

**BOARD OF DIRECTORS MEETING
HOSPITAL REDWOODS ROOM
THURSDAY, JANUARY 28, 2016
MINUTES**

The Board of Directors of the Mendocino Coast Health Care District met in CLOSED session at 5:00 pm in the Hospital Redwoods Room, Tom Birdsell presiding.

PRESENT: Ms. Bruning, Mr. Birdsell, Dr. Glusker, Dr. Rohr, Mr. Hogan

Mr. John Ruprecht, Legal Counsel
Bob Edwards, Chief Executive Officer
Mr. Wade Sturgeon, Chief Financial Officer
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. Tom Birdsell presiding.

2. ROLL CALL:

PRESENT: Ms. Kitty Bruning, Mr. Tom Birdsell, Dr. Peter Glusker, Dr. William Rohr, Mr. Sean Hogan
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:** Medical Staff Credentials and Privileges Report
 - The Board received a report on the Medical Staff Credentials and Privileges.
2. **INFORMATION/ACTION:** January Quality Management and Improvement Council Report
 - The Board approved the January Quality Management and Improvement Council Report
3. **INFORMATION/ACTION:** Contract for Dr. Zoe Berna
 - The Board approved the contract for Dr. Zoe Berna contingent upon legal contract review for compliance.
4. **INFORMATION/ACTION:** Recruitment & Credit Agreement and Note for Dr. Zoe Berna
 - The Board approved the Recruitment & Credit Agreement and Note for Dr. Zoe Berna
5. **INFORMATION/ACTION:** Contract for Dr. Rosemarie Kennaley
 - The Board approved the contract for Dr. Rosemarie Kennaley contingent upon legal

contract review for compliance.

Closed Session will reconvene after Open Session.

6. **INFORMATION/ACTION:** Recruitment & Credit Agreement and Note for Dr. Rosemarie Kennaley
 - To be discussed when the Board reconvenes Closed Session after Open Session.
7. **INFORMATION/ACTION:** Contract for Dr. P.K. Reddy
 - To be discussed when the Board reconvenes Closed Session after Open Session.
8. **INFORMATION/ACTION:** Recruitment & Credit Agreement and Note for Dr. P.K. Reddy
 - To be discussed when the Board reconvenes Closed Session after Open Session.
9. **INFORMATION/ACTION:** Contract for Dr. Kenneth Susman
 - To be discussed when the Board reconvenes Closed Session after Open Session.
10. **INFORMATION/ACTION:** Retention of the law firm of DeCaro, Coppo & Popcke
 - To be discussed when the Board reconvenes Closed Session after Open Session.
11. **INFORMATION/ACTION:** Real Property negotiations for Mendocino Coast Medical Plaza, LLC
 - To be discussed when the Board reconvenes Closed Session after Open Session.
12. **INFORMATION/ACTION:** Dias vs. MCDH
 - The Board authorized the CEO to enter into mediation.
13. **INFORMATION/ACTION:** Alderson vs. MCDH
 - No action was taken.
14. **INFORMATION/ACTION:** Petra ICS vs. MCDH
 - To be discussed when the Board reconvenes Closed Session after Open Session.
 - ☛ The Board will reconvene Closed Session after Open Session to discuss items 6 thru 11 and item #14.
 - ☛ The Board added the extension of privileges of an additional two (2) months for Dr. Andrea McCullough as an emergency item to the agenda. This item will be added to the Medical Staff Report.
 - ☛ The Board will remove the Medical Staff Credentials from the Consent Calendar and added to the Medical Staff Report.
4. **PUBLIC COMMENTS:**
 - There were no public comments.
5. **ACTION: REVIEW OF THE AGENDA**
 - There were no additional changes to the Agenda.
6. **BOARD COMMENTS:**
 - There were no Board comments.
7. **ACTION: APPROVAL OF CONSENT CALENDAR: MR. SEAN HOGAN, PRESIDENT**
 - A. Minutes: Regular Session, January 7, 2016
 - B. Minutes: Special Session, January 7, 2016
 - B. Policies & Procedures
 - Policy Titles**
 - ☛ Destruction of Medical Records

- ☛ Retention of Facility Records
- ☛ Secure Storage (off site) of Medical Records
- ☛ Myoview Myocardial perfusion Scanning Protocol using Lexiscan® (Regadenoson)

MOTION: To approve the Consent Calendar

- Hogan moved
- Bruning second
- Motion carried

8. INFORMATION/ACTION: DETERMINE MEDIATION DATE WITH MR. CARLO COPPO: MR. JOHN RUPRECHT

- Mr. Ruprecht requested setting the Mediation dates with Mr. Carol Coppo for March 21, 22 & 23 as those dates work for everyone involved with the Mediation.

