

BOARD OF DIRECTORS

WEDNESDAY, JANUARY 4, 2017

AGENDA

**6:00 P.M. – REDWOODS ROOM MCDH
700 RIVER DR. FORT BRAGG, CA 95437**

**NOTICE OF SPECIAL BOARD OF DIRECTORS MEETING
OF THE BOARD OF DIRECTORS
MENDOCINO COAST HEALTH CARE DISTRICT**

NOTICE IS HEREBY GIVEN in accordance with Section 54956 of the Government Code that a Special Session of the Board of Directors of the Mendocino Coast Health Care District is called to be held on January 4, 2017 at 6:00 p.m. at Mendocino Coast District Hospital, 700 River Drive, Fort Bragg, California

CONDUCT OF BUSINESS:

1. Call to Order
2. Roll Call

CLOSED SESSION:

1. **Information/Action:** Conference with legal counsel regarding alleged breach of confidentiality provisions of the Brown Act by a member of the Board of Directors which could result in litigation against the District. Government Code §54956.9(d)(2)(4), (e)(1)(2); Government Code §54963; Evidence Code §950, et seq.

RECONVENTION OF OPEN SESSION: CALL TO ORDER - MR. STEVE LUND, PRESIDENT

- Roll call

REPORT ON CLOSED SESSION MATTERS:

1. **Information/Action:** Conference with legal counsel regarding alleged breach of confidentiality
2. Comments from the community.
3. Comments from the Board of Directors.
4. Adjourn

Dated: January 3, 2017

Gayl Moon
Secretary to the Board of Directors

STATE OF CALIFORNIA)
COUNTY OF MENDOCINO) §

I declare under penalty of perjury that I am employed by the Mendocino Coast Health Care District Board of Directors; and that I posted this notice at the North and Patient Services Building Lobby entrances to the Mendocino Coast District Hospital on January 3, 2017

Gayl Moon
Secretary to the Board of Directors

Date

All disabled persons requesting disability related modifications or accommodations, including auxiliary aids or service may make such request in order to participate in a public meeting to Gayl Moon, Secretary to the Board of Directors, 700 River Drive, Fort Bragg, CA 95437 no later than 1 working days prior to the meeting that such matter be included on that month's agenda.

*Per District Resolution, each member of the public who wishes to speak shall be limited to three minutes each per agenda item. Please identify yourself prior to speaking. Thank you.

PUBLIC NOTICE

MENDOCINO COAST HEALTH CARE DISTRICT
BOARD OF DIRECTORS
REGULAR MEETING

THURSDAY, JANUARY 7, 2016
4:30 p.m. Closed Session
6:00 p.m. Open Session

MENDOCINO COAST DISTRICT HOSPITAL
Redwoods Room
700 River Drive
Fort Bragg, California 95437

I. ROLL CALL

II. CLOSED SESSION

1. **Information/Action:** Conference with Legal Counsel Pursuant to Government Code Section §54,956.9(b)(3)(A)(B)(C)&(E) regarding proposed mediation pursuant to California Code of Civil Procedure Section §1775 and Government Code Section §11,420.30 between the Board of Directors and the Medical Executive Committee (MEC) regarding outstanding issues between the Two Entities
2. **Information/Action:** Conference with Legal Counsel pursuant to Government Code §54956.9(b)(3)(B) & (C) regarding threatened litigation pertaining to alleged violations of the Brown Act, in particular Government Code §54963
3. **Information/Action:** Pursuant to California Government Code §54954.5 and §32155 of the Health and Safety Code Medical Staff Credentials and Privileges Review
4. **Information/Action:** Pursuant to §32155 of the Health and Safety Code December Quality Management and Improvement Council Reports
5. **Information/Action:** Public Employment: To review and approve Professional Services Agreement for Dr. Jason Kirkman Government Code §54954.5 & 54957
6. **Information/Action:** Public Employment: To review and approve Cardio-Pulmonary Interpretative Services Agreement for Dr. Jason Kirkman Government Code §54957
7. **Information/Action:** Public Employment: To review and approve Cardio-Pulmonary Interpretative Services Agreement for Dr. Jeffrey Berenson Government Code §54957
8. **Information/Action:** Pursuant to §54956.9 of the Government Code: Potential Litigation for Mendocino Coast Medical Plaza, LLC

III. 6:00 P.M. OPEN SESSION CALL TO ORDER– SEAN HOGAN, PRESIDENT

IV. ROLL CALL

V. REPORT ON CLOSED SESSION MATTERS

- | | |
|--|---------------------------|
| 1. Issues between the Board of Directors and the MEC | Information/Action |
| 2. Alleged Violations of the Brown Act | Information/Action |
| 3. Medical Staff Credentials and Privileges Report | Information/Action |
| 4. December Quality Management and Improvement Council Report | Information/Action |
| 5. Professional Services Agreement for Dr. Jason Kirkman | Information/Action |
| 6. Contract for Dr. Jason Kirkman | Information/Action |
| 7. Contract for Dr. Jeffrey Berenson | Information/Action |
| 8. Potential Litigation for Mendocino Coast Medical Plaza, LLC | Information/Action |

VI. PUBLIC COMMENTS

This portion of the meeting is reserved for persons desiring to address the Board of Directors on any matter over which the District has jurisdiction. You must state your name and address for the record. Time is limited to 3 minutes with a 20-minute total time limit for all comments. The Board of Directors can take no action on your presentation, but can seek clarification to points made in your presentation or comments. Additionally, members can ask staff for factual information or refer the item to staff and/or calendar the item on a future agenda. Any person desiring to speak on an agenda item will be given an opportunity to do so prior to the Board of Directors taking action on the item.

