

**BOARD OF DIRECTORS MEETING
HOSPITAL REDWOODS ROOM
THURSDAY, MARCH 29, 2018
MINUTES**

The Board of Directors of the Mendocino Coast Health Care District met in CLOSED session at 4:30 pm in the Redwoods Room, Steve Lund, Chair presiding

PRESENT: Mr. Lund, Dr. Glusker, Ms. Bruning, Dr. Miller
Mr. John Ruprecht, Legal Counsel
Mr. Bob Edwards, CEO
Mr. John Parigi, Interim CFO
Gayl Moon, Executive Assistant

ABSENT: Dr. Campos

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, Steve Lund, Chair presiding

2. ROLL CALL:

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

BOARD MEMBERS ABSENT: Dr. Luke Campos

ALSO PRESENT:

Mr. John Ruprecht, Legal Counsel
Mr. Bob Edwards, Chief Executive Officer
Mr. John Parigi, Interim 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:** Hardin v. Mendocino Coast District Hospital, U.S. District Court for the Northern District of California, et al., Case No. 3:17-CV-05554, conference with legal counsel. Government Code §54956.9
 - The Board received an update from legal counsel regarding this matter
2. **INFORMATION/ACTION:** Request for Leave to File a Late Claim against Mendocino Coast Health Care District dba Mendocino Coast District Hospital and the North Coast Family Health Center by Jay Leahy through his Attorney Kay M. Richards. Government Code §§911.4; 54956.9
 - The Board denied the request for Leave to File a Late Claim against the District by Jay Leahy
3. **INFORMATION/ACTION:** Pursuant to Government Code Section §54957, personnel session with Hospital CEO
 - This issue will be discussed when Closed Session reconvenes after Open Session
4. **INFORMATION/ACTION:** Pursuant to California Government Code §54954.5 and §32155 of the Health and Safety Code Medical Staff Credentials and Privileges Review
 - This issue will be discussed when Closed Session reconvenes after Open Session
5. **INFORMATION/ACTION:** Pursuant to §32155 of the Health and Safety Code February Quality Management and Improvement Council Report
 - The Board approved the February Quality Management and Improvement Council Report

PUBLIC COMMENTS

- Community members spoke on matters regarding MCDH.

4. REVIEW OF THE AGENDA

- Mr. Ruprecht requested an emergency agenda item be placed on the agenda for “Reapplication of the HELP II Loan” due to the timing of not being able to get the appraisal done on time. Their Board to consider this loan application at their meeting the first week of April. Under Government Code §54954.2(b)2 the Board can place this on the agenda with a 2/3rds vote of the members present.
- The HELP II Loan can’t exceed 95% of the appraisal value; 75% comes from HELP II and 25% to be paid by the Hospital. The amount of the HELP II Loan will be \$1.5 million and the Hospital will have to pay \$500,000.

MOTION: To add the approval of the Reapplication of the HELP II Loan to the agenda

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

MOTION: To approve reapplication of the HELP II Loan

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

5. BOARD COMMENTS

- There were no Board comments.

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

1. Minutes: Regular Session, February 22, 2018
2. Minutes: Special Session, February 27, 2018
3. Minutes: Special Session, March 13, 2018
4. Alysoun Huntley Ford Fund Draw – There were no requests
5. Policies and Procedures
 - Policy Titles
 - Workplace Violence Prevention Plan
 - Infection Control Program: Goals and Objectives

Tab 2

Dr. Glusker requested the removal of the March 13, 2018 minutes as they don’t mention that the Board decided to terminate the contract with Arnone and company.

MOTION: To approve the Consent Calendar with the removal of the Special Board meeting minutes of March 13, 2018

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

7. ACTION/INFORMATION: APPROVAL OF RESOLUTION 2018-4 FOR A LAIF DRAW REQUEST IN THE AMOUNT OF \$1,473,763: MR. JOHN PARIGI, INTERIM CFO

- When the IGT funds are received, the funds will be put back into the LAIF Fund. Mr. Parigi

stated this will impact the bond ratios.

MOTION: To approve Resolution 2018-4 for a LAIF Draw Request in the amount of \$1,473,763

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

8. ACTION/INFORMATION: RESOLUTION TO APPROVE BOB'S SIGNATURE TO SIGN HELP II LOAN DOCUMENTS: MS. NANCY SCHMID

- This resolution needs to be approved in order for Mr. Edwards to sign the loan documents when they arrive. It is required by the State of California.

MOTION: To approve the resolution authorizing Bob Edwards to sign the HELP II Loan documents

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

9. ACTION/INFORMATION: 3M SOFTWARE CONTRACT RENEWAL: MR. JOHN PARIGI, INTERIM CFO

- This contract is a renewal for five (5) years.
- This is for coding for the Medical Records Department.

MOTION: To approve the 3M Software Contract Renewal for five (5) years

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

10. INFORMATION: CEO REPORT: MR. BOB EDWARDS

- Two (2) CFO candidates will be interviewed tomorrow. If there is a need for another Interim CFO, Mr. Edwards is in touch with a company that can provide candidates.
- Current staffing needs:
 1. permanent Revenue Cycle Manager
 2. several more billers in the Billing Department
 3. Purchasing Manager
- The Leadership Team will establish a matrix reporting system.
- Want to look into the return on investment for individual departments.
- Mr. Edwards would like to find an attorney who can reach out to MediCal, Medicare and other business services and negotiate a lower payment.
- Mr. Edwards is working with the MEC to bring an Intensivist to MCDH.
- Tomorrow is Doctors Day. The doctors will be treated to breakfast, manicures & massages.
- Strategic Initiatives
 - The Parcel Tax measure will be on the June 5th ballot.

