

**BOARD OF DIRECTORS MEETING  
HOSPITAL REDWOODS ROOM  
THURSDAY, APRIL 26, 2018  
MINUTES**

The Board of Directors of the Mendocino Coast Health Care District met in CLOSED session at 4:00 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 (Dr. Campos called in telephonically, however he had not properly posted the agenda at his location and therefore was unable to participate or be considered in attendance)

**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. Mike Ellis, Chief Financial Officer  
Ms. Gayl Moon, Executive Assistant

**3. CLOSED SESSION MATTERS:**

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

- **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
- **INFORMATION/ACTION:** Pursuant to §32155 of the Health and Safety Code March Quality Management and Improvement Council Reports
  - The Board approved the March Quality Management and Improvement Council Reports
- **INFORMATION/ACTION:** Pursuant to California Government Code §54954.5 and §32155 of the Health and Safety Code Medical Staff Credentials and Privileges Review
  - The Board received an update
- **INFORMATION/ACTION:** Pursuant to Government Code Section §54957, personnel session with Hospital CEO
  - The Board finalized Mr. Edwards' performance with a satisfactory evaluation, and agreed to extend his contract under the current terms and conditions that exist in his original contract which is a four (4) year term. All the original terms and conditions within the contract remain in effect; this would extend his term to April 15, 2022.

5. **INFORMATION/ACTION:** Association of California Healthcare Districts' Survey of January, 2017 required by The Joint Commission (TJC). Exempt from public disclosure pursuant to Government Code §6254(s); Evidence Code §1157; and Health & Safety Code §32,155.
  - The Board will participate in their annual self evaluation
6. **Information/Action:** Public Employment: To review and approve Professional Services Agreement Amendment for Dr. Maher Danhash Government Code §54954.5 & 54957
  - The Board approved the Professional Services Agreement with Dr. Danhash

**PUBLIC COMMENTS**

- A Community member spoke on matters regarding MCDH.

**4. REVIEW OF THE AGENDA**

- There were no changes to the agenda.

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

1. Minutes: Regular Session, March 29, 2018
2. Minutes: Special Session, March 13, 2018
3. Minutes: Special Session, March 30, 2018
4. Minutes: Special Session, April 6, 2018
4. Alysoun Huntley Ford Fund Draw – There were no requests
5. Policies and Procedures

Tab 2

Policy Titles  
 Quality Assessment Quality Improvement Plan for Employee Health Dept.  
 Occupational Health Services-Bargaining and Non Bargaining Unit  
 Ergonomic Injury Prevention Program  
 Tuberculosis Surveillance Program  
 Rubella (German Measles) Immunization Policy  
 Rubeola (Measles) Immunization Policy  
 Tetanus & Diphtheria DT Vaccine  
 Tetanus, Diphtheria & Pertussis Tdap Vaccine  
 Hepatitis B Vaccine  
 Hepatitis B Surface Antibody Testing Following Hepatitis B Vaccine  
 Varicella Chicken Pox Vaccination  
 MMR Immunization Policy  
 Return to Work After Illness  
 Counseling Policy  
 Drug Alcohol Testing for Cause  
 Worker's Compensation  
 Conducting a Meeting without a Quorum

**MOTION:** To approve the Consent Calendar with the removal of the Special Board meeting minutes of March 13, 2018, also the policy "Conducting a Meeting without a Quorum" as the Board was unable to review this policy prior to the meeting

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

**MOTION:** To approve the March 13<sup>th</sup> Special Board Minutes with the amendment of adding the wording "The Board decided to terminate the at-will contract with Merrill, Arnone & Jones Law Firm". Need to change the word "if" to "of".

