

**BOARD OF DIRECTORS MEETING
HOSPITAL REDWOODS ROOM
THURSDAY, JUNE 28, 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. Mike Ellis, CFO

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. Kitty Bruning, Mr. Steve Lund, Dr. Kevin Miller, Dr. Peter Glusker
Board Members

BOARD MEMBERS ABSENT: None

ALSO PRESENT:

Mr. John Ruprecht, Legal Counsel
Mr. Bob Edwards, Chief Executive Officer
Mr. Mike Ellis, Chief Financial Officer

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
2. **INFORMATION/ACTION:** Pursuant to §32155 of the Health and Safety Code May Quality Management and Improvement Council Reports
 - The Board approved the May Quality Management and Improvement Council Report
3. **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 report.
4. **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 discussed their annual self evaluation
5. **Information/Action:** Conference with Legal Counsel regarding the Tort government claim of Deborah Sholin. Government Code §54956.9

- The Board had a conference with legal counsel regarding the claim of Deborah Sholin; the Board rejected the claim
6. **Information/Action:** Second Amendment to Emergency Department Physician's Services Agreement with Premier Emergency Physicians of California Medical Group. Government Code §54957
- The Board approved the Second Amendment to the Emergency Department Physician's Services Agreement
7. **Information/Action:** Proposed termination of Summit Pain Alliance (Summit) Agreement with MCDH, pertaining to potential litigation regarding contractual dispute. Government Code §54956.9.
- The Board approved termination of Summit Pain Alliance Agreement with MCDH
8. **Information/Action:** Appointment of Chief Nursing Officer by Board of Directors. Personnel matter. Government Code §54957
- The Board approved the appointment of Lynn Finley as Chief Nursing Officer

PUBLIC COMMENTS

- Linda Jupiter congratulated the Hospital on the passage of the Parcel Tax.

4. **REVIEW OF THE AGENDA**

- To add under New Business the "Change Order required for the ATS Project.

MOTION: To amend the agenda to add under New Business the "Change Order required for the ATS Project

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

5. **BOARD COMMENTS**

- Mr. Lund thanked everyone for their work and effort to help get the Parcel Tax passed.

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

1. Minutes: Regular Session, May 31, 2018
2. Alysoun Huntley Ford Fund Draw – There were no requests

MOTION: To approve the Consent Calendar

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

7. **ACTION/INFORMATION: STRATEGIC PLAN UPDATE: MR. BOB EDWARDS, CEO**

- Change Order required for the ATS Project

MOTION: To approve the Change Order required for the ATS Project, for the equipment only for the amount not to exceed \$57,842.01

- Bruning moved
- Miller second

The ATS has to connect to the four (4) generators. One of the generators is unable to connect to the ATS due to its age and how the connections are installed. The recommendation from Fort Bragg Electric & the designer is to build the connection to the generator; this connection would work with a new generator as well. The cost of just the equipment is \$57,842.01. There will be some added cost as the architect firm will have to design it.

- Roll call
 - Ayes: Miller, Glusker, Lund, Bruning
 - Noes: None
 - Absent: None
 - Abstain: None
- Motion carried
- Parcel Tax
 - ❖ Michael Riemenschneider stated that two thirds is very hard to achieve for a tax increase. Even though the vote was very close it did pass; however a recount will begin tomorrow and will take two (2) to three (3) days to complete.
 - ❖ A process is being established for the continuous parcel exemption.
 - ❖ The Oversight Committee will be publicized with applications going out for people to serve on it. The committee will then be assembled and appointed.
- Six (6) new Focus Areas
 1. Quality/Delivery of Care
 - Goal: The Hospital District performs high quality of care.
 - Strategies: Use reviews and inspections by regulatory and accreditation entities to ensure MCDH is maintaining, and improving the quality of its services. Share results with patients and the community.
 - ✓ Meet or exceed Accreditation, Regulatory Review, Quality Bonus, Quality Incentive and Inspection standards
 - On May 21, 2018 Lynn Finley, CNO, completed the Application process with Joint Commission via a scheduled phone call. As a result, our window is now open for survey anytime between now and October 2018. The Joint Commission will notify us on their day of arrival by way of an email that day at 7 am.
 - ✓ Upgrade the Electronic Health Record (E H R) to improve business office performance, revenue cycle data, patient data flow, physician engagement, staff productivity, and progress with National Meaningful Use Standards. Implement a robust, single platform Electronic Health Record for all District entities
 - ✓ MediTech was selected as the vendor of choice in a number of categories:
 - Financial – upfront costs were the cheapest of other vendors that were reviewed.
 - Consistency – Meditech Magic is currently implemented at the hospital as one aspect of our EHR; our financial data as well as our ADR

(Admission/Discharge/Registration) data will flow seamlessly to the new product.

- Physician Satisfaction – Physicians were impressed with the product demos and the ability to unify both the Ambulatory and Hospital
- Implementation will be Jan 2019 to July 2019.

2. Financial/Fiscal Solvency

Goal: Adequately fund ongoing operations and capital improvements in order to support advancements in the care provided.