VII. REVIEW OF THE AGENDA

Action

VIII. BOARD COMMENTS

IX. APPROVAL OF CONSENT CALENDAR

Action

The following items are considered routine and non-controversial by Hospital Staff. Consent items may be approved by one motion if no member of the Board or audience wishes to comment or ask questions. If comment or discussion is desired, the item will be removed from the Consent Agenda and will be considered at a later meeting.

- 9. Approval of Board of Directors meeting minutes of December 3, 2015 Tab 1
- 10. Policies & Procedures Tab 2
 - Designation "Acting" Chief Executive Officer in the Absence of Chief Executive Officer 100.1006

X. NEW BUSINESS

- Formation of Board Bylaws Sub-committee: Mr. Sean Hogan **Action/Information**
- Authorization for CEO to Hire Locums Tenens Physicians and Other Health Care Providers without prior Board Approval under conditions as Set Forth Herein Mr. Wade Sturgeon, CFO Tab 3 **Action/Information**
- Purchase Surgery Equipment RF Unit for Pain Management: Mr. Wade Sturgeon, CFO Tab 4 **Action/Information**

XI. OLD BUSINESS

- None

XII. BOARD OFFICERS ELECTION

- Election of Board Officers and JPA Representative: Mr. Sean Hogan, Chair Tab 5 **Action**

XIII. REPORTS

- 11. Medical Staff: Dr. John Kermen Tab 6 **Action/Information**
 - A. Appointments to Medical Staff:
 - 1. Arvind Behl, MD –Department of Medicine-Hospitalist Service
 - 2. Vivian Belmusto, MD – Department of Medicine-Pediatrics
 - B. Temporary Privileges:
 - 1. Arvind Behl, MD – Department of Medicine-Hospitalist Service (November 3, 2015-January 8, 2016)
 - 2. Vivian Belmusto, MD – Department of Medicine-Pediatrics (December 31, 2015-January 8, 2016)
 - C. Locum Tenens Coverage:
 - 1. Nneka Orjiakor, MD – Department of Medicine-Pediatrics (January 5, 2015-March 30, 2016)
 - 2. Jennifer Brown, PA-C – Department of Surgery-Orthopedics (December 7, 2015-March 7, 2016)
 - D. Request for New Privileges-Physician Assistant Clinical Privileges-Orthopedic Surgery
 - 1. Jennifer Brown, PA-C – Department of Surgery-Orthopedics

E. Appointment of V-Rad TeleRadiology Physicians:

1. Frank Welte, MD
2. Shanshan Bao, MD

F. Resignations:

1. Neil Birnbaum, MD – Department of Medicine-Rheumatology- Effective December 31, 2015

- | | |
|--|---------------------------|
| 12. Home Health Quarterly Report: Ms. Junice Wilson | Information |
| 13. CEO Report: Mr. Wade Sturgeon, CFO for Bob Edwards, CEO | Information |
| 14. Planning Committee Report: Mr. Tom Birdsell/Bob Edwards | Information |
| 15. Plant Services Report: Ms. Ellen Hardin | Information |
| 16. JPA Report: Mr. Tom Birdsell | Action/Information |
| 17. Approval of Alysoun Huntley Ford Fund Draw | Action/Information |
| 18. Association and Community Service Reports | Information |
| 19. Finance Committee Report: Dr. Bill Rohr | |
| 20. Statistical/Finance Report, November 2015 | Tab 7 Action |

XIV. Public Comments

This portion of the meeting is reserved for persons desiring to address the Board of Directors on any matter over which the District has jurisdiction. You must state your name and address for the record. Time is limited to 3 minutes. The Board of Directors can take no action on your presentation, but can seek clarification to points made in your presentation or comments. Additionally, members can ask staff for factual information or refer the item to staff and/or calendar the item on a future agenda. Any person desiring to speak on an agenda item will be given an opportunity to do so prior to the Board of Directors taking action on the item.

XV. ADJOURNMENT

*** THIS DOCUMENT WILL BE PROVIDED AT THE MEETING.**

All disabled persons requesting disability related modifications or accommodations, including auxiliary aids or service may make such request in order to participate in a public meeting to Gayl Moon, Secretary to the Board of Directors, 700 River Drive, Fort Bragg, CA 95437, no later than 72 hours prior to the meeting that such matter be included on that month's agenda.

