

Mayers Memorial Hospital District
Board of Directors – Regular Board Meeting

Date: October 23, 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: Vice President Brubaker called the regular meeting to order at 1:10 p.m. on the above date with the following present:</p> <p style="text-align: center;">Brenda Brubaker, Vice President Mike Kerns, Secretary Abe Hathaway, Treasurer</p> <p>Board Members Absent:; Art Whitney, Director; Allen Albaugh, President Staff Present: Matt Rees, CEO; Sherry Wilson, CNO; Keith Earnest, CCO; Marlene McArthur, Board Clerk.</p>
<p>2. CALL FOR REQUEST FROM AUDIENCE TO SPEAK TO ISSUES OR AGENDA ITEMS: No public comments.</p>
<p>3. APPROVAL OF MINUTES – <i>A motion/second (Kerns/Hathaway), and unanimously carried, the Board of Directors accepted the minutes for the regular meeting held September 25, 2013.</i></p>
<p>4. Presentations/Staff Reports:</p> <ul style="list-style-type: none">▶ Quarterly Hospice Report: Due to high census in hospice, Pat Baremore, Manager, was unable to attend the meeting and report. <i>A motion/second (Kerns/Hathaway), and unanimously carried, the Board of Directors tabled the quarterly hospice report until the November meeting.</i>▶ EMR Update: Louis Ward, Project Sponsor, provided an update (see Exhibit A) regarding Paragon Meaningful Use Stage 2 (MU2). The goal is to build modifications that will ultimately add more functions to the current system. The MU2 timeline was outlined:<ul style="list-style-type: none">○ Week 1: Education (10/18/13)○ Week 2-5: Meet and build modifications (11/15/13)○ Week 6: Integrated Testing (11/22/13)○ Week 7: IT Follow-up & End User Education (12/6/13)○ Week 8: Go-Live ((12.13.13)○ Week 9: Transition to National Support (12/20/13)To attest, Mayers must validate it can extract data out of the system for clinical quality measures, and is required to meet 16 core objectives out of a total of 29 total Clinical Quality Measures (CQM) to receive reimbursement incentives (the MU1 criteria was 8 out of 15).
<p>5. OPERATIONS REPORT: In addition to the written operations report included in the board packet, the following verbal reports and discussions are summarized below:</p> <ul style="list-style-type: none">▶ Matt Rees, CEO:<ul style="list-style-type: none">○ USDA Community Facilities Loan and Grant Program: Mayers' application is still held up in the California office due to government shutdown○ Enrollments under the Affordable Care Active: the state run health insurance exchanges in California are doing better than the federal online marketplaces. Mayers has negotiated and signed a contract rate better than what was first proposed, but not ideal. Modoc and Surprise Valley was also included in the rate negotiations different than the original rates first offered to all. Some good news is that the CAHs did not receive a deduction in reimbursement from Obamacare, and are expecting more insured patients.○ Attended Boy Scout leadership training and is sharing team-building activities with management to improve leadership skills.○ ACHD staff and legislative staffer including Assemblyman Dahle toured Mayers and discussed issues to be considered for legislation that relate to critical access rural hospitals. The issues discussed included: 1) ability to negotiate contracts with HIEs

- without consequences to both hospital and patients including possibility of denial; 2) ability to hire physicians.
- Attended AHA Regional Policy Board (RPB), Region 9, and discussed DSH payments to be cut due to Obamacare with focus on quality and how to recruit and work better with different generations.
- “Waist management” competition for employees started again and employees are out to sabotage the CEO.
- ▶ Sherry Wilson, CNO:
 - Good News! The CDPH as well as CMS have determined the SNF is in compliance with applicable Federal requirements; and, therefore, has reinstated payment for new admissions.
 - Residents at both facilities recently held fundraisers. The Burney residents, with the support of a Burney bikers’ club, held a car wash that brought in \$260 that is to be donated to the community toy drive. The FRM residents had a yard sale, with assistance from the Volunteer Department, that brought in over \$200—residents have not yet determined where proceeds will be donated.
 - SNF residents are gearing up for their craft bazaar to be held during the holidays.
 - CDPH Licensing & Certification staff called the facility (SNF) and asked to interview hospital staff members in regard to survey conducted on June 13, 2013. Phone interviews were conducted with the CNO, charge nurses plus 10 employees. Employees were pleased they were asked to participate and be heard.
- ▶ Keith Earnest, Chief Clinical Officer (Keith was absent until 2:40 p.m. and gave his report @ that time):
 - Lab: Manager’s clinical time is freed up to focus on lab go-live date scheduled November 4, 2013. McKesson rep will be here that week in November to assist. The interfacing work is involving a lot of time on the phone with a variety of people. Testing is being conducted on 13 lab patients from MVHC, to Mayers, to LabCorp, and back to MVHC. There has been huge progress in testing realm. Staff is working hard, and on weekends with less interruptions.
 - Annual visit from Board of Pharmacy to conduct survey at Mayers. The survey was very thorough (4 hours) with only two minor deficiencies found—one, pertaining to pharmacist coverage that needed competencies; and the other deficiency noted was a rust (discoloration) in the corner of the hood. Both issues are being corrected and plan of correction (POC) is to be submitted. Also noted but not a deficiency was an FDA issue on a product purchased through Premier contract pertaining to epidural drips and the Paragon system’s font size for IV labels.
 - Flu vaccinations are available for staff, including board members.

6. BOARD COMMITTEES:

6.1 Finance Committee – Chair Allen Albaugh (absent)

6.1.1 Committee Meeting Report: Travis Lakey, Director of Finance, reported the board finance committee did not meet this month.

