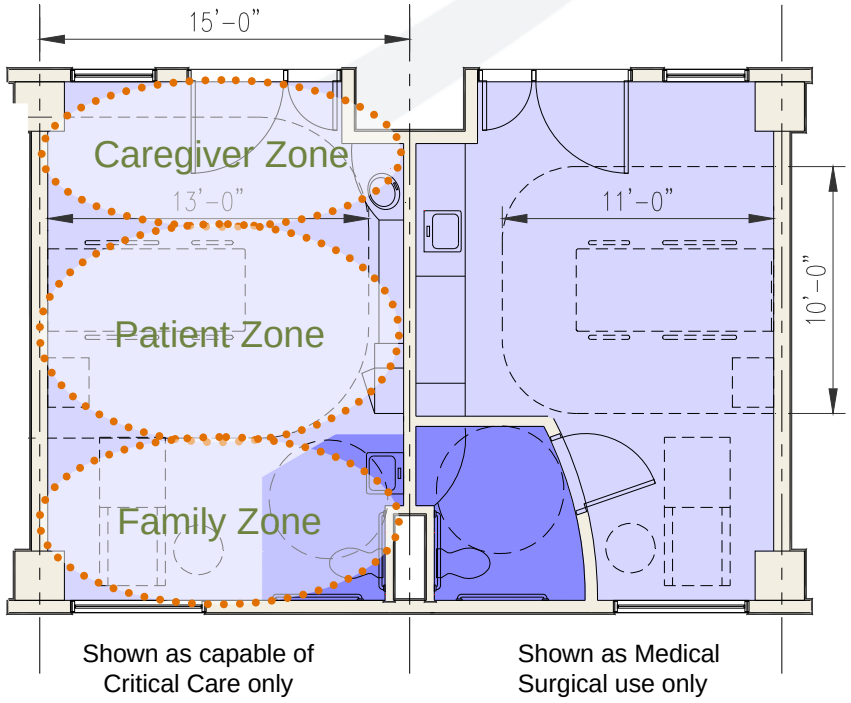
*Percentages are estimates and have not been verified by MIHS

MARICOPA INTEGRATED HEALTH SYSTEM

Facility Implications: Considerations for MIHS

MIHS may need different room configurations:

- »Standardize spaces to improve efficiency and safety
- »Staff-oriented space conducive to flexible staffing models
- »Coordination of like services
  - e.g., Interventional platforms
- »Bring information and materials to staff
  - Spaces will be larger and level of decentralization will be greater
  - Reduce steps and distances
- »Faster turn-times/throughput



*Percentages are estimates and have not been verified by MIHS

MARICOPA INTEGRATED HEALTH SYSTEM

Facility Implications: Considerations for MIHS

- MIHS may need to rethink how it delivers ambulatory care

Traditional

THERAPY & TREATMENT
(e.g. amb surg, procedures)

DIAGNOSTICS
(e.g. lab, imaging)

SPECIALTY CARE
(e.g. specialty clinics)

PRIMARY CARE

low — **Patient complexity** — high

Future

"diffuse"