*Per District Resolution, each member of the Public who wishes to speak shall be limited to three minutes each per agenda item. Please identify yourself prior to speaking. Thank you.

BOARD OF DIRECTORS

TUESDAY, JANUARY 19, 2016

AGENDA

**5:00 P.M. – REDWOODS ROOM MCDH
700 RIVER DR. FORT BRAGG, CA 95437**

**NOTICE OF SPECIAL BOARD OF DIRECTORS MEETING
OF THE BOARD OF DIRECTORS
MENDOCINO COAST HEALTH CARE DISTRICT**

NOTICE IS HEREBY GIVEN in accordance with Section 54956 of the Government Code that a Special Session of the Board of Directors of the Mendocino Coast Health Care District is called to be held on January 19, 2016 at 5:00 p.m. at Mendocino Coast District Hospital, 700 River Drive, Fort Bragg, California

CONDUCT OF BUSINESS:

1. Call to Order
2. Roll Call

CLOSED SESSION:

1. **Information/Action:** Pursuant to §32155 of the Health and Safety Code Quality Management and Improvement Council Reports

RECONVENTION OF OPEN SESSION: CALL TO ORDER - MR. TOM BIRDELL, PRESIDENT

- Roll call

REPORT ON CLOSED SESSION MATTERS:

1. **Information/Action:** Quality Management and Improvement Council Report
2. Comments from the community.
3. Comments from the Board of Directors.
4. Adjourn

Dated: January 15, 2016

Gayl Moon
Secretary to the Board of Directors

STATE OF CALIFORNIA)
COUNTY OF MENDOCINO) §

I declare under penalty of perjury that I am employed by the Mendocino Coast Health Care District Board of Directors; and that I posted this notice at the North and Patient Services Building Lobby entrances to the Mendocino Coast District Hospital on January 15, 2016

Gayl Moon
Secretary to the Board of Directors

Date

All disabled persons requesting disability related modifications or accommodations, including auxiliary aids or service may make such request in order to participate in a public meeting to Gayl Moon, Secretary to the Board of Directors, 700 River Drive, Fort Bragg, CA 95437 no later than 1 working days prior to the meeting that such matter be included on that month's agenda.

*Per District Resolution, each member of the public who wishes to speak shall be limited to three minutes each per agenda item. Please identify yourself prior to speaking. Thank you.

PUBLIC NOTICE

MENDOCINO COAST HEALTH CARE DISTRICT
BOARD OF DIRECTORS
REGULAR MEETING

THURSDAY, JANUARY 28, 2016

5:00 p.m. Closed Session

6:00 p.m. Open Session

MENDOCINO COAST DISTRICT HOSPITAL
Redwoods Room
700 River Drive
Fort Bragg, California 95437

I. ROLL CALL

II. CLOSED SESSION

1. **Information/Action:** Pursuant to California Government Code §54954.5 and §32155 of the Health and Safety Code Medical Staff Credentials and Privileges Review
2. **Information/Action:** Pursuant to §32155 of the Health and Safety Code January Quality Management and Improvement Council Reports
3. **Information/Action:** Public Employment: To review and approve Professional Services Agreement for Dr. Zoe Berna Government Code §54954.5 & 54957
4. **Information/Action:** Public Employment: To review and approve Physician Recruitment and Credit Agreement and Note for Dr. Zoe Berna Government Code §54954.5 & 54957
5. **Information/Action:** Public Employment: To review and approve Professional Services Agreement for Dr. Rosemarie Kennaley Government Code §54954.5 & 54957
6. **Information/Action:** Public Employment: to review and approve Physician Recruitment and Credit Agreement and Note for Dr. Rosemarie Kennaley Government Code §54954.5 & 54957
7. **Information/Action:** Public Employment: To review and approve Professional Services Agreement for Dr. P.K. Reddy Government Code §54954.5 §54957
8. **Information/Action:** Public Employment: to review and approve Physician Recruitment and Credit Agreement and Note for Dr. P.K. Reddy Government Code §54954.5 & 54957
9. **Information/Action:** Public Employment: To review and approve Surgery On Call Agreement for Dr. Kenneth Susman Government Code
10. **Information/Action:** Retention of the law firm of DeCaro, Coppo & Popcke and Mr. Carlo Coppo Individually to serve as a Special Mediator for the Board of Directors and the Medical Executive Committee. Health and Safety Code §32121(f); Government Code §54956.9: Mr. John Ruprecht
11. **Information/Action:** Mendocino Coast Medical Plaza, LLC (MCMP)/MCDH real property negotiations between MCMP and MCDH pertaining to the continued lease and/or purchase of the North Coast Family Health Center (NCFHC) building from MCMP by MCDH. Government Code §54956.8; Kleitman v. Superior Court (1999) 74 Cal App 4th 324
12. **Information/Action:** Dias vs. MCDH, Mendocino Co. Superior Court No. SCUK CVG 15-65409. Government Code §54956.9
13. **Information/Action:** Alderson vs. MCDH, U.S. District Court, Northern District of California; Civil Action No 3:14CV3564. Government Code §54956.9
14. **Information/Action:** Petra ICS vs. MCDH, threatened litigation; Government Code §54956.9(b)(3)(B) and (C)