- The 1% revenue over expenses is a tall order.
- Our goal is to get to an average of 75% positive comments back from our patients.
- In April MCDH will change the way they do the patient experience collection. NRC Picker will now begin doing phone surveys as well as continue with the paper surveys.
- Three (3) infant warmers have been ordered.
- The Scorecard is updated and posted on the internet every quarter and in the Admin. Hallway. This Scorecard will be added to the end of June.
- Mr. Edwards showed a new MCDH video that will go on the web site.
- Mr. Edwards appointed Larry Turner, IT Director & Lynn Finley, CNO as co-chairs for getting the MediTech HER moving forward.
- Joe Tye was a great speaker at the California Hospital Association. Mr. Tye has been able to move organizations out of toxic behaviors to positive healthcare cultures. Mr. Edwards would like to bring Mr. Tye to MCDH to teach everyone how to change the culture.
- As we live in this era of transparency and something called the Brown Act. When community members have questions, I do want to answer those when we have the answer. I don't want to be embarrassing to my staff who might not know on the tip of their tongue the answer. When you have a serious concern that we're hearing it, and if it's wrong I will say that that information is incorrect. I will ask Gayl to keep a list, and as we move forward with future board meetings, I will put on future agendas those concerns that are appropriate so the issue can be discussed in that forum.

11. INFORMATION/ACTION: MEDICAL STAFF: DR. JOHN KERMEN

A. Appointment to Medical Staff-Provisional Status

1. Navjeet Kaur, MD –Department of Medicine-Hospitalist Service

MOTION: After careful consideration recommend approval of Appointment to Medical Staff-Provisional Status for Navjeet Kaur, MD

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

B. Locum Tenens Coverage

1. Lingie Chiu, MD –Department of Medicine-Pediatrics (May 7-May 11, 2018)
2. Scott Fisher, MD –Department of Medicine-Pediatrics (May 11-June 30, 2018)
3. Ama Lacy, MD –Department of Surgery-General Surgery (April 2-June 3, 2018)
4. Victoria Mohr, MD –Department of Surgery-Obstetrics/Gynecology (April 2-April 30, 2018)
5. Kesha Robertson, MD –Department of Surgery-Obstetrics/Gynecology (May 1-June 30, 2018)

MOTION: After careful consideration recommend approval of Locum Tenens Coverage for Lingie Chiu, MD: Scott Fisher, MD: Ama Lacy, MD: Victoria Mohr, MD: Kesha Robertson, MD

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

C. Temporary Privileges (AHP-Allied Health Professional)

1. John Gullage-PA-C Department of Surgery-Orthopedics Allied Health Professional-NCFHC & Hospital (April 2-Oct 1, 2018)

MOTION: After careful consideration recommend approval of Temporary Privileges (AHP-Allied Health Professional) for John Gullage-PA-C

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

D. Re-Appointment to VRad Tele-Radiology Physicians

1. Cristina Cavazos, MD

MOTION: After careful consideration recommend approval of Re-appointment to VRad Tele-Radiology Physicians for Cristina Cavazos, MD

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

12. **ACTION/INFORMATION: CHIEF NURSING OFFICER REPORT: MS. LYNN FINLEY**

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

13. **ACTION/INFORMATION: PLANNING COMMITTEE REPORT: MR. STEVE LUND**

- Discussed Measure C on the June ballot.
- Received a report on the current facility projects.
- Regarding the Strategic Planning Process: Mr. Edwards and Mr. Lund had a meeting with several community members to work on matrix. They will have additional meetings.
- Mr. Edwards and Mr. Lund attended the California Hospital Association's annual Legislation Action Day in Sacramento last week.

14. **ACTION/INFORMATION: FACILITY PROJECTS REPORT: MS. NANCY SCHMID**

- **Telemetry**
 - ❖ This project finished today. An air flow test will occur on Monday, a report to OSHPD and then this project will be finished.
- **Water Heater**
 - ❖ This project will begin in May.
- **ATS & HVAC**
 - ❖ These projects will begin when the HELP II Loan is signed.
- **Parking Lot**
 - ❖ A pallet of fill was delivered; and the large pot holes have been filled in. This is a temporary solution. Ms. Schmid will look at the bid process to do the entire parking lot. Ms. Schmid thanked the entire Maintenance Department for their hard work in filling all the pot holes.

15. **ACTION/INFORMATION: STATISTICAL/FINANCE REPORT, DECEMBER 2017: MR. JOHN PARIGI, INTERIM CFO**

February Summary

For the month ending February 28, 2018 Mendocino Coast District Hospital (MCDH) had a Total Net Loss of (\$542,089) or (282.28%). Year to date MCDH had a Total Net Loss of (\$2,800,923) which is a variance from budget of (\$2,969,849) or (1,758.07%). These variances are primarily due to changes in revenue types, payor mixes, and increases in expenses.

The Balance Sheet of MCDH had another month of results that reflect a weakening of the balance sheet. Total Current Assets decreased by (\$580,048) while total Current Liabilities decreased by \$114,605.

MOTION: To approve the Finance and Statistical Report for February 2018

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

16. INFORMATION: ASSOCIATION AND COMMUNITY SERVICE REPORTS

- There were no Association and Community Service Reports.

17. PUBLIC COMMENTS:

- Community members spoke on matters regarding MCDH.

18. ADJOURN:

Open Session adjourned at 8:45 pm

Reconvened Closed Session at 8:50 p.m.

A. Reporting out of Closed Session

1. **Information/Action:** Medical Staff Credentials and Privileges Report

- The Board received a report from Dr. Kermen

2. **Information/Action:** Personnel Session with Hospital CEO

- This item will be continued to the April Board Meeting.

Peter Glusker, MD, Secretary
Board of Directors

Gayl Moon, Secretary to the
Board of Directors