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

**7. ACTION/INFORMATION: THE PRIME PROJECT: MS. ILONA HORTON**

- Ms. Horton will be leaving MCDH mid May. The Board thanked her for everything she has done for the Clinic and the Hospital.
- Ms. Horton reported:
  - We've enjoyed the incredible quality results at NCFHC as a result of PRIME. In our desire to always improve our quality efforts, we investigated whether or not we could add another PRIME project to MCDH. Heather, Lynn and I as well as other members of our management team, looked at the other 17 PRIME projects to see if we could add any of those. Unfortunately, most of the projects were ruled out due to our current antiquated & fragmented EMR system. They require a robust reporting and quality tracking system in a unified EMR.
  - We looked at a Blood Products resource stewardship project which we could possibly have accomplished with our existing systems. However, PRIME requires a denominator of at least 30, and by the time we narrowed down our patient population to the PRIME Eligible population as defined by DHCS, we did not have a denominator of 30 for any of the 5 measures in this project.
  - However, we are continuing to focus on our existing PRIME project. We are working through some difficulties with one of the measures, Cervical Cancer Screening, simply because we do not have access to the data. We, along with several other District Hospitals who are in the same boat, are actively engaged with PRIME to find a solution.
  - Following are the NCFHC PRIME patient population results:
    - ✓ Breast Cancer Screening started at 48% and are now at 71% in less than 10 months
    - ✓ Cervical Cancer Screening started at 36% and are now at 62%
    - ✓ Colorectal Cancer Screening started at 40% and are now at 52%

**8. ACTION/INFORMATION: EHR MEDITECH SOLUTION: MS. LYNN FINLEY & MR. LAWRENCE TURNER**

**MOTION:** To approve authorizing staff to proceed with the development of a contractual agreement with Meditech to get the Hospital in line and in place to make a decision to approve the contract to move forward

- The Hospital will upgrade to MediTech MAAS.
  - ✓ It will be supported by MediTech for many years and is compliant with the multiple regulatory requirements such as AUC and MU.
  - ✓ If purchased as a service, MCDH would need to purchase only one computer server which is a better solution for off-site back-up recovery, and will take up much less space.
  - ✓ The problems of MCDH's multiple "systems" would go away with the implementation of MediTech's new version that integrates all of MCDH's EHR and billing needs. The Hospital will all be under one umbrella.
  - ✓ The cost of implementing a new EHR is approximately the same as maintaining the current soon-to-be discontinued and inefficient EHR.
  - ✓ The down payment will be \$400,000 with monthly payments of \$120,000.
  - ✓ Implementation would take 6 months.
  - ✓ The goal is to have this as the Winesong fund-a-cause in September.
  - ✓ In case of power outages, there will be a back-up server on site.
- Mr. Lund stated the Planning Committee voted to approve the proposal and forward it to the Board for consideration tonight.

- Dr. Glusker stated the Finance Committee met on Tuesday, and they were unable to get approval to recommend this project to the Board. The issue was tabled and the Finance Committee had a special meeting at 3:00 today prior to the Board meeting to finish reviewing and to ask Mr. Ellis to give a more detailed financial summary. After Mr. Ellis presented the financial detail; the Finance Committee voted to recommend approval to the Board.
- Mr. Ellis reported:
  - MCDH will spend less money over five years with the new EHR than with the current system.
    - ❖ Over a five year period the Hospital would spend \$11,220,000 with the current system and \$9,266,000 with the new system.
- Glusker moved
- Bruning second
- Roll call
  - Ayes: Lund, Glusker, Bruning, Miller
  - Noes: None
  - Absent: Campos
  - Abstain: None
- Motion carried

9. **ACTION/INFORMATION: HELP II LOAN: MS. NANCY SCHMID**

- The loan was approved for \$1.5 million.
- The projects need to be complete within a six month period. If the projects are complete within six months, then it would be possible to ask for more money after completion of the projects.
- A new resolution will need to be approved. The state will provide the resolution and new paperwork within the next couple of weeks.