III. 6:00 P.M. OPEN SESSION CALL TO ORDER– TOM BIRDELL, PRESIDENT

IV. ROLL CALL

V. REPORT ON CLOSED SESSION MATTERS

- | | |
|---|---------------------------|
| 1. Medical Staff Credentials and Privileges Report | <i>Information/Action</i> |
| 2. January Quality Management and Improvement Council Report | <i>Information/Action</i> |
| 3. Contract for Dr. Zoe Berna | <i>Information/Action</i> |
| 4. Recruitment & Credit Agreement and Note for Dr. Zoe Berna | <i>Information/Action</i> |
| 5. Contract for Dr. Rosemarie Kennaley | <i>Information/Action</i> |
| 6. Recruitment & Credit Agreement and Note for Dr. Rosemarie Kennaley | <i>Information/Action</i> |
| 7. Contract for Dr. P.K. Reddy | <i>Information/Action</i> |
| 8. Recruitment & Credit Agreement and Note for Dr. P.K. Reddy | <i>Information/Action</i> |
| 9. Contract for Dr. Kenneth Susman | <i>Information/Action</i> |
| 10. Retention of the law firm of DeCaro, Coppo & Popcke | <i>Information/Action</i> |
| 11. Real Property negotiations for Mendocino Coast Medical Plaza, LLC | <i>Information/Action</i> |
| 12. Dias vs. MCDH | <i>Information/Action</i> |
| 13. Alderson vs. MCDH | <i>Information/Action</i> |
| 14. Petra ICS vs. MCDH | <i>Information/Action</i> |

VI. PUBLIC COMMENTS

This portion of the meeting is reserved for persons desiring to address the Board of Directors on any matter over which the District has jurisdiction. You must state your name and address for the record. Time is limited to 3 minutes with a 20-minute total time limit for all comments. The Board of Directors can take no action on your presentation, but can seek clarification to points made in your presentation or comments. Additionally, members can ask staff for factual information or refer the item to staff and/or calendar the item on a future agenda.

VII. REVIEW OF THE AGENDA

Action

VIII. BOARD COMMENTS

Action/Information

IX. APPROVAL OF CONSENT CALENDAR

Action

The following items are considered routine and non-controversial by Hospital Staff. Consent items may be approved by one motion if no member of the Board or audience wishes to comment or ask questions. If comment or discussion is desired, the item will be removed from the Consent Agenda and will be considered at a later meeting.

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|--|-----------------------|
| 1. Approval of Board of Directors meeting minutes of January 7, 2016 | Tab 1 |
| 2. Approval of Special Board of Directors meeting minutes of January 19, 2016 | Tab 1a |
| 3. Medical Staff Credentials | Tab 1d |
| A. <u>Appointments to Medical Staff</u> | |
| 1. Christiane Eisele, MD – Department of Medicine-Emergency Department | |
| 2. Cynthia Lawder, MD – Department of Medicine-Emergency Department | |
| B. <u>Temporary Privileges (AHP-Allied Health Professional)</u> | |
| 1. Glenda Moore, FNP – Department of Medicine-Allied Health Professional
North Coast Family Health Center (January 19-April 19, 2016) | |
| C. <u>Request for New Privileges- Physician Assistant Clinical Privileges-Orthopedic Surgery</u> | |
| 1. Jennifer Brown, PA-C – Department of Surgery-Orthopedics | |
| D. <u>Resignations:</u> | |
| 1. Robert Pollard, MD – Department of Medicine-Emergency Department
Effective December 31, 2015 | |
| 4. Policies & Procedures | Tab 2 |
| <i>Policy Titles</i> | <i>Policy Numbers</i> |

- Destruction of Medical Records 445.3069
- Retention of Facility Records 445.3060
- Secure Storage (off site) of Medical Records 445.3065
- Myoview Myocardial perfusion Scanning Protocol using Lexiscan® (Regadenoson) 300.1206

X. NEW BUSINESS

- Determine Mediation Date with Mr. Carlo Coppo: Mr. John Ruprecht *Action/Information*
- Approval of Nuance Transcription Service Agreement: Mr. Wade Sturgeon, CFO Tab 1b *Action/Information*
- Approval of Emergency Department Agreement Extension: Mr. Wade Sturgeon, CFO Tab 1c *Action/Information*
- Approval of Resolution 2016-1: Mr. Tom Birdsell, Chair Tab 3 *Action/Information*
- Approval of Medestar Contract: Mr. Wade Sturgeon Tab 4 *Action/Information*
- Approval of Titan Health Management Solutions Contract: Mr. Wade Sturgeon, CFO Tab 5 *Action/Information*
- Approval of TeleMed 2U Contract: Mr. Wade Sturgeon, CFO Tab 6 *Action/Information*
- Local Agency Formation Commission (LAFCO) Independent Special District Election: Mr. Tom Birdsell, Chair Tab 7 *Action/Information*