MOB

THERAPY & TREATMENT

DIAGNOSTICS

SPECIALTY CARE

PRIMARY CARE

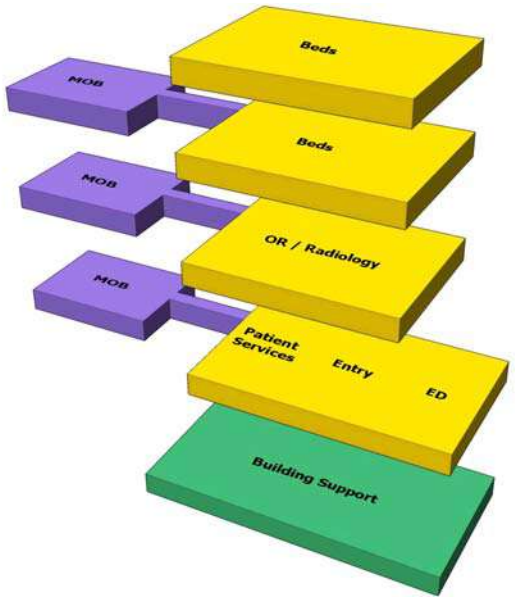
low — **Patient complexity** — high

MARICOPA INTEGRATED HEALTH SYSTEM

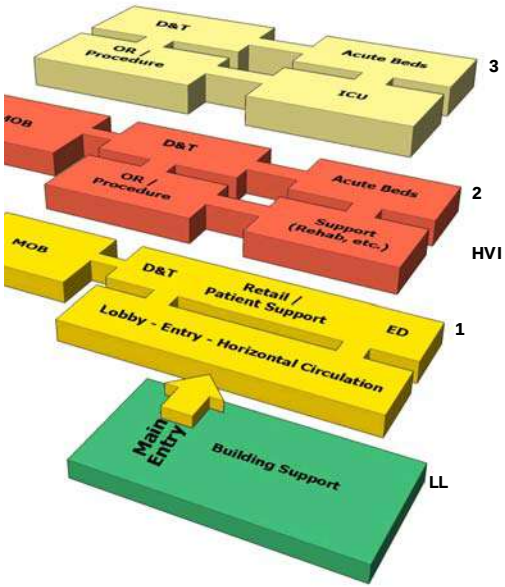
Facility Implications: Considerations for MIHS