MOTION: To approve the dates of March 21, 22 & 23 as Mediation dates with Mr. Coppo

- Bruning moved
- Birdsell second
- Motion carried

9. INFORMATION/ACTION: APPROVAL OF NUANCE TRANSCRIPTION SERVICE AGREEMENT: MR. WADE STURGEON, CFO

- Mr. Sturgeon stated this is an extension of the current contract. This also includes a cost reduction as they will use an offshore transcription service over night; this would be only over night. This will not change the service currently being provided.

MOTION: To approve the Nuance Transcription Service Agreement

- Rohr moved
- Glusker second
- Roll call
 - ☛ Ayes: Rohr, Hogan, Glusker, Bruning, Birdsell
 - ☛ Noes: None
 - ☛ Absent: None
 - ☛ Abstain: None
- Motion carried

10. INFORMATION/ACTION: APPROVAL OF EMERGENCY DEPARTMENT AGREEMENT EXTENSION: MR. WADE STURGEON, CFO

- The Hospital's current contract with VEP expires on January 31, 2016. Mr. Sturgeon requested an extension of six (6) months in order to renegotiate a permanent contract.

MOTION: To approve a six (6) month extension of the VEP Emergency Department Agreement on the condition that this agreement will come back to the Board in April, to be accompanied by other proposals in order to make comparisons with other companies

- Hogan moved
- Rohr second
- Roll call
 - ☛ Ayes: Glusker, Hogan, Birdsell, Rohr, Bruning
 - ☛ Noes: None
 - ☛ Absent: None
 - ☛ Abstain: None
- Motion carried

11. INFORMATION/ACTION: APPROVAL OF RESOLUTION 2016-1: MR. TOM BIRDSSELL, CHAIR

- Mr. Birdsell read Resolution 2016-1 to the Board regarding the Consent Calendar.

MOTION: To approve Resolution 2016-1

- Birdsell moved
- Bruning second

Mr. Hogan objected to this resolution as it could leave the Board unprepared for the subject at hand. Discussion ensued.

- Mr. Birdsell withdrew his motion to approve Resolution 2016-1 from consideration.

12. INFORMATION/ACTION: Approval of Medestar Contract: Mr. Wade Sturgeon, CFO

- Mr. Sturgeon stated this is another option when looking for temporary providers.
- Following are issues that Mr. Ruprecht had with the contract:
 1. Acceptance of a provider which states that the district has only 48 hours to reject a potential candidate, if the district does not reject a candidate within 48 hours, then the district will owe the fee; this should be changed to 96 hours.
 2. Under Termination for cause of the Locums Tenens provider. The contract does not include that if the Locums Tenens provider is charged with a felony or a misdemeanor involving moral peripitude that would be cause to terminate that provider's employment.
 3. Under confidentiality there should an addition to the paragraph that the Hospital can disclose the agreement if required to do so by law. There is a paragraph in the contract that limits any damages if the Hospital had a breach of contract with them that MCDH could receive against them only to the amount of the placement fee that the Hospital paid; which is very limited damages.
 4. The arbitration clause states that if there is a dispute the arbitration would take place in Dallas Texas.

MOTION: To approve the Medestar Contract subject to John Ruprecht and Wade Sturgeon negotiating John Ruprecht's issues as stated above that need to be resolved.

- Bruning moved
- Birdsell second

Discussed changing the terminology from locums tenens services to temporary services. Dr. Rohr stated that California State Law is very specific regarding locum tenens agencies in that they are prevented from employing physicians. Dr. Rohr feels that the contract states that MCDH will pay Medestar, which would therefore make them an employer. Mr. Ruprecht stated that the contract does disclaim that the provider is their employee, that the provider is strictly an independent contractor and that Medestar is not responsible for Social Security, Medicare and self employment tax. Dr. Rohr stated that the Hospital can pay Medestar an agency fee, but MCDH can't pay the provider through the agency as that makes the provider the agency's employee. Mr. Ruprecht will research this issue.

- **Ms. Bruning amended her motion:** To include the point discussed above and the legality of California Law
- Hogan second
- Roll call
 - ☞ Ayes: Birdsell, Bruning, Hogan
 - ☞ Noes: Rohr, Glusker
 - ☞ Absent: None
 - ☞ Abstain: None
- Motion carried

13. INFORMATION/ACTION: APPROVAL OF TITAN HEALTH MANAGEMENT SOLUTIONS CONTRACT: MR. WADE STURGEON, CFO

- Titan Health Management Solutions does after the fact audits on fully paid claims. They will

audit the Hospital's accounts receivable to find possible areas in which the Hospital may have oversight from underpayment. Titan Health will get a commission on what extra money the Hospital is paid by those companies.