XI. OLD BUSINESS

- Authorization for CEO to Hire Temporary Physicians and Other Health Care Providers without prior Board Approval under conditions as Set Forth Herein Tab 8 *Action/Information*

XII. REPORTS

- CEO Report: Mr. Bob Edwards, CEO *Information*
- Planning Committee Report: Ms. Kitty Bruning *Information*
- Medical Staff: Dr. John Kermen *Action/Information*
- Chief of Patient Care Services Report: Ms. Terry Murphy Tab 9 *Action/Information*
- Plant Services Report: Ms. Ellen Hardin *Information*
- Bylaws Committee Report: Mr. Tom Birdsell *Action/Information*
- Approval of Alysoun Huntley Ford Fund Draw: Mr. Wade Sturgeon, CFO *Action/Information*
- Association and Community Service Reports *Information*
- Finance Committee Report: Mr. Sean Hogan *Information*
- Statistical/Finance Report, December 2015 Tab 10 *Action*

XIII. ADJOURNMENT

*** THIS DOCUMENT WILL BE PROVIDED AT THE MEETING.**

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*Per District Resolution, each member of the Public who wishes to speak shall be limited to three minutes each per agenda item. Please identify yourself prior to speaking. Thank you.

PUBLIC NOTICE

MENDOCINO COAST HEALTH CARE DISTRICT
BOARD OF DIRECTORS
REGULAR MEETING

THURSDAY, FEBRUARY 25, 2016

5:00 p.m. Closed Session

6:00 p.m. Open Session

MENDOCINO COAST DISTRICT HOSPITAL
Redwoods Room
700 River Drive
Fort Bragg, California 95437

I. ROLL CALL

II. CLOSED SESSION

1. **Information:** Pursuant to Health & Safety Code §32106(b)(c); Civil Code §3426.1(d) pertaining to potential New Medical Services for the District and pricing thereof.
2. **Information/Action:** Pursuant to California Government Code §54954.5 and §32155 of the Health and Safety Code Medical Staff Credentials and Privileges Review
3. **Information/Action:** Pursuant to §32155 of the Health and Safety Code February Quality Management and Improvement Council Reports
4. **Information/Action:** Public Employment: To review and approve Surgery On Call Agreement for Dr. Kenneth Susman Government Code §54957.6
5. **Information/Action:** Mendocino Coast Medical Plaza, LLC (MCMP)/MCDH real property negotiations between MCMP and MCDH pertaining to the continued lease and/or purchase of the North Coast Family Health Center (NCFHC) building from MCMP by MCDH. Government Code §54956.8; *Kleitman v. Superior Court* (1999) 74 Cal App 4th 324
6. **Information/Action:** Bratton vs. MCDH, threatened litigation; Government Code §54956.9(b)(3)(B)

III. 6:00 P.M. OPEN SESSION CALL TO ORDER– TOM BIRDSSELL, PRESIDENT

IV. ROLL CALL

V. REPORT ON CLOSED SESSION MATTERS

- | | |
|--|---------------------------|
| 1. Potential New Medical Services | <i>Information</i> |
| 2. Medical Staff Credentials and Privileges Report | <i>Information/Action</i> |
| 3. February Quality Management and Improvement Council Report | <i>Information/Action</i> |
| 4. Contract for Dr. Kenneth Susman | <i>Information/Action</i> |
| 5. Real Property negotiations for Mendocino Coast Medical Plaza, LLC | <i>Information/Action</i> |
| 6. Bratton vs. MCDH | <i>Information/Action</i> |

VI. PUBLIC COMMENTS

This portion of the meeting is reserved for persons desiring to address the Board of Directors on any matter over which the District has jurisdiction. You must state your name and address for the record. Time is limited to 3 minutes with a 20-minute total time limit for all comments. The Board of Directors can take no action on your presentation, but can seek clarification to points made in your presentation or comments. Additionally, members can ask staff for factual information or refer the item to staff and/or calendar the item on a future agenda.

VII. REVIEW OF THE AGENDA

Action

VIII. BOARD COMMENTS

Action/Information

IX. APPROVAL OF CONSENT CALENDAR

Action

The following items are considered routine and non-controversial by Hospital Staff. Consent items may be approved by one motion if no member of the Board or audience wishes to comment or ask questions. If comment or discussion is desired, the item will be removed from the Consent Agenda and will be considered under new business

- | | |
|---|-----------------------|
| 1. Approval of Board of Directors meeting minutes of January 26, 2016 | Tab 1 |
| 2. Policies & Procedures | Tab 2 |
| <i>Policy Titles</i> | <i>Policy Numbers</i> |
| a. Electronic Signature | 240.5092 |
| b. Use of Off Site Medical Record Storage Facility | 241.6020 |
| c. Downtime | 240.6030 |
| d. Influenza and Pneumonia Vaccinations for Patients | 240.5075 |

