

Date: February 26, 2013
Time: 1:00 P.M.
Location: Mayers Memorial Hospital
Burney, California

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

<p>1. CALL MEETING TO ORDER: President Albaugh called the special meeting to order at 1:01 p.m. on the above date with the following present:</p> <p style="text-align: center;">Allen Albaugh, President Brenda Brubaker, Vice President Mike Kerns, Secretary Abe Hathaway, Treasurer Art Whitney, Director</p> <p>Staff Present: Matt Rees, CEO; Sherry Wilson, CNO-SNF; Travis Lakey, DOF; Terry Pena; CNO; Marlene McArthur, Administrative Board Clerk.</p>
<p>2. CALL FOR REQUEST FROM AUDIENCE TO SPEAK TO ISSUES OR AGENDA ITEMS:</p> <p>Community member Martha Fletcher requested to speak and commented on the following issues:</p> <p>1) Financial write-offs; 2) SNF status pertaining to Medi-Cal cuts and revenues to replace the lack of SNF income; 3) Contingency plan for the additional debt proposed for new construction project excluding the SNF revenues possibly.</p> <p>She also extended appreciation to CEO Rees for making follow-up call to her and family to resolve recent OB incident occurring at Mayers. She noted that institutions only have one time to make a good impression when dealing in healthcare—and the overall treatment of patient and families is a reflection of the facility stemming from their experience (written comments dated 2.26.13 was presented as handout to board).</p>
<p>3. APPROVAL OF MINUTES – <i>A motion/second (Kerns/Hathaway), and unanimously carried, the Board of Directors accepted the minutes for the meeting held February 26, 2013, as presented.</i></p>
<p>4. Staff Presentations:</p> <p>EMR: Co-Project Chairs Ward and Johnson provided an update. Basically, the project has completed the implementation phase and is now in transition that has integrated into the daily functions of operations. The EMR committee meets weekly to identify key areas to improve—which ultimately leverages and maximizes patient care, financial performance, etc. Ward confirmed connectivity between Mayers' lab and MVHC (via Orchard) and also Lab Corp (reference lab) but still working to build into their systems to test. However, moving forward and good progress being made. The meaningful use (MU) criteria through CMS is still pending; however, Ward and Johnson provided a detailed review of the MU utilization report (handout and overhead) to date identifying accomplishments and target areas for core objectives. Focus mostly on working with ED physicians and nurses, HIM and lab to assist them in order to accomplish goal objectives specific to their department. Both Johnson and Ward were confident to say the MU attestation for a 90-day period will soon be populated on the CMS website by Mayers, hopefully next month (March).</p> <p>Workers Compensation & Safety Committee Report: Wellemeyer was unavailable—presentation tabled.</p>
<p>5. MEASURE D OVERSIGHT COMMITTEE – ANNUAL REPORT FY12: Ruth Powers, Chair, Citizens Oversight Committee, was present and dispersed written copies of the Measure D Oversight Committee's Annual Report FY12. The report indicates all bond expenditures met compliance with the letter and intent of Measure D—and also included a summary of the committee's proceedings and activities for the FY12. She conveyed to the District board members that the committee will only meet every six months or on an "as needed" basis due to the fact there are no bond funds remaining in the</p>

first issuance to review—but the committee will resume meeting regularly once the next bond draw occurs.

6. OPERATIONS REPORT: In addition to the written operations report included in the board packet, the following verbal reports are summarized below:

- ▶ Matt Rees, CEO:
 - Biggest issue and focus is currently on the Medi-Cal cuts to DP/SNF—he and others will meet in Sacramento tomorrow with Diana Dooley, Secretary, California Department of Health Care Services. Further discussion ensued with board members pertaining to message to convey to CDHS.
 - SNF: business model options being researched and considered if Medi-Cal cuts occur.
 - Adin Ambulance: JPA is still a possible option being considered by community members but consensus of final business model is pending
 - 299 Collaborative: Mike Kerns attended the monthly meeting on behalf of Rees where the focus is still on recruitment of four specialists, which would benefit Mayers' ancillary services. Rees added collaborative work with Surprise Valley assisting them with finance and also pursuing a management contract possibly with Trinity hospital due to resignation of their CEO and the need for an interim CEO and management expertise. Board members did convey their concern for time commitment from Mayers' management team due to current time-consuming projects currently faced with
- ▶ Terry Pena, CNO-Acute: Provided statistics with improvements in all areas except surgeries/procedures that decreased compared to prior month but are picking up in February, particularly surgeries with Dr. Stone. Other issues included: staffing challenges in ER and acute continue but contracts have been obtained with agencies to acquire 13-week staffers while Mayers recruits nurses. There is a need for 4.75 FTEs per shift and currently at 1 FTE on day shift and 3 FTE on nights; thus, 3.75 FTE positions available on days to fill. Discussion ensued pertaining to EMR and nurse recruitment. Coleen Beck, DCE, PI, recently developed a new orientation for nurses that now include EMR instruction, policies, etc. Pena concluded report by announcing that U.C. Davis has offered to provide OB training to Mayers' nurses which will help cross-train some of its staff nurses.
- ▶ Sherry Wilson, CNO-SNF: Currently conducting annual review for every resident chart. Dialogue between board members and CNO regarding swing bed status after acute discharge for restorative care patients—that must have improvement potential. Director Whitney discussed opportunities with Occupational Rehab and encouraged management to research and consider adding service. Rees added the PT department is busy with a need to add more staff. Director Hathaway discussed requirements in the HR department to accommodate needs of the hospital without delays in recruitment and hiring (i.e., OB, PT, nurses, etc.). Brubaker added it's important to have the specific department working simultaneously with HR in recruitment process so that interested prospects can inquire or engage with employees knowledgeable to details of the department and not wait to hear only from HR personnel. Board also reminded management to actively participate in health fairs, high schools, career fairs, etc. to recruit.
- ▶ Keith Earnest, Chief Clinical Office: Discussed issue getting reagents for new hematology machine in lab that was delivered but still needs activated—and described some of the new tests now available that were not in the past with reimbursement. He also reported issue with pharmacy labels and training.
- ▶ Erik Nielsen, Maintenance Manager: A summary of projects during the past month was provided including pump house, metal building awaiting county engineer's approval, remodel projects, and the IT server room permit through OSHPD for AC still pending. Staffing: the Burney facility will be staffed by 1 FTE 2 days per week now and will rotate others—one of the primary goals is to pass the annual L&C survey without deficiencies in Burney so getting prepared for inspection. Other project updates:
 - New roofing fared well after first year of installation
 - Tractor put to good use this winter keeping parking lots cleared. Burney parking lots

were more challenging to keep maintained this year.

- Daily rounds conducted during extreme snow and ice weather—issue deferred to Safety Committee to be addressed
- Painting at the Burney facility will be starting soon with shifting of personnel
- Help Lines are still being serviced by one of the maintenance personnel
- Interior work @ Burney annex to be started soon
- Construction: Submitted plans to OSHPD with no response yet—but also waiting until outcome of Medi-Cal cuts in the event project must be altered. OSHPD bill is \$340,000 but payment terms will be negotiated by ANOVA Architects since 80% of the cost is not incurred until construction phase.

7. BOARD COMMITTEES:

7.1 FINANCE COMMITTEE REPORT: Travis Lakey, DOF, reported by next month the financials should be back on track with a normal schedule. He apologized for the interim numbers presented due to EMR conversion and those numbers provided by HRG that were not factual. He has addressed issue and will get financial notes and some reports out to board members as soon as possible.

CHFFA Financing (Equipment Loan) Update: Travis Lakey, DOF, reported the loan is still pending due to an easement included on District property deed/title report since 1994 for the Burney property which was recently purchased from Fruit Growers. He met with PG&E staff and it was verified by them that there are no existing lines, therefore, a quick claim is to be recorded to remove from title report/deed by next week.

Albaugh concluded finance committee report by sharing thoughts on the SNF Medi-Cal cuts and disturbing process to resolve politically. However, regardless whether the cuts are implemented, we need to do everything possible to improve efficiencies and absorb revenue losses now or in the future to sustain our current services. One thing, he thought, are the FTEs—trending shows less volume and more FTEs so we are becoming more inefficient. Possibly, there are obvious explanations to trending patterns, which are bothersome as a director, but those are things that need looked at—and possibly compare ourselves to other institutions. Rees conveyed that CCAHN offers a program for state and out-of-state comparisons for an annual fee. Lakey offered to research CCAHN program to consider once the EMR has transitioned and stabilized so that we are ready to start looking at reports that relate to our efficiencies. Comment by Albaugh complimenting Outpatient Services for efficiency relating to FTEs.