10. **ACTION/INFORMATION: CANNON/CARESTREAM RADIOLOGY: MR. BOB EDWARDS, CEO**

- This contract is for digital radio graphing. This image uses 2 to 3 times less radiation, so the safety factor is very great.
- Mr. Ruprecht stated:
  - The cost of this equipment is roughly \$70,000.
  - This equipment is very sensitive, and the Hospital needs “Drop Coverage”, as this equipment breaks very readily.
  - The original quote on the annual cost of the insurance is \$5,000 per year, which is just for one (1) portion of the equipment. It is \$1,200 to cover the tablet, the monitor and the keyboard. The first year is parts and warranty. The Service Contract is \$6,500 per year. All this insurance added up for five (5) years; the Hospital would pay over \$51,000 for a \$70,000 piece of equipment.
  - Mr. Ruprecht got another quote from California Imaging Services of \$3,610 instead of \$5,000. The \$3,610 would include the \$1,200 which appeared to be a substantial savings; however Mr. Ruprecht received the quote, he tried to contact the President of the Company to determine the terms of the coverage, he was told the President was gone until April 30. Mr. Ruprecht feels the service and insurance costs are really high.
  - Additionally, their service contract (as Mr. Ruprecht stated earlier; the first year is parts and warranty) is labeled “Service and Parts Contract”. The small print states:
    - ✓ CIS will perform all required services to the equipment in accordance with the maintenance program set forth in the applicable service manual *excluding parts*.
  - Since the contract is misleading, Mr. Ruprecht would like to speak with the president when he returns the end of the month.
  - Mr. Ruprecht suggested the Board approve this contract, and give himself and Mr. Edwards the authority to straighten this out.

**MOTION:** To move forward with the refinement of the contract for this piece of equipment between working with both Mr. Edwards and Mr. Ruprecht with their approval authorizing them to proceed with the execution provided Mr. Ellis can come up with the necessary funding

- Bruning moved
- Lund second
- Dr. Glusker suggested bringing this issue back to the next Board meeting or if necessary, a Special Board Meeting. Dr. Glusker feels the Board needs more time to review the contract and insurance documents.
- Mr. Edwards stated he doesn't like putting the patients at risk and feels this equipment is critical.
- Mr. Lund suggested at least three (3) Board members need to be available for a Special Board Meeting so the process of getting the contract approved and the equipment obtained is not slowed down.
- Ms. Bruning withdrew her motion and Mr. Lund withdrew his second.

**MOTION:** The Board to make a commitment to work with Mr. Edwards and Mr. Ruprecht to pull this process together as soon as possible

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

**11. ACTION/INFORMATION: DR. LUKE CAMPOS BOARD STATUS; HEALTH & SAFETY CODE §32,100.2**

- Mr. Lund stated the Board has concerns with Dr. Campos' lack of ability to attend the Board Meetings. There needs to be a full Board representing the community. It has negatively affected the Finance Committee; a meeting had to be cancelled due to lack of a quorum. The Board has been checking records and doing due diligence regarding what it is the Board can do, under the law. There are levels of standards required when removing someone from elected office.
- Mr. Ruprecht referred to the Health & Safety Code which deals with District hospitals:
  - ✓ Health & Safety Code 32,100 says that in order to be elected as a Board Member within the District, you have to be a registered voter that resides within the District. Dr. Campos is still a registered voter in the Hospital District.
  - ✓ Section 32,100.2 specifically provides that notwithstanding any other provision of law, the term of any member of the Board shall expire if he or she is absent from three (3) consecutive regular board meetings or from three (3) of any five (5) consecutive meetings of the Board, and the Board by resolution declares a vacancy. Mr. Ruprecht stated that if tonight's meeting is deemed that he is not present because of the Brown Act issue on the teleconferencing; he probably would have missed three (3) out of five (5) meetings, Special and Regular.
  - ✓ Those are not the only sections that apply. Section 1,700 of the Government Code further provides that the Board can remove from office an individual who is elected from which local residence is required by law and that person is not discharging their duties required to be discharged.
  - ✓ Mr. Ruprecht discussed how to determine residency. There is a Government Code that states for purposes of office a person is supposed to have one residence. Mr. Ruprecht read from a court case:
    - An office may be vacated by abandonment. Abandonment will be treated as a constructive resignation. What acts constitute abandonment or implied resignation of an official depends upon the circumstances of the particular case.
  - ✓ Mr. Ruprecht believes Dr. Campos still has an address in San Francisco which in San Francisco County, he has been calling in from Chico which is in Butte County; according to the California Medical Board, his official address is Santa Rosa in Sonoma County.

Business and Professions Code 2021 requires a physician within thirty (30) days to notify the Board of any change of address. He does have an apartment in Mendocino County. He has litigation pending in Santa Clara County. So potentially we have city and county of San Francisco, Butte County, Sonoma County and Mendocino County.

- ✓ Another relevant issue is that Dr. Campos' family does not reside with him when he is here; however this is subject to confirmation.
- ✓ He no longer sees patients in Fort Bragg. Mr. Ruprecht believes teleconferencing was not intended to allow someone to teleconference repeatedly rather than being present at the District meetings and representing their constituents.

