

**BOARD OF DIRECTORS MEETING
HOSPITAL REDWOODS ROOM
THURSDAY, FEBRUARY 23, 2017
MINUTES**

The Board of Directors of the Mendocino Coast Health Care District met in CLOSED session at 4:00 pm in the Hospital Redwoods Room, Steve Lund, Chair presiding

PRESENT: Mr. Lund, Dr. Glusker, Ms. Bruning, Dr. Miller, Dr. Campos

Mr. John Ruprecht, Legal Counsel
Mr. Bob Edwards, CEO
Mr. Wade Sturgeon, CFO
Gayl Moon, Executive Assistant

ABSENT: None

1. CALL TO ORDER:

OPEN Session of the Board of Directors of the Mendocino Coast Health Care District convened at 6:00 p.m. in the Redwoods Room, Mr. Steve Lund presiding.

2. ROLL CALL:

PRESENT: Mr. Steve Lund, Dr. Peter Glusker, Ms. Kathleen Bruning, Dr. Kevin Miller, Dr. Luke Campos
Board Members

BOARD MEMBERS ABSENT: None

ALSO PRESENT:

Mr. John Ruprecht, Legal Counsel
Mr. Bob Edwards, Chief Executive Officer
Mr. Wade Sturgeon, Chief Financial Officer
Ms. Gayl Moon, Executive Assistant

3. CLOSED SESSION MATTERS:

The Board of Directors reviewed the following items in closed session:

1. **INFORMATION/ACTION:** Conference with legal counsel regarding personnel claim against the District. Government Code §54956.9(d)(2), (e)(3); Evidence Code §950, et seq
 - The Board scheduled a Special Board Meeting to take place at 5:00 pm on March 2nd.
2. **INFORMATION/ACTION:** Consideration of Petition by Peter Glusker, M.D., Ph.D. to rescind District Resolution 2017-1 censuring him for violation of Government Code §54963. Government Code §§54956.9(d)(2)(4); (e)(1)(2); Government Code §54963; Evidence Code §950, et seq. The decision of the Board whether to rescind Resolution No. 2017-1 will be made public.
 - The Consideration of Petition by Peter Glusker, MD, PhD was denied. The vote was four votes to deny and one abstention.

3. **INFORMATION/ACTION:** Pursuant to §32155 of the Health and Safety Code January Quality Management and Improvement Council Report
 - The Board approved the January Quality Management and Improvement Council Report
4. **INFORMATION/ACTION:** Pursuant to California Government Code §54954.5 and §32155 of the Health and Safety Code Medical Staff Credentials and Privileges Review
 - There was no Medical Staff Credentials and Privileges Review report.
5. **INFORMATION/ACTION:** Consideration of extension and/or revision of TeleMed 2U Contract with Dr. Javeed Siddiqui, M.D., MHP, PC dba TeleMed 2U. Government Code §§54954.5 and 54957
 - The Board approved the TeleMed 2U Contract.

4. **PUBLIC COMMENTS**

- There were no public comments.

5. **REVIEW OF THE AGENDA**

- There were no revisions to the agenda.

6. **BOARD COMMENTS**

- There were no Board Comments.

7. **ACTION: APPROVAL OF CONSENT CALENDAR: MR. STEVE LUND, PRESIDENT**

A. Minutes: Regular Session, January 26, 2017

B. Designation of “Acting” Chief of Patient Care Services in the Absence of the Chief of Patient Care Services

MOTION: To approve the Consent Calendar

- Miller moved
- Bruning second
- Motion carried

8. **ACTION/INFORMATION: AMENDMENT TO PARTNERSHIP HEALTH PLAN MEMORANDUM OF UNDERSTANDING REGARDING PROVIDER RECRUITMENT: MS. ILONA HORTON**

- This is for the Partnership Health Plan of California Physician Enhancement Program. This is being offered to assist rural clinics that have great difficulty in recruiting physicians.
- Upon recruitment of a physician PHP would pay a total of \$45,000 to be paid in three (3) installments of \$15,000 each at 12, 24 & 36 months.

MOTION: To approve the Amendment to Partnership Health Plan Memorandum of Understanding

- Campos moved
- Glusker second
- Roll call
 - Ayes: Bruning, Lund, Campos, Miller, Glusker
 - Noes: None
 - Absent: None
 - Abstain: None
- Motion carried

9. **ACTION/INFORMATION: CONSIDERATION OF NEW LEASE WITH GROUP II REALTY FOR THE HOSPICE THRIFT STORE AT THE BOATYARD SHOPPING CENTER: MR. JOHN RUPRECHT**

- This lease will increase the rent for the Hospice Thrift Store located in the Boatyard Shopping Center by 6% annually for the next 5 years effective November 1, 2016.