PG&E Energy Efficiency Retrofit Loan Program: Nielsen presented details about the PG&E program offered to government agencies for improvements to save energy and money. Loans are repaid through our monthly PG&E bills at no interest. A review of details and discussion followed. ***A motion/second (Kerns/Whitney), and unanimously carried, the Board of Directors authorized the Energy Efficiency Retrofit Loan Program offered by PG&E that would not include the extra amount necessary for aesthetic upgrades due to OSHPD permitting process.*** Estimated savings at Burney \$8,941 and FRM \$10,862 annually. Rees added the project will be added as an asset on financials to depreciate out on cost report.

7.2 STRATEGIC PLANNING COMMITTEE:

7.2.1 LAFCo Annexation: Committee Chair Hathaway reported during the committee meeting that focus was the annexation project and discussed in detail. He stated that Rees attended a recent Shasta LAFCo meeting where they tabled action on Municipal Service Review (MSR) requirement for healthcare districts—the requirement would be new to the process than originally instructed with added costs that could not be estimated by Shasta LAFCo. The committee recommends the application be amended to exclude Lassen and Modoc parcels in order to complete the current application. ***A motion/second (Kerns/Hathaway), and unanimously carried, the Board of Directors directed CEO to amend the Shasta LAFCo annexation application excluding Lassen and Modoc parcels.***

7.2.2 Strategic Plan Updates: The SP updates, dated February 2013, were provided to board members

for review before the strategic plan retreat on March 21-22—and probably will be modified again after those SP meetings.

7.3 QUALITY COMMITTEE:

7.3.1 Committee Meeting Report: Committee Chair Brubaker highlighted on meeting topics and reports presented at committee from lab, finance, SNF volunteer services and ambulance that related to quality data and/or projects. She then expressed appreciation for the volunteers and their contribution for more than 24,000 hours of service in 2012—and for exceeding revenue goals that totaled \$43,000. Brubaker concluded by reporting that the new credentialing review process is to include Terry Pena, CNO-Acute/RM—and reported the new P&P online program through grant monies is to be implemented in the near future. A demonstration will be available after implementation and in full operation.

7.4 AD HOC COMMITTEE: Brubaker reported the employee benefits committee met and a final recommendation to the board is still pending but progress has been made in seeking alternatives that would provide considerable savings to the District while avoiding significant changes in the deductible or co-pay amounts for employees. Basically, the changes would include the preferred physician provider list and would not impact local providers, mainly it impacts specialists. Board members were receptive to changes and agreed that they do not want to cause hardship on employees that relate to employee benefits. One of the board's main concerns was if the quoted premiums will remain when the new rates take effect October 2013. Pena also asked the committee to consider the negative impacts to nursing retention when making changes to employee benefits.

8. INFORMATION/REPORTS/BOARD EDUCATION: Board Clerk McArthur reminded those board members still needing to submit their Form 700s—and announced that the policy and procedure manual reviews conducted by board members would be included on next month's agenda.

9. ANNOUNCEMENT OF CLOSED SESSION (Recess 4:01 pm/Closed Session 4:10 pm)

At approximately 4:01 p.m., President Albaugh announced recess necessary to go into closed session (4:10 p.m.) for the following purposes:

- o Government Code Section 54962, Quality Assurance, Medical Staff Credentials (Action), and to consider adopting closed session minutes for the meeting held 12.19.12 (Action)
- o Government Code Section 54957, Personnel, Public Employment, CEO Evaluation (No Action)

10. RECONVENE OPEN SESSION: At the hour 4:57 p.m., President Albaugh reconvened the meeting to open session and reported action taken as follows by unanimous vote: 1) approval of closed session minutes from the meeting held 12.19.12; 2) approval of medical staff credentials for the following:

Medical Staff Reappointment

1. Julia Mooney, MD
2. Andrew Knapp, MD
3. Scott Zittel, MD
4. Rebecca Dyson, MD
5. Peter Halt, MD

Staff Status Changes to Inactive

1. Robert Brucker, CRNA
2. Lance Weagant, MD

11. ADJOURNMENT: There being no further business, at the hour of 4:57 p.m., President Albaugh declared the meeting adjourned.