

**BOARD OF DIRECTORS MEETING
HOSPITAL PATIENT REGISTRATION LOBBY
THURSDAY, AUGUST 29, 2019
MINUTES**

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

PRESENT: Mr. Redding, Mr. Lund, Ms. Grinberg, Ms. McColley, Ms. Arnold

Mr. Wayne Allen, Interim CEO
Mr. Doran Hammett, Interim CFO

I. 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 Patient Registration Lobby, Ms. Karen Arnold Chair presiding

II. ROLL CALL:

PRESENT: Mr. Steve Lund, Mr. John Redding, Ms. Karen Arnold, Ms. Jessica Grinberg, Ms. Amy McColley
Board Members

BOARD MEMBERS ABSENT: None

ALSO PRESENT:

Mr. Wayne Allen, Interim CEO
Mr. Doran Hammett, Interim CFO
Ms. Gayl Moon, Executive Assistant

III. REPORT ON ANY ACTION TAKEN IN CLOSED SESSION; GOVERNMENT CODE 94957.1

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.
2. **INFORMATION/ACTION:** Public Employee Performance Evaluation, Chief Executive Officer. Government Code §54957
3. **INFORMATION/ACTION:** Consideration of Termination of Legal Services Contract with Best, Best & Krieger, Attorneys at Law, dated 9/25/18. Government Code §§54954.5(e), 54957; Evidence Code §952, et seq.
4. **INFORMATION/ACTION:** Conference with Legal Counsel, consideration of initiation of litigation. Government Code § 54956.9(d)(4), Number of cases (1).

5. **INFORMATION/ACTION:** Pursuant to California Government Code §54954.5 and §32155 of the Health and Safety Code Medical Staff Credentials and Privileges Review and Medical Staff Report
6. **INFORMATION/ACTON:** To review Professional Services Agreement for Dr. Akbar Khan. Government Code §54954.5 & 54957
7. **INFORMATION/ACTION:** To review Professional Services Agreement for Dr. Linda James. Government Code §54954.5 & 54957
8. **INFORMATION/ACTION:** To review Professional Services Agreement for Dr. James Michael Sandys. Government Code §54954.5 & 54957
9. **INFORMATION/ACTION:** Pursuant to §32155 of the Health and Safety Code August Quality Management and Improvement Council Reports including the Beta Survey

IV. REPORT ON ANY ACTION TAKEN IN CLOSED SESSION; GOVERNMENT CODE 94957.1

- The Board received an update from Legal Counsel on the Hardin Case.
- The Board determined a performance evaluation for Wayne Allen, Interim CEO.
- The Board discussed the performance of BB&K Legal Firm for MCDH.
- The Board discussed consideration of initiation of a law suit. The Board received a letter with a request regarding the residency of a Board Member. The Board voted to drop it.
- Dr. Kahn's contract was tabled.
- Dr. James & Dr. Sandys contracts were approved.
- The Board did not receive the Health & Safety Report.

V. PUBLIC COMMENTS

- Community members made comments regarding Hospital issues.

VI. REVIEW OF THE AGENDA

- To remove the HR Report from the agenda.

VII. BOARD COMMENTS

- Ms. McColley stated "earlier this month the Fair Political Practices Act got an anonymous complaint referencing my residency and my potential conflict with the Ellen Hardin Case. The letter is in response to the anonymous complaint submitted to the a division of the Fair Political Practices Commission regarding the conflict of interest allegations concerning the Mendocino Coast District Hospital officer Amy McColley. This division has insufficient evidence of the violations of the political reform act. It will not be pursuing any enforcement action in this matter. I thank you all. You guys have elected me. I'm up here representing and I am a registered voter in Mendocino County; I reside in the outer district of Fort Bragg. I do work at a healthcare district, and I do have a temporary home when I am at work. The Fair Political Practices Act complaint #0725019-01381 is not pursuing any action. Thank you."