Strategy: Stabilize operational funding through a parcel tax or other means.

Improve the Revenue Cycle processes through recruiting full-time, permanent employee talent into the positions that support the Finance Department and the Revenue Cycle Departments.

- ✓ Currently recruiting for a Purchasing Manager. Have already hired: Revenue Cycle Director, Insurance Denial Lead position, Integrity Lead and 2 additional patient account billers.
- ✓ Develop an RFP for in house Legal Services
 - ✓ The Hospital has been advertising and has received resumes from eight (8) individuals. *Steve Lund and Dr. Glusker will work with John Ruprecht in screening; when the final candidates are selected, the full Board will conduct interviews in Closed Session.*

3. Physical Plant/Facilities

Goal: Modernize the physical plant to meet or exceed OSHPD seismic standards.

Develop processes, and income to meet 2030 earthquake standards for all required elements of the hospital.

Strategies: Complete upgrades to achieve 90% compliance with known facility improvements.

Develop a financial feasibility strategy to address hospital building requirement for remodeling or replacement of facility.

- ✓ OR HVAC
 - The objective will be to complete the project by the end of December.
- ✓ ATS
 - The objective will be to complete the project by the end of December.
- ✓ Nurse Call System
 - This project is complete. A final cost and explanation of increased cost will have to be filed with OSHPD to close the project.
- ✓ Emergency Hot Water Tank
 - This project will start in July and should be finished by the end of July.
- ✓ Parking Lot
 - The project is unfunded. The potholes have been filled. The currently is no funding for this project.
- ✓ Central Sterile
 - Won't start the design until January 2019.

4. People/Physician, Nursing and Support Staffing

Goal: Increase the percentage of physicians, nurses and support staff who are permanent residents of the District, and stabilize other staffing as necessary.

Strategies: Analyze the need to adjust wages and other incentives to recruit for hard-to-fill positions

- ✓ Union negotiations will begin July 25 & 26.
- 5. Parcel Tax was discussed earlier
- 6. Governance
 - Goal: Have a District Board that continues to provide the leadership and vision required to guide healthcare delivery over the next two decades.
 - ✓ June 30th is the deadline to submit a resume if interested in running for the Interim Board seat. A Special Board meeting is scheduled to take place on Monday, July 16 at 5 pm and the Board will appoint an Interim Board member.
 - ✓ Four (4) Board seats will be open on the November ballot. The filing period is July 16 thru August 10.
- Community Health Improvement
 - The Hospital conducted a Community Health Needs Assessment which resulted in a Community Health Improvement Plan. Clara Slaughter, Interim Practice Administrator NCFHC reported:
 - ✓ NCFHC created and implemented processes to improve the health of the community. To increase the number of primary care patients to receive breast, cervical & colorectal cancer screenings.
 - ✓ For this fiscal year breast cancer screenings went from 42% to 75%. Cervical cancer screenings went from 44% to 67%. Colorectal cancer screenings went from 40% to 57%.
 - ✓ The outreach is ongoing.
- First Quarter, IQM Scorecard 2018
 - The Hospital is doing very well in Patient Experience. Improvements are being made on the time of entering the Emergency Room to when the patient is actually admitted.
- 8. **ACTION/INFORMATION: HOSPITAL 47th BIRTHDAY**
 - Congratulations to MCDH on their 47th Birthday.
 - A video was shown of the staff acknowledging the birthday.
- 9. **ACTION/INFORMATION: FINANCE COMMITTEE REPORT: MR. MIKE ELLIS, CFO**
 - The Finance Committee met on Tuesday, June 26.
 - Mr. Ellis reviewed the May Financials and the budget.
 - The Finance Committee started a monthly review of different departments; the department review this month was the NCFHC.
 - Statistical/Finance Report, May 2018: Mr. Mike Ellis, CFO

May Highlights

- May's net patient revenues of \$4.6 million were \$302,000 or 7% above budget, and \$207,000 above May 2017. The month's total operating expenses of \$5.0 million were \$398,000 or 9% above budget. May had a net operating loss of \$247,000 that was \$92,000 more than the \$154,000 budgeted loss.
- Including May's non-operating revenues and expenses the actual total net loss was \$195,000.
- Fiscal YTD (eleven months) is a total net loss of \$3.5 million compared to the budgeted total net income of \$3,000. The largest budget variances are the line items: net patient revenues \$.9 under budget, physician professional fees \$1.1 million over budget, personnel cost (including benefits and registry) \$1 million over budget, and other professional fees \$.7 million over budget.

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

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

- Operations Budget
 - ✓ Mr. Ellis presented the FY 2019 Operations Budget which was approved by the Finance Committee.
 - ✓ Discussion ensued.