- MIHS may need to stack and lay out components within its facility differently

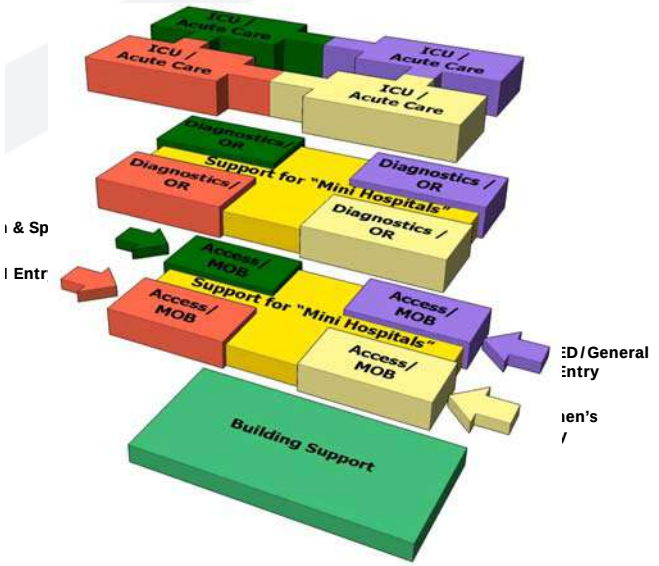
Functional



Hybrid



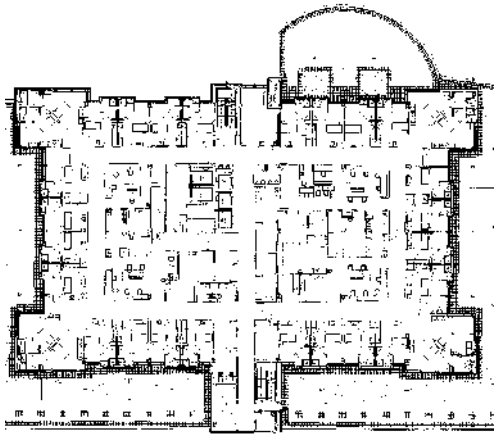
Programmatic

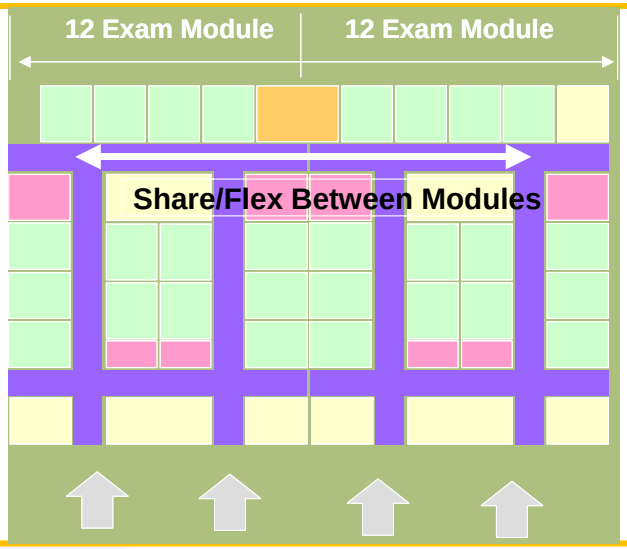


Facility Implications: Considerations for MIHS

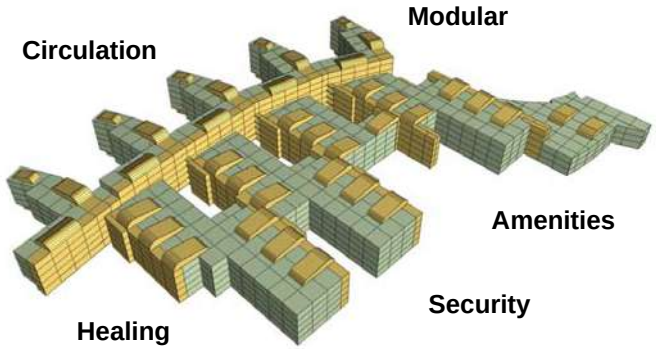
» MIHS may need to make future facility development more flexible and adaptable

UNITS ADJUSTABLE OVER TIME





MODULAR, ZONED DEVELOPMENT



- **Expansion/ Contraction Flexibility** Modularity, shelled spaces, surge capacity
- **Operational Flexibility** Space supports new operations/ new technology, blurring of traditional departmental boundaries
- **Safety and Security** Infection control, terrorism, secured parking and entrances

MARICOPA INTEGRATED HEALTH SYSTEM

Facility Implications: Considerations for MIHS

Eliminate everything "unjustified"	Optimize existing capacity	Focus on high priority elements	Don't use capital solutions for operational problems
» Excessive room sizes » Largest common-denominator planning » Under-utilized space » Inefficient space » Excess dedicated or customized capacity » Excessive grossing factors	» Tighten throughput assumptions » Shorten planning horizon; more phasing » Increase cross-departmental sharing » Triple check for unrealistic volume basis	» Force rank all project elements for inclusion – or not, in the program » Consider out-sourcing, closure or downsizing non-core services	» Seek operational solutions first » Use incremental capacity to fund subsequent phases » Reuse existing facilities where possible » Anticipate merger or 'system' solutions

MARICOPA INTEGRATED HEALTH SYSTEM

Maricopa County Special Health Care District

Bond Advisory Committee Meeting

June 10, 2013

Item 4.

Next Steps

1. Incorporate Bond Advisory Committee input into the next meeting document
2. Present the Facility Condition and Function Assessment
3. Continue to align with the progress of the strategic planning engagement

MARICOPA INTEGRATED HEALTH SYSTEM

Maricopa County Special Health Care District

Bond Advisory Committee Meeting

June 10, 2013

Item 5.

Maricopa County Special Health Care District
Board of Directors Bond Advisory Committee Meeting
Maricopa Medical Center
Auditoriums 3 and 4
May 13, 2013
2:30 p.m.

DRAFT

Voting Members Present:	Bill Post, Chairman Lattie Coor, Ph.D., Vice Chairman Tony Astorga Kote Chundu, M.D. Frank Fairbanks Nita Francis Merwin Grant Doug Hirano Diane McCarthy Terence McMahon, Ex-officio, Director, District 5 Rick Naimark – *arrived 3:06 p.m. - left 3:59 p.m.* Ted Williams
Absent:	Paul Charlton Joey Ridenour Brian Spicker
Others/Guest Presenters:	Michael Eaton, Navvis & Healthways Farzan Bharucha, Kurt Salmon Jared Averbuch, Kurt Salmon
Recorded by:	Melanie Talbot, MIHS, Executive Director of Board Operations

Call to Order

Chairman Post called the meeting to order at 2:33 p.m.

Chairman Post announced that Dr. Len Kirschner was unable to attend today's meeting or the first two meetings. Due to the time commitment required, he has resigned.

Call to the Public

Chairman Post called for public comment. There were no comments.

