

**Mayers Memorial Hospital District**  
Board of Directors – Special Meeting

(Approved)  
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Date: April 30, 2008  
Time: 1:00 P.M.  
Location: Mayers Memorial Hospital  
20647 Commerce Street  
Burney, California

*(These minutes are not intended to be a verbatim transcription of the proceedings and discussions associated with the business on the board's agenda; rather, what follows is a summary of the order of business and general nature of testimony, deliberation, and action taken.)*

<p><b>1. CALL MEETING TO ORDER:</b> President Knoch called the special meeting to order at 1:05 p.m. on the above date with the following present:</p> <p style="text-align: center;">Ruth Knoch, President Gail McClung, Vice President Jim Hamlin, Treasurer Mike Kerns, Secretary Dan Marcum, Trustee</p> <p>Board Members Absent: None Staff Present: Katharine Ann Campbell, CEO, Marlene McArthur, Clerk of the Board Others Present: Justine Gartrell, Loan Division, Cal-Mortgage, OSHPD</p>
<p><b>2. ADDITIONS &amp; CHANGES TO AGENDA, SECTION 54954.2(b)2</b> President Knoch requested the additional agenda items:</p> <p style="padding-left: 20px;">7.4 Health Fair—discussion. 7.5 Hospital Entrance—discussion.</p>
<p><b>3. CALL FOR REQUEST FROM AUDIENCE TO SPEAK TO ISSUES OR AGENDA ITEMS:</b> None</p>
<p><b>4. TOUR OF BURNEY LOTS (Recess: 1:07 p.m.)</b> Ron Shannon, Facilities Manager, toured board members of Burney lots owned by MMHD.</p> <p style="text-align: center;"><b>1:30 p.m. The Board of Directors reconvened.</b></p>
<p><b>5. APPROVAL OF MINUTES</b> A motion/second (Kerns/McClung) was made to approve, as presented, the minutes of the special meeting March 19, 2008. Unanimously carried.</p>
<p><b>6. BOARD COMMITTEE REPORTS</b></p> <p>6.1 Quality: Chairperson Kerns had no report.</p> <p>6.2 Strategic Planning:</p> <ul style="list-style-type: none"><li>• CEO Campbell presented Work Plan FY2009 (Attachment B). <b>A motion/second (Kerns/Marcum) was made to approve as presented.</b> Discussion: McClung questioned Goal 5 in regard to discrete cost centers—Campbell responded the term was correct. Discrete cost centers for independent licenses may provide better reimbursement. We do now know that, stated Campbell—it will take time and work to figure out. Discussion regarding lab draws...more performance vs. staffing=productivity. <b>Motion carried unanimously.</b></li><li>• Marcum reported a special board meeting for 3-year strategic planning will be held May 7<sup>th</sup>, 8 a.m., boardroom (FRM).</li></ul>

6.3 Finance Committee:

- 6.3.1 **Financials:** Jim Hamlin reported and summarized financial information from March 2008 financials (Attachment C) with a net loss of \$257,393. **A motion/second (Kerns/McClung) was made to approve March financial report.** Discussion: The question was asked the reason for the negative \$30,575 in non-operating revenue. Campbell did not have clarification and will get answer. **Motion unanimously carried.** CEO Campbell reported a General Surgeon candidate currently going through credentialing process. He is already licensed in California.
- 6.3.2 **Burney Lots Owned by MMHD:** Hamlin discussed the Burney properties and asked Ron Shannon, Facilities Manager, to report more detail and current maintenance expenses. Shannon reported maintenance schedule and tasks for the lots and that the building maintenance is minimal since Right Roads lease. **A motion/second (Kerns/Hamlin) was made that all properties believed to be owned by MMHD be identified with descriptions and value and to be brought back to Board for direction. Unanimously carried.**
- 6.3.3 **Linen Bids:** Ron Shannon, Facilities Manager, presented side-by-side spreadsheet comparing bid information for piece rate re-bid. Rates reviewed: Burney Fabricare \$2,363.05 per week; Mission: \$2,403.66; Aramark \$1,956.98 per week based on average weekly usage. The Aramark bid will be a \$20,000 savings—and goal was to cut by 20%. Marcum asked for current annual expense provided by Burney Fabricare and Campbell reported \$3,000/week. The 5% service charge is included in the \$1956.98 bid by Aramark. The \$40/delivery charge for Burney Fabricare was also included in bid stated Shannon. Mission did not include a delivery fee. Deliveries are made 3/week. Marcum stated it is imported to have a vendor that can be accessed in emergencies and asked if he could foresee any issues working with Aramark—and Shannon stated no. Shannon reported Aramark is a national organization and had good references. McClung asked about contract process and Board directed term include multiple years. CEO Campbell stated she expects a new contract by 7/1/08. Shannon stated goal is to own every piece of linen. Kerns stated it seems logical to outsource and why own. Shannon stated to provide high quality healthcare, we must own so that we are able to control—when vendor owns, we cannot specify quality in the pieces not owned by Mayers. **A motion/second (Marcum/Kerns) was made to offer contract to Aramark: vote: Hamlin abstained; Ayes 3 (McClung, Marcum, Kerns).**