- Mr. Ruprecht stated that this is a proposal letter and one of the conditions of the proposal letter is that MCDH execute a signed and executed contract. Mr. Ruprecht would like to see a contract. He suggested approving the proposal and to give him the discretion to approve the contract.

MOTION: To accept this proposal subject to Mr. Ruprecht's approval of a contract

- Rohr moved
- Hogan second
- Roll call
 - ☞ Ayes: Rohr, Glusker, Birdsell, Bruning, Hogan
 - ☞ Noes: None
 - ☞ Absent: None
 - ☞ Abstain: None
- Motion carried

14. INFORMATION/ACTION: APPROVAL OF TELEMED 2U CONTRACT: MR. WADE STURGEON, CFO

- This organization is a group of physicians that will provide infectious disease telephone consultation for MCDH's hospitalist, pharmacist, surgeons and Emergency Department. Their hours would be 9:00 a.m. to 5:00 p.m. Monday through Friday. The physician to be credentialed will be the Hospital's Medical Director for the Infection Prevention Program working with Emmet O'Connell; they will oversee the Hospital's Antimicrobial Stewardship Program and they will attend via skype, monthly meetings for the Infection Prevention Program and for the Antimicrobial Stewardship Program.
- Discussion ensued.

MOTION: To approve the Telemed 2U Contract

- Bruning moved
- Hogan second

Mr. Lee stated that a Go To meeting using skype would be HIPAA compliant. Mr. Ruprecht will review the revised contract which was not provided in the packet. Discussion ensued.

- **Ms. Bruning amended her motion:** To accept the Telemed 2U Contract subject to Mr. Ruprecht approving the revised contract
- Glusker second
- Roll call
 - ☞ Ayes: Birdsell, Bruning, Hogan, Glusker
 - ☞ Noes: Rohr
 - ☞ Absent: None
 - ☞ Abstain: None
- Motion carried

15. INFORMATION/ACTION: LOCAL AGENCY FORMATION COMMISSION (LAFCO) INDEPENDENT SPECIAL DISTRICT ELECTION: MR. TOM BIRDSSELL CHAIR

- No action was taken.

16. INFORMATION/ACTION: AUTHORIZATION FOR CEO TO HIRE TEMPORARY PHYSICIANS AND OTHER HEALTH CARE PROVIDERS WITHOUT PRIOR BOARD APPROVAL UNDER CONDITIONS AS SET FORTH HEREIN







- This policy would give the CEO authorization to bring in temporary providers and other personnel when the need arises.

MOTION: To approve this policy authorizing the CEO to hire Temporary Physicians and other Health Care Providers with Prior Board Approval





- Bruning moved
- Hogan second

Mr. Hogan stated there is a typographical error on the second page of the policy; the term locum tenens needs to be replaced with the word temporary. Mr. Hogan also stated that temporary personnel should include locum tenens. Discussed using the wording “contract with” rather than “hire” as hospitals in the State of California cannot hire physicians as employees. Discussion ensued.

Mr. Birdsell stated necessary modifications to this policy as per the discussion:

-  Use the words “contract with” not “hire”.
-  The last paragraph heading should read “Qualifications of Temporary Personnel” rather the locums tenens.
- **Ms. Bruning amended her motion:** To reword this policy as stated by Mr. Birdsell above
- Mr. Birdsell stated that not hearing a second on the amendment, the original Motion still holds.
- Roll call
 -  Ayes: Birdsell, Bruning
 -  Noes: Hogan, Rohr, Glusker
 -  Absent: None
 -  Abstain: None
- Motion did not carry

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

- Mr. Edwards reported:
 -  Dr. Peter Glusker, Kitty Bruning and Bob Edwards all attended the ACHD Leadership Academy in Sacramento January 20 – 22nd.
 -  Reviewed the Hospital’s Quality Management Scorecard.
 -  Pain Intervention Management Services are now done at MCDH.
 -  Physician recruitment continues.

18. INFORMATION: PLANNING COMMITTEE REPORT: MS. KITTY BRUNING

- The Planning Committee discussed how to present the possible November 2016 Parcel Tax to the public.

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

- Doctors Pope and Yang have begun doing Pain Management Procedures at the Hospital and everything is going very smooth in the OR.
- The MEC Bylaws are now typed and ready be approved in March.

A. Appointments to Medical Staff:

1. Christiane Eisele, MD – Department of Medicine-Emergency Department
2. Cynthia Lawder, MD – Department of Medicine-Emergency Department

MOTION: After careful consideration recommend approval of Appointments to Medical Staff for Christiane Eisele, MD; Cynthia Lawder, MD

- Birdsell moved
- Hogan second
- Motion carried

B. Temporary Privileges AHP-Allied Health Professional):

1. Glenda Moore, FNP-Department of Medicine-Allied Health Professional NCFHC (January 19-April 19, 2016)

MOTION: After careful consideration recommend approval of Temporary Privileges for Glenda Moore, FNP

- Bruning moved
- Hogan second
- Motion carried

C. Request for New Privileges- Physician Assistant Clinical Privileges-Orthopedic Surgery

1. Jennifer Brown, PA-C-Department of Surgery-Orthopedics

- Dr. Kermen stated this is for the criteria that the MEC wants to present for a PA in the Surgery Department.