MOTION: To approve the new Lease with Group II Realty for the Hospice Thrift Store at the Boatyard Shopping Center

- Campos moved
- Bruning second
- Roll call
 - Ayes: Campos, Glusker, Miller, Bruning, Lund
 - Noes: None
 - Absent: None
 - Abstain: None
- Motion carried

10. **ACTION/INFORMATION: CONTRACT WITH WIPFLI, LLP/HFS CONSULTANTS, CPAS AND FINANCIAL CONSULTANTS FOR PERIODIC MEDICAL RECORD & BILLING COMPLIANCE REVIEW: MR. JOHN RUPRECHT**

- Wipfli does healthcare management consulting; they specialize in billing compliance.
- Allegations were made regarding how the District was doing its billing and whether there was any potential misconduct. The Board authorized Mr. Ruprecht to retain a CPA firm. Wipfli are specialist consultants who do healthcare management consulting. They are special auditors who specialize in hospitals and billing compliance, and they conducted a random sampling. Their report was received on February 9th. They found that there was absolutely no intentional misconduct. There was no trend that would indicate a fraudulent activity, however they did discover that some of the District's billing procedures need to be corrected and made a number of recommendations.
- The purpose of this contract is to allow Wipfli and HFS to do periodic compliance reviews to ensure the District's billing practices are correct and to catch any billing practices to determine if something is being done wrong, it will be corrected. The Board authorized the release of their first report of February 9th.
 - ✓ For 2014, there was a payment rate that needs to be returned to the federal government of \$1,732.00
 - ✓ For 2015, there was a payment rate that needs to be returned to the federal government of \$103.00
 - ✓ For 2016, there was a payment rate that needs to be returned to the federal government of \$896.00
 - ✓ For a total of \$27,000.00 for a three (3) year period.
- Mr. Ruprecht recommended the Board retain Wipfli to conduct a quarterly reviews to ensure that the recommendations they have made to the District get implemented. This contract can be terminated with thirty (30) days notice.

MOTION: To approve the contract with Wipfli, LLP/HFS Consultants

- Bruning moved
- Glusker second
- Roll call

- Ayes: Miller, Bruning, Lund, Campos, Glusker
- Noes: None
- Absent: None
- Abstain: None
- Motion carried

11. INFORMATION: CEO REPORT: MR. BOB EDWARDS, CEO

- Mr. Edwards introduced Claudia Halbert as Interim Quality/Risk Manager.
- Mr. Edwards thanked the Foundation who paid for six (6) new patient beds which have arrived at the Hospital.
- Mr. Edwards and Mr. Lund spoke to the League of Women Voters.
- Ilona Horton gave a presentation to the Rotary Club regarding the PRIME Project.

12. INFORMATION/ACTION: MEDICAL STAFF REPORT: DR. JOHN KERMEN

A. Re-Appointments to Medical Staff

1. Sanford Brown, MD –Department of Medicine-Family Practice

MOTION: After careful consideration recommend approval of re-appointment to Medical Staff of Sanford Brown, MD

- Bruning moved
- Glusker second
- Motion carried

2. Vivian Belmusto, MD –Department of Medicine-Pediatrics

MOTION: After careful consideration recommend approval of re-appointment to Medical Staff of Vivian Belmusto, MD

- Bruning moved
- Campos second
- Motion carried

3. John Cottle, MD –Department of Medicine-Family Practice

MOTION: After careful consideration recommend approval of re-appointment to Medical Staff of John Cottle, MD

- Bruning moved
- Campos second
- Motion carried

4. Wade Gray, MD –Department of Medicine-Family Practice

MOTION: After careful consideration recommend approval of re-appointment to Medical Staff of Wade Gray, MD

- Bruning moved
- Glusker second
- Motion carried

5. Dianne Harris, MD –Department of Medicine-Family Practice

MOTION: After careful consideration recommend approval of re-appointment to Medical Staff of Dianne Harris, MD