MOTION: To approve the Operations budget for FY 2019

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

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

- MCDH does have a compliance hotline and it is on the Hospital's web site. The number is: 707-961-4788
- Bob thanked everyone for handling all the transfers in house; this will save MCDH Approximately \$80,000.
- MCDH is starting to gather data on approximately 75,000 patient events. This is possible by calling patients at home, texting or by mail. This information/feedback is very useful.
- The state budget is \$201 billion. MediCal is \$1.4 billion of that budget which increased from \$7 billion last year.
- Following are the goals the Board gave to Mr. Edwards during his performance evaluation:
 1. Shape the Community Outreach and Improvement Plan.
 - Mr. Shald is the Hospital's PR/Marketing Director and he stated there are a lot of facebook posts, radio, newspaper, public TV. New ideas include doing a Community Newsletter; implement a way for the community to sign up for press releases; work with the local schools, and shoot PSAs for public TV and the Hospital's web site.
 2. Complete the deferred maintenance.
 3. Development and implement a well-defined and coherent strategy to improve financial performance at the Hospital.
 4. Develop an implementation track and plan for the funding of the Electronic Health Record.
 5. Ensure all evaluations are completed as required by policy.
 6. To develop and implement a specific plan with short, mid and long range benchmarks to address the 2030 seismic requirements.
 7. To develop a different kind of dashboard. One that has measures that address all the major operational categories to include, financial, patient care, facilities, recruitment and

retention.

8. Maintain the required Joint Commission status.
9. Develop Union Negotiation strategies.

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

- Dr. Brent Wright has been elected as Chief of Surgery.
- Dr. Serrahan will remain as Chief of Medicine.
- Ballots will be going out for members at large for the Medical Executive Committee.
- In July Dr. Miller and other physicians will look for a way to simplify the MRSA process for patients when they need surgery, etc.

A. Re-Appointments to Medical Staff

1. Zoe Berna, MD –Department of Medicine-Family Practice-NCFHC

MOTION: After careful consideration recommend approval of Re-appointments to Medical Staff for Zoe Berna, MD

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

B. Temporary Privileges

1. Scott Fisher, MD -e Department of Medicine-Pediatrics (July 11-18; July 25-Aug 3; Aug 17-24; Sept 7-17; Oct 12-22, 2018)

MOTION: After careful consideration recommend approval of Temporary Privileges for Scott Fisher, MD

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

C. Temporary Privileges: Allied Health Professional Category

1. Melissa Baxter, CRNA –Department of Surgery-Anesthesia (June 21-27; July 25-Aug 1; Sept 23-30; Oct 8-17; Oct 22-31, 2018)

MOTION: After careful consideration recommend approval of Temporary Privileges to Allied Health Professional Category for Melissa Baxter, CRNA

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

D. Release from Provisional Status & Proctoring/Advance to Active Status

1. Tareq Ali, MD –Department of Medicine- Emergency Department
2. Rajwinder Bahia, MD –Department of Medicine- Hospitalist Service
3. Maher Danhash, MD –Department of Medicine- Family Practice-NCFHC
4. Sandra Fleming, MD –Department of Medicine- Family Practice-NCFHC
5. David Irvine, MD –Department of Medicine- Emergency Medicine
6. Henna Kalsi, MD –Department of Medicine- Hospitalist Service
7. Kelly King, MD –Department of Medicine- Hospitalist Service
8. William Miller, MD –Department of Medicine- Hospitalist Service & Emergency Dept.
9. Eleanor Oakley, MD –Department of Medicine- Emergency Department
10. Christopher Ryan, MD –Department of Medicine- Hospitalist

MOTION: After careful consideration recommend approval of Release from Provisional Status & Proctoring/Advance to Active Status for Tareq Ali, MD: Rajwinder Bahia, MD: Maher Danhash, MD: Sandra Fleming, MD: David Irvine, MD: Henna Kalsi, MD: Kelly King, MD: William Miller, MD: Eleanor Oakley, MD: Christopher Ryan, MD

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

E. Release from Proctoring-Temporary Privileges/Locums Tenens

1. Scott Fisher, MD –Department of Medicine-Pediatrics

MOTION: After careful consideration recommend approval of Release from Proctoring-Temporary Privileges/Locums Tenens for Scott Fisher, MD

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

F. Appointment to VRad Tele-Radiology Physicians

1. David Milikow, MD

MOTION: After careful consideration recommend approval of Appointment to VRad Tele-Radiology Physicians

- Glusker moved
- Bruning second
- Roll Call
 - Ayes: Bruning, Lund, Miller, Glusker
 - Noes: None
 - Abstain: None
 - Absent: None
- 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**
 - Most of the Planning Committee report was already discussed earlier at this meeting.
 - Once the new Board is seated they will move forward with the Mission, Values & Vision Statement, and working with the community for a revitalization of the strategic plan.
14. **ACTION/INFORMATION: JPA REPORT: MR. STEVE LUND**
 - The JPA will meet annually.
15. **INFORMATION: ASSOCIATION AND COMMUNITY SERVICE REPORTS**
 - There were no reports.
16. **PUBLIC COMMENTS:**
 - A community discussed issues regarding the Hospital.
17. **ADJOURN:**
Meeting adjourned at 8:05 pm

Peter Glusker, MD, Secretary
Board of Directors

Gayl Moon, Secretary to the
Board of Directors