MOTION: To approve privileges for Jennifer Brown

- Bruning moved
- Birdsell second

Dr. Rohr stated that this is not the correct procedure.

Dr. Kermen stated this is for any PA who wants to apply for privileges at MCDH. This is not to approve privileges for Jennifer Brown.

- Ms. Bruning withdrew her motion
- Mr. Birdsell stated that the the adoption of privileges criteria was not an agenda item.
- No action was taken.

D. Resignations:

1. Robert Pollard, MD – Department of Medicine-Emergency Department Effective December 31, 2016

MOTION: After careful consideration recommend approval of Resignation for Robert Pollard, MD

- Hogan moved
- Glusker second
- Motion carried

E. Extension of Privileges for Sixty (60) Days

1. Andrea McCullough, MD

MOTION: After careful consideration recommend approval if a sixty (60) day extension for Andrea McCullough, MD

- Bruning moved
- Hogan second
- Glusker No
- Motion carried

20. **INFORMATION/ACTION: CHIEF OF PATIENT CARE SERVICES: MS. TERRY MURPHY**

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

21. **INFORMATION: PLANT SERVICES REPORT: MS. ELLEN HARDIN**

- Ellen met with the OSHPD Compliance Officer and discussed/reviewed all Hospital projects that are currently open.
- The HVAC plans are ready to be submitted to OSHPD.
- The Nurse Call System project continues to progress and move forward.

22. **INFORMATION: BYLAWS COMMITTEE REPORT: MR. TOM BIRDSSELL**

- Mr. Birdsell reported the Bylaws Committee Members are:
 - Carol Steele, Chair
 - Mark Hougland
 - Sharon Valente

🌐 Tom Birdsell

- The committee will meet next week and will make recommendations at the next Board Meeting.

23. INFORMATION/ACTION: ALYSOUN HUNTLEY FORD FUND DRAW

- 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 were two (2) requests.

MOTION: To approve two (2) Alysoun Huntley Ford Fund Draws in the amount of \$280.05

- Hogan moved
- Rohr second
- Motion carried

24. ASSOCIATION AND COMMUNITY SERVICE REPORTS: BOARD MEMBERS

- There were no reports.

25. ACTION: Finance Committee Report: Mr. Sean Hogan

- The Finance Committee discussed/reviewed what will be done in the next few months at the Finance Committee meetings.

- Mr. Sturgeon reported:

December Consolidated Highlights

- Net Income from Operations was \$183,002
 - o YTD Income from Operations \$828,620
- Net Income from All Sources was \$212,903
 - o YTD Income \$1,051,910
- Bond Covenants
 - o Days Cash On Hand is within the covenant at 35.57
 - o Debt Service Coverage Ratio is within covenant at 2.56
 - o Current Ratio is within covenant at 1.13

MOTION: To approve the Finance and Statistical Report for December 2015

- Rohr moved
- Hogan second
- Motion carried

26. PUBLIC COMMENTS:

- There were no comments.

27. ADJOURN:

Open Session adjourned at 8:05 p.m.

Reconvened Closed Session at 8:10 p.m.

A. Reporting out of Closed Session

1. Recruitment & Credit Agreement and Note for Dr. Rosemarie Kennaley

- 🌐 The Board approved the Physician and Recruitment and Credit Agreement for Dr. Rosemarie Kennaley contingent upon legal contract review for compliance

2. Contract for Dr. P.K. Reddy

- 🌐 The Board approved the contract for Dr. P.K. Reddy contingent upon legal contract review for compliance

3. Recruitment & Credit Agreement and Note for Dr. P.K. Reddy
 - ☛ The Board approved the Recruitment & Credit Agreement and Note for Dr. P. K. Reddy
4. On Call Contract for Dr. Kenneth Susman
 - ☛ The Board approved extending Dr. Susman's existing contract for 90 days in order to work out a new on call contract
5. Retention of the law firm of DeCaro, Coppo & Popcke
 - ☛ The Board approved Retention of the law firm of DeCaro, Coppo & Popcke
6. Real Property negotiations for Mendocino Coast Medical Plaza, LLC
 - ☛ The Board approved tabling this item to a later date
7. Petra vs. MCDH
 - ☛ No action was taken.

Meeting adjourned at 8:45 p.m.

Peter Glusker, MD, Secretary
Board of Directors

Gayl Moon, Secretary to the
Board of Directors