6.1.2 Financial Overview: Travis Lakey, Director of Finance, reported September 2013 financials (see **Exhibit B**) had a positive bottom line for the month as well as YTD totaling \$79,742 despite lower patient days in both acute and SNF. He reported the billing trainer is finding errors that impacted denials over the past year and is resolving issues with new billers. The Revenue Cycle will be resurrected now that the new finance software system is in place and billing back in house. That along with the Lean improvement tools being implemented; the AR goal is 60 days within six months. The Balance Scorecard with data collection and responsibilities (**Exhibit C**) was available for review. In response to question by Brubaker, Lakey reported that the Growth Management Center’s consultants assisted the management team with the development of the document based on the current district’s strategic plan. He concluded his report by announcing the billing switches over to Mayers’ in-house on 10/31/13. ***A motion/second***

(Kerns/Hathaway), and unanimously carried, the Board of Directors accepted the September 2013 financial reports as presented

6..1.3 Line of Credit: Lakey reported preliminary work is being done with TriCounties Bank and OSHPD Cal-Mortgage Loan Division to obtain a \$500,000 line of credit to provide the district cash flow during lull periods. He stated the cash would be helpful to draw on when opportunities arise—and provided an example of the IGT program where the participation requires a deposit of \$260K with an ROI totaling \$460K. Currently we do not have the extra cash to take advantage of programs and could lose out on opportunities with no funds available during poor cash flow periods. Lakey reported there were no final details or resolution for the board to take action today. ***A motion/second (Kerns/Hathaway), and unanimously carried, the Board of Directors tabled the line of credit agenda item until the November board meeting.***

6.2 Strategic Planning Committee – Chair Abe Hathaway

Committee Chair Hathaway highlighted the meeting topics from October 21, 2013:

- ▶ Communication Plan used internally (**Exhibit D**)
- ▶ Measure D Citizens' Oversight Committee meeting held 10.15.13
- ▶ GO Bond Disbursements Update (**Exhibit E**)
- ▶ Board Self-Assessments (ACHD online) pending (2 board members)
- ▶ ACHD Legislative Report & "Hot Watch" Bills (**Exhibit F**)

Kerns included footnote to the report pertaining to the CA299 Health Collaborative:

- ▶ Matt Rees was elected chairperson for collaborative group
- ▶ Mountain Communities Healthcare District (Trinity) and McCloud clinic have joined the CA299 Healthcare Collaborative.
- ▶ Key focus currently is researching grants to obtain HIE for all its members of the organization—therefore, ground work is being done looking at demographics and health trends to move forward together on a broader basis.

6.3 Quality Committee – Chair Brenda Brubaker

Committee Chair Brubaker highlighted the meeting topics and reports resented to the committee on October 9, 2013. Keynotes listed below:

- ▶ Departmental quality reports from med-surg/swing, environmental services, dietary and imaging.
- ▶ Standing quality reports:
 - The Director of Clinical Excellence provided statistics on 7.2 percent re-admission rate of all discharges during 2Q 2013 for acute. Notable findings to improve re-admission rate was due to follow-up appointments made before discharge, improved coordination of care through the discharge planner and evidence of "teach-back".
 - ICD10 update (**Exhibit G**) was provided by Caleb Johnson, Compliance Officer. He provided the Medical Staff an overview of the new regulation effective 10/1/14 and its impact to physicians

Committee member Kerns added that he appreciates the meeting format where there is more in- depth reports to hear about quality from department managers. In particular, the dietary department has many complexities partly due to the various menus offered residents and acute patients—and learned about a new menu software system that has been obtained for process improvement. Once the system has been installed, Susan Garcia, Manager, will make a report to the full board.

6.3.1 Policies & Procedures: A quarterly summary for the 3Q 2013 listing all new and revised P&Ps for the acute (CAH), SNF and other services approved through Policy & Procedure Process. A new policy was reviewed and discussed at Quality Committee and is being recommended for approval by the committee. ***A motion/second (Kerns/Hathaway), and unanimously carried, the Board of Directors accepted the Hypertonic Saline P&P as presented***

7. REGULAR BOARD MEETING DATE CHANGES: A motion/second (Kerns/Hathaway), and unanimously carried, the Board of Directors agreed to reschedule the regular board meetings in November and December to: November 20th and December 19th.

7. INFORMATION/REPORTS/BOARD EDUCATION:

- ▶ Board Education – QHR Webinar 2nd Tuesday each month, 10 a.m. PST
- ▶ Board Self Assessments due (Albaugh & Brubaker)

8. ANNOUNCEMENT CLOSED SESSION (RECESSED @ 2:30 P.M.): Vice President Brubaker announced **closed session at 2:48** p.m. for the purpose of CEO annual performance (Government Code Section 54957); and Quality Assurance/Credentials.

9. RECONVENE OPEN SESSION: At the hour 2:57 p.m., Vice President Brubaker reconvened the meeting to open session and reported action taken as follows by unanimous vote: 1) approval of closed session minutes from the meetings held September 25, 2013; 2) approval of medical staff credentials for the following Medical Staff Reappointments:

- Carrie Carlin, MD – Radiology (consulting)
- Thomas Daniel, MD – Orthopedic Surgery (courtesy)
- Tim Wilkins, MD – Emergency Medicine (courtesy)

She also noted that C/S agenda item 8.3 Personnel, Public Employment: CEO Annual Performance Evaluation was tabled until all board members could be present.

10. ADJOURNMENT: There being no further business, at the hour of 2:57 p.m., Vice President Brubaker declared the meeting adjourned.