VIII. ACTION: APPROVAL OF CONSENT CALENDAR: MS. KAREN ARNOLD, CHAIR

1. Minutes: Regular Session, July 25, 2019
2. Policy #1356 On Call 1st read
3. Policy #1379 Staffing Table 1st read
4. Alysoun Huntley Ford Fund Draw (there were no requests)

MOTION:

- Lund moved
- Redding second
- Roll call
 - Ayes: Redding, McColley, Lund, Arnold, Grinberg
 - Noes: None
 - Absent: None
 - Abstain: None
- Motion carried

IX. ACTION/INFORMATION: SHOULD NEW OFFICERS FOR MCDH BE CONSIDERED: MS. KAREN ARNOLD, CHAIR

MOTION: Director Arnold should be disqualified from holding the office of Chair of the Board

- Redding moved
- McColley second

McColley seconded for discussion only.

Mr. Redding stated he believes there has been a pattern of a lack of an ethical code of conduct by Director Arnold. Mr. Redding alleged the following:

- Pattern of unilateral decision making.
- The hiring of Mr. Allen. The job was not posted & there was no effort to reach out to other individuals even though Nancy Schmid wanted to apply for the position.
- Director Arnold gave Mr. Allen permission to do a request for proposal for affiliation and didn't discuss it with the rest of the Board.
- In February a request for an rfq to hire an engineer was asked to be placed on the agenda and Director Arnold denied that request.
- Mr. Redding and Ms. McColley had requested to put election of new officers on the agenda for months and it was not done until tonight's meeting.

Ms. McColley talked about all the Board Member's strengths and what they each bring to the Board. She stated that the Board had a retreat on June 25th and they made a commitment that they would leave the past in the past and move forward, and Ms. McColley feels confident that the Board is trying to do their best to honor that. Ms. McColley was very glad that they were allowed to have this discussion.

Ms. Arnold stated that regarding Mr. Redding's comments, a lot of it is in his eyes and his eyes only. She stated that Nancy Schmid had applied for the permanent position. It is not typical to post a temporary position. Ms. Arnold did not know that Ms. Schmid was interested in the temporary position. Every Board member saw the

rfp before it went out. She also stated that regardless of how this goes tonight, if this Board doesn't start working together, we are going to severely damage this hospital.

- Roll call
 - Ayes: Redding
 - Noes: Lund, Arnold, Grinberg
 - Abstain: McColley (McColley abstained because she only seconded for discussion, not for action)
 - Absent: None
- Motion failed

X. **ACTION/INFORMATION: ELECTION OF NEW OFFICERS: MS. KAREN ARNOLD, CHAIR**

- This issue was voted down earlier in the meeting.

XI. **ACTION/INFORMATION: DISCUSSION REGARDING MEDITECH EXPANSE PROJECT: MICHAEL JOBIN & WAYNE ALLEN**

- It has become apparent that Meditech is unable to get their system up and running for a hospital the size of MCDH in six months in order to give good patient care to the community. The July 1st implementation date was not doable. The new implementation date would probably be around February 1, 2020.
- Attached is a Chronological Log of Meditech Expanse Project.
- Meditech has offered to MCDH to put the project in suspension for up to 12 months. If the project is suspended for 12 months, then the monthly cost would be \$12,000 per month.
- MCDH managers and the NCFHC physicians all voted to put Meditech in suspense. Mr. Allen recommended putting the Meditech project in suspense.
- The Finance Committee voted to recommend the suspension to the Board.
- The approximate savings in the 5 staff members no longer working on the Meditech Project is around \$80,000 per fte.
- There are no meaningful use penalties, as MCDH has a waiver which is good through fiscal 2020. The Hospital can then request one more waiver in 2020 that will be good through 2021.

MOTION: To put the implementation of the Meditech Expanse Project on hold for a twelve (12) month period

- Lund moved
- Arnold second
- Roll call
 - Ayes: Arnold, Grinberg, Lund, Redding
 - Noes: McColley
 - Abstain:
 - Absent:
- Motion carried

Michael Jobin will present a plan of what the next step will be going forward at the September Board Meeting.

XII. ACTION/INFORMATION: SURGERY FLOORING BIDS: MS. NANCY SCHMID

- Ms. Schmid stated that per the Joint Commission, the ED and Surgery floors need to be replaced. This was sent out to bid. The bids were opened last week. The lowest qualified bidder was Cash Carpet out of Willits. The attorneys reviewed the bids, and both bids had some technical problems, but were within the law.