**MOTION:** To direct legal counsel to craft a resolution to vacate Dr. Campos from his seat on the Board of Directors for the Mendocino Coast Hospital District

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

Dr. Glusker discussed the importance of timing. Mr. Ruprecht stated it is more important that this be done correctly than to rush it.

Mr. Lund, President appointed Dr. Glusker to serve at Finance Committee Chair, and remove Dr. Campos as Chair. Mr. Lund, President appointed Dr. Miller to serve as the second Board member on the Finance Committee.

**12. ACTION/INFORMATION: FINANCIAL TURNAROUND: MR. MIKE ELLIS, CFO & MR. BOB EDWARDS, CEO**

- Mr. Ellis stated there has been a lot of turnover in leadership positions in the Business Office. One of his first priorities will be to hire permanent staff. A Director of Revenue Cycle will begin in a couple of weeks. The focus to be improving the revenue cycle. Mr. Ellis will develop both operational and capital budgets. He will also do operational micro-analysis, which means he will be looking for opportunities for improving the Hospital's financial position in small areas as well as prioritizing these.
- Mr. Edwards stated they will be looking at registry costs and try to come up with a solution; this would include a productivity analysis. The Strategic Plan is bringing in a subscription service to look at the return on investment for ten key services; and important to be to determine where the gaps are and how to keep that service here. They will also negotiate costs to get a better rate. The Hospital would like to bring legal services in house if possible.

**13. ACTION/INFORMATION: MCDH RESOLUTION NO. 2018-6, AUTHORIZED BANK OF AMERICA ACCOUNT SIGNATURE**

**MOTION:** To approve Resolution No. 2018-6, Authorized Bank of America Account Signature

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

**14. ACTION/INFORMATION: MCDH RESOLUTION NO. 2018-7, AUTHORIZED SAVINGS BANK OF MENDOCINO ACCOUNT SIGNATURE**

**MOTION:** To approve Resolution No. 2018-7, Authorized Savings Bank of Mendocino Account Signature

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

**15. ACTION/INFORMATION: MCDH RESOLUTION NO. 2018-8, AUTHORIZED TRI COUNTIES ACCOUNT SIGNATURE**

**MOTION:** To approve Resolution No. 2018-8 Authorized Tri Counties Account Signature

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

**16. ACTION/INFORMATION: MCDH RESOLUTION NO. 2018-9, AUTHORIZED LOCAL AGENCY INVESTMENT FUND LAIF ACCOUNT SIGNATURE**

**MOTION:** To approve Resolution No. 2018-8 Authorized Local Agency Investment Fund LAIF Account Signature

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

**17. ACTION/INFORMATION: STRATEGIC INITIATIVES: MR. BOB EDWARDS, CEO AND MR. STEVE LUND, CHAIR**

- Mr. Lund stated that 2015 was the last time MCDH did a Strategic Plan which was done by Quorum and Associates. From this plan came a big number of strategic tasks. Mr. Lund went through the Quorum tasks and most of the issues that were cited have been addressed. The Strategic Plan is being paid attention to and tasks are being completed. There is a need to review the Hospital's Mission, Vision and Values Statement to determine if changes need to be made to that statement; Mr. Lund feels this should be done after the new Board is seated in December.
- The community and a sub-committee were involved in updating the Strategic Initiatives. Following are the six (6) Strategic Initiatives which are good for a year:
  1. Quality/Delivery of Care
  2. Financial/Fiscal Solvency
  3. Physical Plant/Facility
  4. People/Physician, Nursing and Supporting Staff
  5. Community Engagement/Involvement
  6. Governance

**MOTION:** To approve the Strategic Initiatives

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

**18. INFORMATION: CEO REPORT: MR. BOB EDWARDS**

Mr. Edwards reported he has been at MCDH for three (3) years and he compared the financials of the current year to 2015:

- ❖ Gross revenue has increased 15.5%
- ❖ Expenses have increased 16.7%
- ❖ Cash on hand went from 9.3 days to 12.8 days
- ❖ In 2015 the Hospital didn't have:
  - ✓ Pain management
  - ✓ Immediate care
  - ✓ Hospitalist coverage 24/7
  - ✓ Emergency Department with a patient experience score with zero red
  - ✓ 54% of MCDH patients gave the Hospital a 9 or 10 in patient satisfaction
  - ✓ Physician Assistant in Oncology
  - ✓ PR/marketing staff member
  - ✓ Bio Fire
  - ✓ PRIME
  - ✓ i2i
  - ✓ Getting the Parcel Tax on the ballot
  - ✓ Facility project are being completed and others are finally beginning
  - ✓ CEO living in the community
  - ✓ Board certified healthcare professional as part of the leadership
  - ✓ Permanent CFO
  - ✓ Change from a 2 star system to a 3 star system

Mr. Edwards stated that he would like to take this opportunity to dispel some miss-information that is out in the public about Mr. Parigi and the Hospital's financial situation.

- Mr. Parigi was not an employee here at MCDH, he was a contractor.
- Mr. Parigi was not the CFO; he was a consultant performing the duties of an Interim CFO until a permanent one could be found.
- There was never a firing, which is what certain people are calling it for spin purposes. We simply didn't renew his contract to safeguard our District from the extreme legal risk that Mr. Parigi put us in. I had full authority to terminate this contract "at will" upon two weeks' notice. There was no due process violation. See labor Code §2922.
- I was directed by legal counsel to give our consultant, John Parigi, notice that his contract would not be renewed per the terms of his contract. The Board was made aware of this before I took my action, and supported me due to the extreme legal risk of keeping this consultant. At our next Board meeting on 3-29-18, the Board voted to further support my actions.
- There are false claims that MCDH dismissed the contractor who found two years' worth of Parcel Tax Money. This is wrong! It's true that the Business Office expedited \$3.2 Million Dollars' worth of Gross Charges to the Billing Department. But the net collected was around \$800,000. I have news for you. Eight hundred thousand dollars does not equal \$3.4 Million

Dollars. That is what two years of the Parcel Tax is worth. That claim is only \$2.6 Million Dollars off.

- Mr. Parigi said the greatest need for MCDH is to put in place a coordinated E H R, but what Mr. Parigi did behind the scenes was actually quite the opposite. Mr. Parigi, told Medi-Tech, the company we had unanimously selected as our E H R, an organization that we have been working with for quite some time, that MCDH would NOT be moving forward with them. What he actually said to our Medi-Tech rep is “that there is no (expletive) way you are ever coming to MCDH”. So Mr. Parigi says this is our most important need, but without authority, he kicked our E H R company to the curb. Since that time I have had to go through extensive relationship repair so they will work with us due to the vulgar and unprofessional way he communicated with them.
- In addition to the inappropriate and unauthorized communications about our E H R with Medi-Tech, Mr. Parigi also told a finance company that was willing to give MCDH a 12 year loan for the purchase of our E H R that we weren’t interested.
- There is a claim that I somehow ignored potential permanent financial fixes. I have been working to fix Revenue Cycle issues and working to finance an E H R ever since I got here. This is nothing new; we could find many, many examples of this in Board minutes and Finance Committee minutes. The E H R is very expensive, and I do not have the spending authority to make this kind of purchase. This has to come from the Board, and we have to have the money first, or have a way to finance it. For Mr. Parigi to claim he figured this out is very disingenuous.
- Mr. Parigi claims he uncovered millions and millions of dollars. The truth is that his financial statements are not audited and this is one person’s opinion. He uses an extreme accrual accounting method which is based on averages. Mr. Parigi also chose an extreme method of determining patient accounts that are collectable. This is not very common, and actually quite suspicious. In the last 10 years, no other CFO has ever used methods like these.
- Mr. Parigi told me personally that our Board lacks the intellectual capital to be successful. Mr. Parigi has been quoted in the public as saying that the hospital is lacking intellectual capital at its highest level. In the video of the Finance Committee meeting, he says something different yet again. Which is it? There are several versions of this statement out there, none of which are factual.
- We have been trying to hire more people for the Revenue Cycle and Billing departments for quite some time. For example the Revenue Cycle Directors Job in our Billing Office was posted on 12-28-2016. We hired a Director in Jan. 2017. We subsequently interviewed two candidates to replace the Revenue Cycle Director in August 2017, and October, 2017 but none were a good fit. Then in December of 2017, Mr. Parigi sought the resignation of the Revenue Cycle Director, the first week Mr. Parigi was here as a consultant. This left us even more understaffed and this action left our Billing Department hanging out in the wind. Our staff there didn’t deserve this. He did have someone in line from his own company that he put into this position.

