



August 9, 2012

Presiding Judge of the Superior Court  
Honorable Sherrill Ellsworth  
4050 Main Street  
Riverside, CA 92501

Subject: Response to 2011-12 Grand Jury Report: San Gorgonio Healthcare System

Honorable Sherrill Ellsworth:

Enclosed please find our response to the Riverside County Grand Jury's report dated June 19, 2012. This response was approved by our District's board of directors on August 7, 2012.

Please contact me if you have any questions.

Sincerely,

Mark Turner  
Chief Executive Officer

Enclosure

1. *In the event a new bond measure is pursued, at a minimum, the District must:*
  - *Review its goals, growth patterns, and predictions to see what expansion is necessary.*
  - *Pursue every avenue of possible funding before asking the voters to pass another bond measure.*
  - *Include verifiable estimates for the actual cost and scope of the project.*
  - *Ensure care is taken not to inflate the projection of the final product to be covered by the bond, when information is given to the public via public relations releases.*

**RESPONSE:** The recommendation has been implemented in part already but will not be fully implemented for about another year. Through our hospital's strategic planning process, we have reviewed goals, growth patterns and area demographics which confirm the need for this additional building. Plans are currently being reviewed by the Office of Statewide Healthcare Development and Planning (OSHPD) and we anticipate receiving OSHPD's approval by May, 2013. Every potential avenue for funding the project, other than tax payer support, will be pursued during this time frame. A decision to pursue a future bond measure will be considered once all other viable sources of funding have been identified.

2. *Hospital administration must disseminate patient satisfaction survey indicator results to staff and seek feedback on ways to improve patient's healthcare experience and to alleviate those issues that present problems. Solutions must take into account all aspects of hospital functioning, including the number and expertise of personnel and the equipment necessary to fulfill their duties.*

*The Hospital must continue to improve the current employee satisfaction survey, especially as it relates to patient concerns expressed in the HCAHPS survey.*

*The administration needs to provide an in-service training program to continually explore ways to improve staff-patient interactions, as studies have shown a strong staff-patient relationship is key to successful healing process.*

**RESPONSE:** The recommendation has been implemented in part through employee focus groups like the Customer Associate Satisfaction Team committee; use of the electronic employee suggestion box; and regular communications such as the monthly employee newsletter, monthly department meetings, monthly general staff meetings, quarterly Town Hall meetings, and the annual budgeting process. Employee survey results conducted recently will be shared with all employees by September 1, 2012 to acknowledge and address areas for improvement. Customer service training and process improvement in-service training for all employees is budgeted for implementation during the fiscal year ending June 30, 2013.

3. *Through the use of the Internet, brochures and/or other public relations tools, the System must make the public aware of the separation of the District and Hospital Boards' authorities, as well as how they work together. It is essential that a clear delineation must be made to show the public the powers, responsibilities, accountabilities, and finances of the two boards. The District and Hospital boards must ensure that neither the perception nor fact of possible comingling occurs, especially with finances.*

**RESPONSE:** The recommendation has not yet been implemented but will be implemented by December 31, 2012.

4. *Although legal for the CEO to be a voting member of the board, consideration must be given to the possibility of eliciting the CEO's expertise in a staff advisory capacity only. This would eliminate the appearance, to the public, of a conflict of interest.*

**RESPONSE:** The recommendation has been implemented. The Hospital board amended its Bylaws so that the CEO is no longer a member of the San Gorgonio Memorial Hospital governing board as a voting member at its June 5, 2012 board meeting, prior to the issuance of the Grand Jury report. The CEO participates in Hospital board meetings in an advisory capacity only.

5. *In the interest of transparency, the District must account for all tax revenues on a line-item basis, allowing the taxpayers to follow the revenue and identify the appropriate expenditure of funds. Tax receipts and expenditures should be published in print and posted on-line, making them easily available to taxpayers. They must be audited separately from other revenue and expenditure streams.*

**RESPONSE:** The recommendation will be implemented by November 30, 2012. The Healthcare System's external auditor will separately audit all tax revenues and related expenditures beginning for the fiscal year ending June 30, 2012, and the Healthcare System will report in the audited financial statements or other public document all distinct tax revenues and related expenditures in sufficient detail to allow the public to understand the nature, amount, and use of each distinct tax source.