MOTION: To accept the bid from Cash Carpet Service Incorporated for \$52,600 for the flooring project

- Lund moved
- Redding second
- Roll call
 - Ayes: Arnold, Grinberg, Redding, McColley, Lund
 - Noes: None
 - Abstain: None
 - Absent: None
- Motion carried

XIII. INFORMATION: MEASURE C UPDATE: MR. WAYNE ALLEN, INTERIM CEO

- Loose ends are being tied up.

XIV. INFORMATION: CEO REPORT: MR. WAYNE ALLEN, INTERIM CEO

- There was no CEO Report.

XV. INFORMATION: HR Report: Mr. Dan Camp

- This item was pulled from the agenda.

XVI ACTION: MEDICAL STAFF REPORT: DR. JOHN KERMEN

a. Appointments to Medical Staff-Provisional Status

1. Letitia Bradford, MD –Department of Surgery-Orthopedics
2. Trevan Rankin, MD –Department of Medicine-Family Practice

b. Re-Appointments to VRad Tele-Radiology Physicians

1. Jean Paul Dym, MD
2. Adam Hecht, MD
3. Karen Phillips, MD
4. Tareq Ali, MD – Department of Medicine-Emergency Department

MOTION: To approve the appointments to Medical Staff, Re-Appointments to Medical Staff, Re-Appointments to VRad Tele-Radiology Physicians as outlined in the agenda

- Lund moved
- Grinberg second
- Roll call
 - Ayes: Grinberg, Lund, McColley, Redding, Arnold,
 - Noes: None
 - Absent: None
 - Abstain: None

- Motion carried

XVII. INFORMATION: PLANNING COMMITTEE REPORT: MS. JESSICA GRINBERG

- The Planning is trying to improve the public's perceptions of the Hospital.
- Looking into participating in the street medicine program with the Adventist and Mendocino Coast Clinics.
- Debra Harris presented some challenges that she has observed and provided some possible solutions for improvement. Housing & general services needed by staff, promote the Hospital's successes, etc.
- Trying to develop a marketing plan.
- Will look into what might be done this winter to help the homeless as the weather shelter will not be opened.

XIX. INFORMATION: CHIEF NURSING OFFICER REPORT: MS. LYNN FINLEY

- The Hospital continues to have a presence at the Farmers Market.
- The Patient Family Advisory Council continues to meet.
- Nursing leadership is being reorganized.

XX. ACTION: FINANCE REPORT: MR. JOHN REDDING

- A total of eight departments have presented their budgets to the Finance Committee. The two final departments will be presented as one. The revised budget will be discussed at the next Finance Committee meeting. Mr. Redding stated the Finance Committee received budget and departmental updates for the following departments:
 - Ms. Lynn Finley presented the budget for the Surgery Department.
 - Ms. Kelly Hendricks presented the budget for the Acute Care Department.
 - Ms. Clara Slaughter presented the budget for the NCFHC.
 - Ms. Lynn Finley presented the budget for the OB Department.
- Mr. Hammett presented the July 2019 Financial Statements.
- The budget will be brought back to the September Board meeting.

MOTION: To approve the July 2019 Financial Statements

- Lund moved
- Arnold second
- Roll call
 - Ayes: Redding, McColley, Lund, Arnold
 - Noes: Grinberg
 - Absent: None
 - Abstain: None
- Motion carried

XXIV. INFORMATION: FUTURE AGENDA ITEMS: MS. KAREN ARNOLD, CHAIR

- Have an Action Item List in order to include Meditech, Conflict of Interest Policy, etc.

XXI. INFORMATION: ASSOCIATION AND COMMUNITY SERVICE REPORTS

- There were no Association and Community Service Reports.

XXII. PUBLIC COMMENTS:

- Community members made comments regarding Hospital issues.
- Will Lee stated that this week 3 orthopedic surgeons signed on and will do 24-7 call. MCDH has not had 24-7 orthopedic call in over five (5) years. This will greatly help to increase revenue at MCDH.

XXIII. ADJOURN:

Open Session adjourned at 7:35 pm

Steve Lund, Secretary
Board of Directors

Gayl Moon, Secretary to the
Board of Directors