**7. NEW BUSINESS**

- 7.1 Board Education: Kerns offered to attend governance workshop June 1-3 in San Diego.
- 7.2 Advocacy: Kerns reported he attended the ACHD Legislative Day in Sacramento and found it to be very educational and informative. Tons of information through ACHD including 59 different pieces of legislation in process that will impact Mayers—out of the 59, two were discussed. ACHD asked for vote to support other 57 without support.

During conference, time scheduled with legislators and our two were La Malfa and Aanedest were both out of town; however, Assemblyman La Malfa staff graciously accepted materials; Aanedest's office staff graciously received and invited to visit with health policy advisor, Linda Halderman. Very receptive and knowledgeable. Hesitant to turn districts loose to hire own doctors, however, willing to listen. Invited her to come visit Mayers. Advised board members that it would be good for Mayers to build relationships at advisor level vs. legislators themselves as most too busy and eventually pushed off to advisor anyway. Kerns felt it to be more effective way in dealing with these matters.

Strategic recommendation to board members pertaining to 59 legislation items, as there is no easy way for board to look at each and prioritize, put together committee of citizens who could volunteer a few hours/month sorting, sifting and looking at legislation and provide input to board concerning legislation focus. Campbell also will make available and distributed both state and federal legislation—and review with senior team and ask each to follow a bill or two.

7.3 Resolution example (Attachment D) provided in board packet as an example of what other districts are already doing to deal with state cuts. Patient advocacy campaign discussed and also collecting letters from individuals to be sent as part of campaign and delivered later May. Copy of lawsuit filed in LA County Superior Court 4/22/08 requesting injunction to study issues.

7.4 Health Fair: Board members invited to participate in “Meet & Greet” during Health Fair at either the FRM or Burney locations between the hours of 9:00 a.m. and 11:00 a.m.

7.5 President Knoch discussed board member interest in volunteering to improve doorway entrance of hospital. Ron Shannon, Facilities Manager, reported the front entrance is an important issue and plans are to work on project next week before Health Fair—and that he will respond to board if help necessary. Volunteers are welcome and initial contact must be made through Volunteer Services Department.

**8. OPERATIONS REPORT** by CEO Campbell:

- ❖ Health Fair: Olivia Stevenson, Employee Mission Task Force Committee, provided update on the health fair and activities (brochures dispersed).
- ❖ Foundation Update: IHF Executive Director position available. Executive director transferred to Volunteer Services. Interviews next week for Event Director.
- ❖ General Surgeon mentioned earlier in meeting.
- ❖ Lobby work in Washington, DC, among rural hospitals. Senator Baucus supporting CRNA pass-through piece regarding administration ruling with Census Bureau in regard to “rural” designations and criteria.
- ❖ Medicaid cuts at federal level have been reversed now working on state cuts.
- ❖ CNO Emily Davidson-Taylor resigned and leaving May 13. Interim CNO 5/19.
- ❖ CHPAC pledge information and materials distributed.
- ❖ Ethics Training: Shasta County advised: [www.fppc.gov](http://www.fppc.gov). Submit copy of certificate once completed to administration office.
- ❖ Other handouts: Legislation from CHA, economic impact hospital community value

beyond ER; Governance Institute Boardroom Press article re: role between Medical Staff and BOD, National Rural Health Association (periodic magazine).

**9. ANNOUNCEMENT OF CLOSED SESSION**

Board President Ruth Knoch announced Board of Directors would recess (3:05 p.m.) to closed session for the purpose of the following:

1. Discuss and review pending litigation, pursuant to Government Code Section 54956.9.
2. Discuss and review quality assurance issues, pursuant to Government Code Section 54962.
3. Discuss and review personnel issues pertaining to CEO evaluation, pursuant to Government Code Section 54957. (Tabled.)

**10. RECONVENE – REPORT OF CLOSED SESSION ACTION(S)**

President Ruth Knoch reported the following actions during closed session:

Pertaining to quality assurance issues, the following medical staff credential(s) were approved (unanimous vote) as follows:

1. Kristi Davis, OD: Optometry
2. Stephen Ferraro, MD: Orthopedics, hand specialist
3. D. Bradley Jones, MD: Orthopedics, back specialist
4. Farzad Sabet, MD: Physical Medicine & Rehabilitation (physiatry)
5. Laurie Watters, CRNA: nurse anesthetist

**11. ADJOURNMENT**

The Board of Directors adjourned at 4:38 p.m.