


Mayers Memorial Hospital District
Board of Directors – Regular Meeting


(Approved)
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Date: June 25, 2008
Time: 1:00 P.M.
Location: Mayers Memorial Hospital
43563 Highway 299 East
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 1:07 p.m. 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, Marlene McArthur, Clerk of the Board

2. ADDITIONS & CHANGES TO AGENDA, SECTION 54954.2(b)2: None

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

4. APPROVAL OF MINUTES

4.1 *A motion/second (Hamlin/Kerns) was made to accept, as presented, the minutes of the regular meeting May 28, 2008. Unanimously carried.*

5. BOARD COMMITTEE REPORTS

5.1 Quality: Committee chair Kerns reported work on the following:

Committee provided input and concerns to CQO. Draft quality plan submitted to board members for review and to make recommendations. The 2009 Quality Plan will be presented for adoption at the next board meeting. Marcum questioned page 12, annual program evaluation, and CEO Campbell clarified evaluation is included in the organizational analysis available in October annually.

5.2 Strategic Planning:

Dan Marcum, committee chair, presented strategic planning update (Attachment B). Met with Vision Committee (employee task group) and meeting highlight is more marketing.

5.3 Finance Committee:

5.3.1 Financials: Jim Hamlin reviewed the financial reports for May 2008 (Attachment C). He reported a net income bottom line \$192,214. CEO Campbell noted seven months with a positive EBIDA. *A motion/second (Kerns/Marcum) was made to accept the May 2008 financial report as presented. Motion unanimously carried.* Questions: McClung asked about employee benefits proposal to control costs—CEO Campbell stated the proposal will go through finance committee first. Hamlin asked about paying down line of credit—CEO Campbell stated we are stockpiling probably most of the summer to await conclusion from State budget. Discussion followed concerning cash and possible legislature to exempt 60 smallest hospitals from Medi-Cal tax cuts. Justine Gartrell, Cal Mortgage Loan Insurance, had

discussed, with CEO, the possibility of a larger line of credit or a loan through CHFFA (California Health Facilities Financing Authority) that offers loans for as low as 1% interest and sometimes interest waived. Campbell reported an application is being prepared and submitted. It will be reviewed 7/11/08 and if approved money can be accessed the next day. The loan can be used for operations only. Letter from hospital to all vendors concerning cash flow due to Medi-Cal crisis. Kerns proposed a special board session concerning Medi-Cal shortfall and impact to MMHD in preparation for possible action. Consensus to hold special meeting next Wednesday, 7/2/08, 11:00am-2:00pm, at Burney (boardroom).

6. BOARD GOVERNANCE EDUCATION: Mr. Graham Lewis, certified board trainer, provided board members with the following:

- 1) Review of last education session including self-assessments—to serve as a guide for growth and an opportunity for sustainability.
- 2) Resistance to change: *Listen before talking*. “We have always”... danger phrase. Build “confidence” with one another vs. “trust”. Trust implies absolutely the truth.
- 3) Review of strategic plan for next 3 years
- 4) How strategic planning relates to spending—and more focus on projects that are not on track.
- 5) Good general discussions and dialogue outside formal agenda—discussing more than reporting. Recommended scheduling time on agenda, possibly after CEO Report. Agenda terminology: BOD discussions – study session ... no action.
- 6) Role of BOD outside boardroom including advocacy politically and community-wise including philanthropy—including site visits to other North State CAH hospitals.
- 7) Develop BOD Strategic Plan to include “Advocacy Education” which may overlap with hospital SP but sustainable roadmap for board for the next three years. Also, assists in orientation piece for new board members.

Dr. Camarata concurred with advocacy role and the strong statement coming from BOD including philanthropy (i.e., capital campaigns, etc).

Graham reviewed and returned board orientation manual including video package published by Governance Institute. He recommended the manual over the video that provides good information concerning governance vs. management. The orientation tool kit is available to trustees and housed in the administration office.

7. OPERATIONS REPORT by CEO Campbell:

- ❖ See Attachment D
- ❖ Conflict of Interest: Biennial notice due 10/1/08 to FPPC. Code reviewing body is to review and make recommendation to BOD. Kerns and Marcum (SP Committee) to review current code to determine if valid or revision necessary.
- ❖ CDPH survey team of two at Mayers to review OB for risk.
- ❖ CDPH survey team of five from L&C for SNF and provided three (3) surveys while here: quality, licensure and certification.
- ❖ Internal Disaster 6/18/08: Gas line leak/water shutoff and placed on evacuation notice.
- ❖ Report to Shasta County Board of Supervisors 6/16/08 and request for tax monies up front.

- ❖ Senator Aanestad meeting in Sacramento 6/19/08.
- ❖ Kim Ross, Record Searchlight, conference regarding follow-up from SC Board of Supervisors meeting. North State hospitals collectively asked for meeting with editorial staff from Record Searchlight re: impact to SNF, emergency rooms, trauma services due to Medi-Cal cuts.
- ❖ Debriefing on Internal Disaster 6/19/08
- ❖ Fire on hillside near maintenance shop 6/20/08
- ❖ Grass fire 6/23/08 on hillside below Riverview House.
- ❖ Monday, 6/23/08: Office of Emergency Services made contact and offered assistance in evacuating patients if necessary due to wild land fires in area.
- ❖ Monday, 6/23/08: Hospice patient evacuation by ambulance and admitted to Burney SNF.
- ❖ CDPH called inquired about oxygen inventory.
- ❖ Tuesday, 6/24/08: Contacted Senator Johannessen and Governor's staff member regarding Medi-Cal cuts and impact.
- ❖ Wednesday, 6/24/08: Discussions with Toby Douglas, the head of Medi-Cal, DHS, regarding Medi-Cal impact and plan for patients at risk of losing home.
- ❖ Good news... payments withheld in June will be released tomorrow and one next week. Probably able to sustain finances through July and August but September may be difficult. Legislative bill proposed that will exempt 60 smallest hospitals from the cuts and Mayers is in that group. Details will be forwarded.
- ❖ BOD Discussions and recommendations
 - Board member to be contacted in person (no voice mail message) when reporting incidents. Cambell will notify board of disaster training in August.
 - August BOD meeting changed: 8/27/08 to 8/20/08
 - Election filings for hospital board of directors

8. ANNOUNCEMENT OF CLOSED SESSION

Board President Ruth Knoch announced Board of Directors would recess (3:55 p.m.) to closed session for the purpose of the following:

1. Discuss and review pending litigation to include action on claim, pursuant to Government Code Section 54956.9.
2. Discuss and review quality assurance issues, pursuant to Government Code Section 54962.

9. 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. Recredentialing: Dr. Camarata, Dr. Matthews, Dr. Filice
2. Geraldine Dutra, PA-C (Shasta Orthopaedics)—initial appointment

10. ADJOURNMENT

The Board of Directors adjourned at 4:35 p.m.