Roll Call

Ms. Talbot called roll. Following roll call, it was noted that ten of the fourteen voting members of the Maricopa County Special Health Care District Bond Advisory Committee were present, which represents a quorum. Mr. Naimark arrived after roll call.

General Session Presentation, Discussion and Action:

1. Discuss Bond Advisory Committee's Project Process, Deliverables and Timeline for Development of Recommendation for District Board of Directors

Mr. Bharucha stated his presentation would focus on the overall process and trends relating to MIHS; how some of the outputs and deliverables from the Committee will look and what the Committee can expect to see over the coming months. His intent is to ensure the Committee is comfortable with some of the due diligence and analytics that are going into the process. There is also a strategic planning process, at the executive leadership level, reporting directly to the Board. He wants to ensure that as decisions at the Board level are made, that they are being reported to the Committee, so it is informed when making decisions about facility development. The strategic planning effort is being led by another consulting firm, Navvis.

Mr. Bharucha reviewed what would be presented to the Board of Directors, as a minimum, as final deliverables:

> An assessment of all current MIHS facilities, encompassing a detailed Facility Condition and Functionality Assessment
>
> Understanding of the facility implications as they relate to the high-level strategic direction laid out in the ongoing strategic planning process
>
> Projections of future space needs that support the long-term needs of the institution's strategic direction
>
> A comprehensive facility recommendation, and associated estimated capital costs
>
> Outline of next steps, including communication and financing options

Mr. Fairbanks asked if the financial analysis would be on the basis of need and who would be doing the analysis. He believed there would be more need than capacity.

Mr. Bharucha stated the supply and demand scenarios will come out of the strategic process that Navvis is undertaking. Those items will be reviewed with the Board on a regular basis and the outputs of the Board's decisions will come back to the Committee.

Chairman Post asked if there would be a priority scale as to the least and most critical issues, and questioned what the mechanism would be used.

Mr. Bharucha stated a priority scale will be brought to the Committee to help it evaluate options and make decisions.

Mr. Bharucha reviewed the Facility Condition Evaluation Scoring. All buildings were toured and evaluated based on function, ADA requirements, electrical and mechanical systems, etc. The various data elements will be coded and benchmarks and ranges will be associated to each, depending on the functions that occur in each area. The idea is to establish a starting point for quantitative assessment of the abilities of the facilities to support their activity

Mr. Bharucha presented Illustrative Deliverables. This included a color-coded macro level view of the entire building as a color; more detailed breakdowns across various functions and department volumes, along with the ability of the facility to support the volumes of activity through the next 5 or 10 years. This information will start to be combined with the work being done by Navvis to identify capacity levels.

Mr. Fairbanks asked if alternate methods of delivery would be considered at outside facilities.

Mr. Farzan replied that they would be.

General Session Presentation, Discussion and Action (cont.):

1. Discuss Bond Advisory Committee's Project Process, Deliverables and Timeline for Development of Recommendation for District Board of Directors (cont.):

Mr. Williams commented that some things may need to be done in-house, at a higher cost, due to the fact MIHS is a teaching facility.

Mr. Bharucha confirmed that the academic nature of the facility is being considered in the strategic engagement, along with many other things.

Chairman Post asked how the priorities would be looped back into the strategic planning process.

Mr. Bharucha stated the priorities will be relayed from the Board to the Committee and that once a baseline is completed it will be the Committee's job to understand them and translate them into financial priorities.

Mr. Bharucha explained that the Committee will begin to see that dollars can be tied up in many areas like entrances, roads, parking, etc., not just the buildings themselves. Each project identified will become line items and have a capital dollar amount associated to them.

Mr. Averbuch reviewed the future timeline and the components for upcoming meetings. He pointed out it is important to align the process that Kurt Salmon is handling along with the strategic planning process conducted by Navvis. In June, July and August, the Committee will see the facility condition assessment. Mr. Eaton from Navvis will walk through outputs coming out of the strategic plan. In August, facility sizing and high-level capital requirements will be considered.

Chairman Post asked for more details on the communication to the community and what date Mr. Averbuch was referring to as an election date.

Mr. Bharucha stated he believed this would be November, 2014 and Ms. Bayless verified this was correct.

