

Mayers Memorial Hospital District  
Board of Directors – Regular Meeting

(Approved)  
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Date: September 24, 2008  
Time: 1:00 P.M.  
Location: Mayers Memorial Hospital  
Fall River Mills, 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.)*

**1. CALL MEETING TO ORDER:** President Knoch called the regular meeting to order at 1 pm on the above date with the following present:

Ruth Knoch, President  
Gail McClung, Vice President  
Jim Hamlin, Treasurer  
Mike Kerns, Secretary  
Dan Marcum, Trustee

Board Members Absent: None.

Staff Present: Katharine Ann Campbell, CEO; Tom Hayes, CFO; Marlene McArthur, Board Clerk. Others Present: JP Marion, Project Officer, OSHPD; Community: Ken Fletcher, Randy Scholl.

**2. ADDITIONS & CHANGES TO AGENDA, SECTION 54954.2(b)2:**

Ruth Knoch requested a change in agenda order: Agenda Item 9.1 moved to 9.5.

**3. CALL FOR REQUEST FROM AUDIENCE TO SPEAK TO ISSUES OR AGENDA ITEMS:** None.

**4. APPROVAL OF MINUTES:** *A motion/second (Hamlin/Kerns) was made to accept, as presented, the minutes of the special meeting August 20, 2008, with correction on Page 2 to read "Employees to work a minimum of 32 hours per week to be benefit eligible." M/S/C (unanimous).*

**5. Pyxis® Demonstration:** Provided by Keith Earnest, PharmD, RPh.

**6. Board Governance Education:** District marketing, promotions and development of electronic bulletin to be displayed in cafeteria presented by Martha Lucero-Fletcher, IT/Marketing Director. Contact person for website recommendations: Marty Lucero.

**7. BOARD COMMITTEE REPORTS**

**7.1 Quality Committee:** Kerns reported the obstetrical quality compliance issues are in progress and Pyxis® development both relevant to quality update. Kerns expressed concern for development of dashboard, primarily "definition" and "matrix"—to verify and validate processes. Committee decides the data to measure and national indicators to be provided in scorecard. CEO Campbell requested standing meeting dates to get scorecard work accomplished. The committee is to set dates and notify administration. The dashboard is included in the FY09 work plan.

**7.2 Strategic Planning Committee:**

- Kerns reported MMHD board members met with three directors from Mountain Valleys Health Centers for an informal dinner/social in Bieber.
- CEO Campbell reminded committee of unfinished business pertaining to MMHD Conflict of Interest Code due to the FPPC by October 1, 2008.
- Quarterly work plan updates will be available next month reported CEO.

**7.3 Finance Committee Report:** Tom Hayes, CFO, dispersed August 2008 financial reports and

provided highlights (some listed as follows):

- Significant positive variance in acuity
- Positive variance in outpatient revenue due to surgical procedures
- Registry nurse expense reviewed weekly by CNO, CFO
- Balance sheet – cash position has improved
- Summary of Services – days revenue outstanding 85 days / goal 65 days. Plans to implement measurable goal to get days down
- California Health Facilities Financing Loan \$188,000 + \$99,000 in claims that will be deducted from next Medicare payment. Loan availability is \$500,000.
- A/R private pay claims in hands of firm that makes collections, then transferred to bad debt
- Budget – working on making accruals standard and bottom line more consistent to compare to budget

*A motion/second (McClung/Marcum) was made to accept the financial reports as presented (attached)—M/S/C (unanimous vote).*

**8. OPERATIONS REPORT** by CEO Campbell (see Attachment B):

- ❖ State budget signed; however, economic jeopardy by January 2009 with more cuts.
- ❖ Medi-Cal SNF 10% cuts with possible new cuts in February. Small rurals to be exempted from cuts but “rural” definition needs clarification. Ongoing lawsuits and injunction for SNF cuts.
- ❖ Resident Council (MMHD) in both units filed compliant form for abuse and neglect accusing Governor Arnold Schwarzenegger fear of losing home. State called and asked if joke and responded on site to investigate.
- ❖ Cost reductions within past 12 months reviewed including annualized savings from SNF. CFO working to improve A/R days and necessary ABNs. Rotating acute nurses through SNF to reduce registry in SNF 30% by September—only one registry scheduled for October. Marcum recommended clear understanding to nurses when re-assigning to different enterprise. Recruitment plan being developed—and attention is on SNF as it is not cost-based thus travelers must be eliminated.
- ❖ Burney properties listed with Century 21.
- ❖ New marketing tag lines selected.
- ❖ California Mental Health Planning Council meeting in Sacramento next month and rurals invited. MMHD will be participating.
- ❖ Collections reported.
- ❖ News articles/publications pertaining to healthcare issues reviewed.
- ❖ BETA (JPA) current professional liability insurance not supporting rural OB programs. Finance Committee directed CEO to explore another option thus a presentation made during committee meeting this a.m. Committee granted CEO direction to obtain. Legal counsel contacted in regard to correspondence from BETA. The OB focus was first initiated by MMHD in an effort to assure program compliancy. Hamlin stated the committee reviewed Optima proposal and found no downside—it’s fully insured, JPA (BETA) is not. Marcum recommended archiving documentation as to reasons for changing insurances.
- ❖ Recruitment needs: 4 LVNs and 9 RNs – with in-house nurses rotating. Considering another college to provide class annually. Recruiting suggestions provided by board members to entice nurses to rural area.
- ❖ Annual Program Evaluation during special meeting October 8, 2008, 9 a.m.

**9. ANNOUNCEMENT OF CLOSED SESSION 3:15**

President Knoch announced recess to closed session for the purpose of the following:

1. Employee Grievance, Government Code 54957.
2. Pending litigation pursuant to Government Code Section 54956.9.
3. Discuss and review quality assurance issues pursuant to Government Code Section 54962.

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

President Ruth Knoch reported the following actions during closed session in regard to employee grievance: M/S/unanimously approved to uphold actions taken by supervisor.

**11. ADJOURNMENT:** The Board of Directors adjourned at 4:15 p.m.