X. NEW BUSINESS

- | | |
|---|---------------------------------|
| ➤ Audit Review & Approval: Mr. Jerrel Tucker, Auditor | <i>Action/Information</i> |
| ➤ Presentation from Mendocino Emergency Physicians Medical Group:
Mr. Bob Edwards, CEO | <i>Action/Information</i> |
| ➤ Presentation from Emcare Emergency Services Group: Mr. Bob Edwards, CEO | <i>Action/Information</i> |
| ➤ Bylaws Changes per Bylaws Committee recommendations:
Ms. Carol Steele & Mr. Tom Birdsell | Tab 3 <i>Action/Information</i> |
| ➤ Labsco Reagent Lease Agreement: Mr. Emmet O'Connell | Tab 4 <i>Action/Information</i> |
| ➤ Safeway 340B Contract Pharmacy Services Agreement: Mr. John Ruprecht | Tab 5 <i>Action/Information</i> |

XI. OLD BUSINESS

- | | |
|---|---------------------------------|
| ➤ Authorization for CEO to Hire Temporary Health Care Workers without prior Board Approval under Conditions as Set Forth Herein: Mr. Bob Edwards, CEO | Tab 6 <i>Action/Information</i> |
| ➤ Completion of Current OSHPD Projects with Existing Architect of Record:
Ms. Ellen Hardin | <i>Action/Information</i> |

XII. REPORTS

- | | |
|---|---------------------------------|
| ➤ CEO Report: Mr. Bob Edwards, CEO | <i>Information</i> |
| ➤ Planning Committee Report: Ms. Kitty Bruning
✓ Hospital Fee Program & Hospital Structure | <i>Action/Information</i> |
| ➤ Medical Staff: Dr. John Kermen | Tab 7 <i>Action/Information</i> |
| A. <u>Clinical Privileges-Allied Health Professionals (AHP) Orthopedic Privileges</u> | |
| B. <u>Appointments to Medical Staff-Provisional</u> | |
| 1. Darby Clayson, MD –Department of Medicine-Hospitalist Service | |
| 2. Ramesh Nathan, MD –Department of Medicine-Infectious Disease | |
| C. <u>Temporary Privileges (AHP-Allied Health Professional)</u> | |
| 1. Vadim Galperin, PA-C –Department of Medicine-Allied Health Professional
North Coast Family Health Center (February 15-March 15, 2016) | |
| D. <u>Locum Tenens Coverage</u> | |
| 1. Gabriel Larson, MD –Department of Medicine-Pediatrics (March 1-March 5, 2016) | |
| 2. Lai Heung Lee, MD –Department of Medicine-Pediatrics (March 4-March 15, 2016) | |
| E. <u>Re-Appointments to Medical Staff</u> | |
| 1. Roger Brecheen, MD –Department of Surgery-Obstetrics/Gynecology | |
| 2. Brent Wright, MD –Department of Surgery-Obstetrics/Gynecology | |
| 3. Kevin Miller, MD –Department of Surgery-Ophthalmology | |
| ➤ Chief of Patient Care Services Report: Ms. Terry Murphy | Tab 8 <i>Action/Information</i> |

- JPA Report: Mr. Tom Birdsell, Chair
- Plant Services Report; Ms. Ellen Hardin
- Approval of Alysoun Huntley Ford Fund Draw: Mr. Wade Sturgeon, CFO
- Association and Community Service Reports
- Finance Committee Report: Mr. Sean Hogan
 - OB Analysis: Mr. Wade Sturgeon, CFO
 - Statistical/Finance Report, January 2016

Action/Information

Action/Information

Action/Information

Information

Action/Information

Tab 9 **Action/Information**

XIII. ADJOURNMENT

*** THIS DOCUMENT WILL BE PROVIDED AT THE MEETING.**

All disabled persons requesting disability related modifications or accommodations, including auxiliary aids or service may make such request in order to participate in a public meeting to Gayl Moon, Secretary to the Board of Directors, 700 River Drive, Fort Bragg, CA 95437, no later than 72 hours prior to the meeting that such matter be included on that month's agenda.

*Per District Resolution, each member of the Public who wishes to speak shall be limited to three minutes each per agenda item. Please identify yourself prior to speaking. Thank you.