Chairman Post asked Ms. Bayless if the items associated with the filing for the election was a separate process and not part of the Committee's process. Ms. Bayless verified that it was separate and she would keep the Committee apprised of it once it was developed.

Chairman Post asked if the political side of the health care exchange would be taken into consideration as it relates to the election piece.

Mr. Bharucha stated the Board, Committee and MIHS would need to go out into the community in order to educate them.

Ms. Bayless stated there are going to be many changes and all of them will need to be taken into consideration.

Chairman Post pointed out that this may be a larger communication challenge than just selling a bond election.

Ms. Francis added that the Committee represents a group of varying interests within the community and networks into the communities. It will be important for the Committee to present a unified voice as to the importance of the bond election as well as the Affordable Care Act. This needs to be done in the most efficient and cost-effective way.

Chairman Post agreed with Ms. Francis and reiterated there needs to be an emphasis on communications.

General Session Presentation, Discussion and Action (cont.):

1. Discuss Bond Advisory Committee's Project Process, Deliverables and Timeline for Development of Recommendation for District Board of Directors (cont.):

Mr. Eaton reviewed the integration of the Committee's process with the strategic plan. He stated they are responsible for three major tasks which should be completed by August, 2013:

1. Define, refine and affirm what will make the MIHS organization meaningful, different and impactful in the future.
2. Clinical network development – determine what the strategic need is in the community.
3. Develop a strategic financial plan to support the mission.

Mr. Eaton stated that ultimately, it is about balancing demand with limited resources. He advised that staff is almost done with the first piece of the strategic plan and will be meeting with the Board to review it.

Chairman Post asked how much of Stage 2 was historically based and demand based.

Mr. Eaton stated the measure of success is based on the number of lives that are managed. It is based on both what has been in the past and what will be in the future. The models will cover both of these bases.

Dr. Chundu pointed out there are other benefits to the community in terms of educational programs for doctors, nurses, etc. Another benefit is the clinical research. MIHS publishes about 50 peer review papers every year, not only regarding trauma and burn but in other areas as well.

Mr. Eaton stated that this is demonstrated in the presentation in terms of:
1. Considering the total number of patients to support residency programs
2. Research
3. Workforce Development

Dr. Chundu stated he would like to something in terms of facility development for educational programs and not just clinical.

Mr. Fairbanks agreed wholeheartedly with Dr. Chundu's sentiments.

Chairman Post asked if strategic alliances will be looked at and Mr. Eaton advised they would.

Mr. Averbuch discussed the proposed Committee meeting agendas and timelines based on the strategic planning process. He also reviewed the Guiding Principles areas:

Ensure any and all capital asset recommendations will be fiscally responsible, and represent the best interests of the residents of Maricopa County

Advise facility and capital solutions that enable the strategic direction as laid out by leadership, and approved by the Board of Directors

Deliver facility recommendations that enable high quality, patient-centered care

Consider all potential benefits and risks associated with any recommendation

Consider solutions which position the institution to be successful in a new paradigm based on the tenets of healthcare reform

Mr. Grant suggested adding an additional guiding principle regarding public education.

Mr. Fairbanks expressed his concern that the assets are flexible, creative and collaborative to accommodate ever-changing situations over the next 5 to 10 years.

General Session Presentation, Discussion and Action (cont.):

1. Discuss Bond Advisory Committee's Project Process, Deliverables and Timeline for Development of Recommendation for District Board of Directors (cont.):

Mr. Hirano asked if accessibility, especially as geography is concerned, is included as a strategic direction.

Mr. Averbuch advised that this does fall into the facility discussion part of the plan.

Mr. Astorga agreed that accessibility was important as well as brand awareness, image enhancement, leadership and credibility. He believes it all culminates in messaging with those messages being very different for various communities.

Mr. Williams stated it will be important to have a sense of the strategic plan and that an important piece of that will be what happens with Medicaid expansion. Once individuals have a clear sense of what insurance options they have, they may elect to go somewhere else. It will be important to know how to capture that population, if this is the case.

Chairman Post suggested adding the concept of balance against cost and service to the guiding principle of fiscal responsibility.