**19. INFORMATION/ACTION: MEDICAL STAFF: DR. JOHN KERMEN**

**A. Appointment to Medical Staff-Provisional Status**

**1. Paul Marchand, MD –Department of Medicine-Emergency Department**

**MOTION:** After careful consideration recommend approval of Appointment to Medical Staff-Provisional Status for Paul Marchand, MD

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

- Motion carried

B. Locum Tenens Coverage

1. Humberto Martinez, MD –Department of Surgery-General Surgery (April 18-June 3, 2018)

**MOTION:** After careful consideration recommend approval of Locum Tenens Coverage for Humberto Martinez, MD

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

C. Re-Appointment to VRad Tele-Radiology Physicians

1. Kevin McDonnell, MD
2. Brian Morrow, MD
3. Glen Schultes, MD

**MOTION:** After careful consideration recommend approval of Re-appointment to VRad Tele-Radiology for Kevin McDonnell, MD: Brian Morrow, MD: Glen Schultes, MD

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

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

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

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

- The Parcel Tax effort continues.
- Received facility projects update.
- Ratified the Strategic objectives, tasks, initiatives.
- Received a presentation on the EHR project and made a recommendation to move the matter forward to the Board for consideration.

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

- **Nurse Call**
  - ❖ This is scheduled to complete May 29, 30 & 31. Final costing and final documentation will then be submitted to OSHPD, and the project will then be complete.
- **Telemetry**
  - ❖ Resubmitting the balancing test, costs and paperwork to OSHPD and the project will be closed.
- **Water Heater**
  - ❖ This project will complete by the end of May.
- **HVAC/ATS**
  - ❖ A construction meeting will take place on Monday, April 30. Work will begin in 2 weeks when the loan documents are signed.
  - ❖ It will take 4 moths to build the ATS switch, as it is customized. This project will be complete by the end of October.

- **PACS**
  - ❖ There are issues with the rate and speed with which it runs. Will keep the Board informed.
- **CENTRAL STERILE**
  - ❖ Planning will begin the first of June.
- **SEISMIC GEOTECH**
  - ❖ The studies will begin at some point in May.

The mortality rate was measured for hip fractures, which is based on the number of hips that are done, how complicated the surgery, the age of the patient, and their co-morbidity. The Hospital's death rate is zero (0).

**17. ACTION/INFORMATION: STATISTICAL/FINANCE REPORT, MARCH 2018: MR. MIKE ELLIS, CFO**  
**March Summary**

- Mr. Ellis will compile a list of all the projects and their costs and suggestions as to how MCDH can pay for them. This will be incorporated in the annual budget. It was noted that "other professional fees" on the Finance report were budgeted at \$61,000 are currently \$170,000, and a community member asked why there was such a big difference. A partial answer was what was included in that: the funds that were paid to Mr. Parigi on his contract, and also legal fees. A request was made to break out how much were legal fees, how much were fees for Mr. Parigi, and then the other professional fees. Dr. Glusker asked the Board if this information was open to the public or not.
- For the month of March:
  - For \$4.7 million of net operating revenue; there was \$4.9 in total operating expense for \$2 million loss for the month
  - YTD there was \$38.6 million in net operating revenues; there was \$42.3 million in total operating expense for a \$3.6 million loss
  - There is a negative variance of net patient revenue of \$1.4 million YTD
  - Expenses are over budget by \$2.1 million YTD
  - The budget variance for March MCDH was \$31,000 off in net operating revenues & \$300,000 off in operating expenses
  - The bottom operating line was off budget of \$333,000
  - The balance sheet showed a decrease in current assets in cash

**MOTION:** To approve the Finance and Statistical Report for March 2018

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

**18. INFORMATION: ASSOCIATION AND COMMUNITY SERVICE REPORTS**

- There were no Association and Community Service Reports.

**19. PUBLIC COMMENTS:**

- There were no public comments.

**20. ADJOURN:**

Meeting adjourned at 8:35 pm

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Peter Glusker, MD, Secretary  
 Board of Directors

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Gayl Moon, Secretary to the  
 Board of Directors