BOARD OF DIRECTORS
WEDNESDAY, MARCH 9, 2016
AGENDA
5:30 P.M. – REDWOODS ROOM MCDH
700 RIVER DR. FORT BRAGG, CA 95437

NOTICE OF SPECIAL BOARD OF DIRECTORS MEETING
OF THE BOARD OF DIRECTORS
MENDOCINO COAST HEALTH CARE DISTRICT

NOTICE IS HEREBY GIVEN in accordance with Section 54956 of the Government Code that a Special Session of the Board of Directors of the Mendocino Coast Health Care District is called to be held on March 9, 2016 at 5:30 p.m. at Mendocino Coast District Hospital, 700 River Drive, Fort Bragg, California

CONDUCT OF BUSINESS:

1. Call to Order
2. Roll Call

OPEN SESSION: MR. TOM BIRDELL, PRESIDENT

1. ***Information/Action:*** Determine Mediation Status with Mr. Carlo Coppo: Mr. John Ruprecht
2. Comments from the community.
3. Comments from the Board of Directors.
4. Adjourn

Dated: March 8, 2016

Gayl Moon
Secretary to the Board of Directors

STATE OF CALIFORNIA)
COUNTY OF MENDOCINO) §

I declare under penalty of perjury that I am employed by the Mendocino Coast Health Care District Board of Directors; and that I posted this notice at the North and Patient Services Building Lobby entrances to the Mendocino Coast District Hospital on March 8, 2016

Gayl Moon
Secretary to the Board of Directors

Date

All disabled persons requesting disability related modifications or accommodations, including auxiliary aids or service may make such request in order to participate in a public meeting to Gayl Moon, Secretary to the Board of Directors, 700 River Drive, Fort Bragg, CA 95437 no later than 1 working days prior to the meeting that such matter be included on that month's agenda.

*Per District Resolution, each member of the public who wishes to speak shall be limited to three minutes each per agenda item. Please identify yourself prior to speaking. Thank you.

BOARD OF DIRECTORS

WEDNESDAY, MARCH 23, 2016

AGENDA

**6:30 P.M. – REDWOODS ROOM MCDH
700 RIVER DR. FORT BRAGG, CA 95437**

NOTICE IS HEREBY GIVEN in accordance with Section 54956 of the Government Code that a Special Session of the Board of Directors and the Medical Executive Committee of the Mendocino Coast Health Care District is called to be held on March 23, 2016 at 6:30 p.m. at Mendocino Coast District Hospital, 700 River Drive, Fort Bragg, California

CONDUCT OF BUSINESS:

1. Call to Order
2. Roll Call

CLOSED SESSION:

1. **Information:** Presentation to the Board of Directors, MEC and Management by Mr. Carlo Coppo, of DiCaro, Coppe & Popcke Attorneys at Law. Government Code §54956.9(b)(1) and Government Code §54956.9(b)(2); Health and Safety Code Section §32,155, discussion of Medical Quality Assurance Issues.

OPEN SESSION: MR. TOM BIRDELL, PRESIDENT

Report out of Closed Session:

1. **Information:** Medical Quality Assurance Issues presentation
2. Comments from Community
3. Comments from Board of Directors
4. Adjourn

Dated: March 22, 2016

Gayl Moon
Secretary to the Board of Directors

STATE OF CALIFORNIA)
COUNTY OF MENDOCINO) §

I declare under penalty of perjury that I am employed by the Mendocino Coast Health Care District Board of Directors; and that I posted this notice at the North and Patient Services Building Lobby entrances to the Mendocino Coast District Hospital on March 22, 2016

Gayl Moon
Secretary to the Board of Directors

Date

All disabled persons requesting disability related modifications or accommodations, including auxiliary aids or service may make such request in order to participate in a public meeting to Gayl Moon, Secretary to the Board of Directors, 700 River Drive, Fort Bragg, CA 95437 no later than 1 working days prior to the meeting that such matter be included on that month's agenda.

*Per District Resolution, each member of the public who wishes to speak shall be limited to three minutes each per agenda item. Please identify yourself prior to speaking. Thank you

PUBLIC NOTICE

MENDOCINO COAST HEALTH CARE DISTRICT
BOARD OF DIRECTORS
REGULAR MEETING

THURSDAY, MARCH 31, 2016

5:00 p.m. Closed Session

6:00 p.m. Open Session

MENDOCINO COAST DISTRICT HOSPITAL
Redwoods Room
700 River Drive
Fort Bragg, California 95437

I. ROLL CALL

II. CLOSED SESSION

1. **Information/Action:** Pursuant to California Government Code §54954.5 and §32155 of the Health and Safety Code Medical Staff Credentials and Privileges Review
2. **Information/Action:** Pursuant to §32155 of the Health and Safety Code March Quality Management and Improvement Council Reports
3. **Information/Action:** Public Employment: To review and approve Professional Services Agreement for Dr. Bradley Bettinger Government Code §54954.5 §54957
4. **Information/Action:** Dias vs. MCDH, Mendocino Co. Superior Court No. SCUJ CVG 15-65409. Government Code §54956.9
5. **Information/Action:** Mendocino Coast Medical Plaza, LLC (MCMP)/MCDH real property negotiations between MCMP and MCDH pertaining to the continued lease and/or purchase of the North Coast Family Health Center (NCFHC) building from MCMP by MCDH. Government Code §54956.8; Kleitman v. Superior Court (1999) 74 Cal App 4th 324
6. **Information:** Discussion regarding 3/23/16 presentation to the Board of Directors, MEC and Management by Mr. Carlo Coppo, of DeCaro, Coppe & Popcke Attorneys at Law, Government Code §54956.9(b)(1) and Government Code §54956.9(b)(2); Health and Safety Code Section §32,155, discussion of Medical Quality Assurance Issues.