Mr. Naimark stated he believes the sustainability of the assets is important in terms of meeting the current needs and being changeable for future needs. He also questioned the wording "tenets of healthcare reform" in guiding principle #5. He believes the statement is very broad and was not quite sure what it included. He believes it needs to be worded very carefully.

Mr. Astorga commented that the issue might be more appropriately classified as the "challenges of healthcare reform".

Mr. Averbuch moved on to another issue of reimbursement. He stated the fee for service world may change and the issue may be how to manage more patient lives as MIHS moves forward.

Mr. Naimark suggested it might be better to say "the changing healthcare environment" or something similar that is more broad and less specific to a piece of legislation or MIHS.

2. Discuss and Review System Responses to Macro Market Changes

Mr. Eaton reviewed three areas as they relate to system responses to macro market changes. The first area was "The Shift form Health Care to Health: Rethinking the Business We Are In". The points covered include: More physicians are involved in patient care without one person having total accountability for care; Diminishing returns on quality – more dollars are being invested in the system with less return; and Unsustainable rise in cost.

Mr. Eaton moved on to the second area related to system response to macro market changes – "Future Ready Clinical Enterprise: The Network Model of Care".

There are four strategy imperatives that systems must pursue to survive transition through the Affordable Care Act: Transform the business model to both deliver superior medical care and manage population health outcomes and cost; Build a strong brand to compete regionally and nationally for patients, talent and resources; Build reliable systems of care that are safe, timely, effective, efficient, equitable, and patient-centered; and Align hospital – physician incentives and develop effective physician leaders across the enterprise.

Most companies today function as a holding company with many pieces and parts. The value of the whole is no greater than the sum of the parts and in many cases, is less than the sum of the parts because of inefficiencies inherent within. The task will be to create new value by integrating differently.

General Session Presentation, Discussion and Action (cont.):

2. Discuss and Review System Responses to Macro Market Changes (cont.):

Mr. Eaton stated that the focus needs to shift from being campus and building focused to mobile and engaged; from incremental growth to creating new segments and to managing populations, not just focusing on episodes of care.

Mr. Eaton stated the core element will be to re-think how people are engaged. Today, most health systems focus on 15 to 20 percent of the population. MIHS is in a unique position to serve the whole of the population.

Mr. Eaton outlined four key challenges affecting clinical care and education that the Committee should consider when thinking about the future: Rapid clinical knowledge growth; Emerging, broader definition of health; Outdated clinical work rules; and Resistance to continual learning.

Mr. Eaton addressed the third item related to system response to macro market changes – "Emerging Model for Academic Medicine: Building Value Beyond the AMC." There are seven guiding principles:

Learning is competency based and embedded in the workplace.

All workers learn; all learners work.

Learning lined to patient needs is undertaken by individuals, teams, and institutions.

Learning activities are modular with multiple entry and exit points.

Learning is inter-professional, with shared facilities, common schedules and shared foundational coursework.

A rich information technology infrastructure supports the learning system.

Health outcomes and educational outcomes are directly linked.

Ms. McCarthy stated she believed the Committee must come up with more than just "academic" medicine.

Mr. Eaton stated the way to do that is to think of it as form following function and what it is that MIHS wants to achieve.

Chairman Post asked Mr. Eaton if he could spend some time next month speaking about "The Desired Destination" slide and the arrow in between where MIHS has been and where they want to go in the future.

3. Wrap Up, Next Steps and Future Agenda Items

Mr. Averbuch outlined the next steps: Apply feedback to guiding principles and come back with a finalized set; Continue working on facilities condition and functional assessments; and Continue to align with the strategic plan and report back.

4. Approve Bond Advisory Committee Meeting Minutes dated April 8, 2013

MOTION: Ms. Francis moved to approve the April 8, 2013 Bond Advisory Committee meeting Minutes. Mr. Williams seconded. **Motion passed by voice vote.**

Adjourn

MOTION: Mr. Williams moved to adjourn the May 13, 2013 Bond Advisory Committee Meeting. Ms. McCarthy seconded. **Motion passed by voice vote.**

Meeting adjourned at 4:14 p.m.

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Bill Post, Chair
Bond Advisory Committee