- Glusker moved
- Bruning second
- Motion carried

6. Jennifer Kreger, MD –Department of Medicine-Family Practice

- MOTION:** After careful consideration recommend approval of re-appointment to Medical Staff of Jennifer Kreger, MD
- Glusker moved
 - Miller second
 - Motion carried
7. William Mahon, MD –Department of Medicine-Pediatrics
- MOTION:** After careful consideration recommend approval of re-appointment to Medical Staff of William Mahon, MD
- Miller moved
 - Bruning second
 - Motion carried
8. James Michael Sandys, MD –Department of Medicine-Family Practice
- MOTION:** After careful consideration recommend approval of re-appointment to Medical Staff of Michael Sandys, MD
- Bruning moved
 - Campos second
 - Motion carried
- B. Re-Appointments to Allied Health Professional Staff
1. Suzanne Hewitt, FNP-C –Department of Medicine-Family Practice
- MOTION:** After careful consideration recommend approval of re-appointment of Suzanne Hewitt, FNP-C to Allied Health Professional Staff
- Campos moved
 - Bruning second
 - Motion carried
2. Marilyn Magoffin, FNP-C –Department of Medicine-Family Practice
- MOTION:** After careful consideration recommend approval of re-appointment of Marilyn Magoffin, FNP-C to Allied Health Professional Staff
- Bruning moved
 - Glusker second
 - Motion carried
3. Joseph Martin, PA-C –Department of Medicine-Oncology-Hematology
- MOTION:** After careful consideration recommend approval of re-appointment of Joseph Martin, PA-C to Allied Health Professional Staff
- Bruning moved
 - Campos second
 - Motion carried
4. Michele Tellier, FNP-C –Department of Medicine-Family Practice
- MOTION:** After careful consideration recommend approval of re-appointment of Michele Tellier, FNP-C to Allied Health Professional Staff
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5. Kei Velazquez, FNP-C –Department of Medicine-Women’s Health
- MOTION:** After careful consideration recommend approval of re-appointment of Kei Velazquez, FNP-C to Allied Health Professional Staff

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13. INFORMATION: CHIEF OF PATIENT CARE SERVICES REPORT: MS. TERRY MURPHY

- Refer to the attached report as part of these minutes.

14. INFORMATION/ACTION: PLANNING COMMITTEE REPORT: DR. KEVIN MILLER

- The Community Needs Assessment is complete.
- The committee discussed a Marketing Plan.

15. INFORMATION: OB AD HOC COMMITTEE REPORT: DE. KEVIN MILLER

- The next meeting will take place March 1st at 4:00 pm in the Neva Cannon Room. At which time the document that John Allison has been working on will be clarified.

16. INFORMATION/ACTION: PLANT SERVICES REPORT: MR. WADE STURGEON, CFO

- Refer to the attached report as part of these minutes.

17. INFORMATION/ACTION: JPA REPORT: MR. BOB EDWARDS, CEO

- There was no report.

18. ACTION/INFORMATION: ALYSOUN HUNTLEY FORD FUND DRAW: MR. WADE STURGEON, CFO

The Alysoun Huntley Ford Fund is a Board designated fund left to the Hospital for purposes of funding some respite for caregivers of patients who are dying at home. Each draw request is for up to \$2,000.00.

- There was one (1) request.

MOTION: To approve one (1) Alysoun Huntley Ford Fund Draw in the amount of \$376.08

- Glusker moved
- Bruning second
- Motion carried

19. INFORMATION/ACTION: ASSOCIATION AND COMMUNITY SERVICE REPORTS

- There were no reports.

20. ACTION/INFORMATION: STATISTICAL/FINANCE REPORT, NOVEMBER 2016: MR. WADE STURGEON, CFO

January Highlights:

- Net Income from Operations was an income of \$8,334
 - o YTD Loss from Operations (\$161,642)
- Net Income from All Sources was an income of \$291,338
 - o YTD Income from All Sources \$300,573
- Bond Covenants reported on the bottom right corner of the Executive Summary
 - o Debt Service Coverage Ratio is within covenant at 3.82
 - o Current Ratio is within covenant at 1.33
 - o Days Cash On Hand is within the covenant at 56.72
- Mr. Sturgeon presented a list of (20 recommended/monthly ratios of which he will obtain benchmarks.
- Mr. Sturgeon will submit an application for a HELP II Loan.

MOTION: To approve the Finance and Statistical Report for January 2017

- Campos moved
- Glusker second
- Motion carried

21. PUBLIC COMMENTS:

- There were no public comments.

22. ADJOURN:

- The meeting adjourned at 7:30 pm

Peter Glusker, MD, Secretary
Board of Directors

Gayl Moon, Secretary to the
Board of Directors