III. 6:00 P.M. OPEN SESSION CALL TO ORDER– TOM BIRDELL, PRESIDENT

IV. ROLL CALL

V. REPORT ON CLOSED SESSION MATTERS

- | | |
|--|---------------------------|
| 1. Medical Staff Credentials and Privileges Report | Information/Action |
| 2. February Quality Management and Improvement Council Report | Information/Action |
| 3. Dr. Bradley Bettinger Contract | Information/Action |
| 4. Dias vs. MCDH | Information/Action |
| 5. Real Property negotiations for Mendocino Coast Medical Plaza, LLC | Information/Action |
| 6. Medical Quality Assurance Issues | Information |

VI. PUBLIC COMMENTS

This portion of the meeting is reserved for persons desiring to address the Board of Directors on any matter over which the District has jurisdiction. You must state your name and address for the record. Time is limited to 3 minutes with a 20-minute total time limit for all comments. The Board of Directors can take no action on your presentation, but can seek clarification to points made in your presentation or

comments. Additionally, members can ask staff for factual information or refer the item to staff and/or calendar the item on a future agenda.

VII. REVIEW OF THE AGENDA *Action*

VIII. BOARD COMMENTS *Action/Information*

IX. APPROVAL OF CONSENT CALENDAR *Action*

The following items are considered routine and non-controversial by Hospital Staff. Consent items may be approved by one motion if no member of the Board or audience wishes to comment or ask questions. If comment or discussion is desired, the item will be removed from the Consent Agenda and will be considered under new business

- | | |
|--|-----------------------|
| 1. Approval of Board of Directors meeting minutes of February 25, 2016 | Tab 1 |
| 2. Approval of Special Board of Directors meeting minutes of March 9, 2016 | Tab 2 |
| 3. Policies & Procedures | Tab 3 |
| <i>Policy Titles</i> | <i>Policy Numbers</i> |
| a. Information Systems Policy & Procedure Manual Annual Review | |
| b. Goals and Objectives | 420.1020 |
| c. Informations Systems Security | 420.2020 |
| d. User Date Access, Passwords and Authentication | 420.3040 |
| e. Use of Portable Computing and Storage Devices | 420.3060 |
| f. Standard Drug Formulas | 315.7010 |
| g. Drug Administration Times | 315.4024 |
| h. Nursing Orientation to Pharmacy Services | 315.1072 |
| i. Medication Error Reduction Plan | 315.1110 |

X. NEW BUSINESS

- Hospital Fee/Hospital Structure Program Discussion: *Action/Information*
Mr. Lloyd Bookman, Hooper, Lundy & Bookman
- Audit Review and Approval: Mr. Jerrel Tucker, Auditor *Action/Information*
- Prime Project: Ms. Ilona Horton *Action/Information*
- Bylaws Changes per Bylaws Committee recommendations: Tab 4 *Action/Information*
Ms. Carol Steele & Mr. Tom Birdsell
- Auxiliary/Volunteers Bylaws: Mr. Will Lee Tab 5 *Action/Information*
- Change October, November and December Meeting Dates: Mr. Bob Edwards, CEO *Action*

XI. OLD BUSINESS

- None

XII. REPORTS

- CEO Report: Mr. Bob Edwards, CEO *Information*
- Planning Committee Report: Ms. Kitty Bruning *Action/Information*
- Medical Staff: Dr. John Kermen Tab 6 *Action/Information*
 - A. Appointments to Medical Staff-Provisional
 - 1. Michael Azarkh, MD –Department of Medicine-Hospitalist Service
 - 2. Patrick Neal Lenaghan, MS –Department of Medicine-Emergency Department
 - 3. Rebecca Sapien, MD –Department of Medicine-Emergency Department
 - B. Reappointment to Allied Health Professionals
 - 1. Michele Tellier, FNP –Department of Medicine-North Coast Family Health Center
 - C. Temporary Privileges
 - 1. Michael Azarkh, MD –Department of Medicine-Hospitalist Service (March 24-April 1, 2016)
 - 2. Andrea McCullough, MD –Department of Medicine-Emergency Department (April 1-April 30, 2016)

D. Temporary Privileges (AHP-Allied Health Professional)

1. Aneet Deol, DNP-C –Department of Medicine-North Coast Family Health Center (April 15-May 15, 2016)
2. Shelyna Rice, NP-C –Department of Medicine-Allied Health Professional-North Coast Family Health Center (April 6-May 6, 2016)
3. Matthew Tomlin, NP-C –Department of Medicine-Allied Health Professional-North Coast Family Health Center (March 28-April 28, 2016)

E. Locum Tenens Coverage

1. Lai Heung Lee, MD –Department of Medicine-Pediatrics (April 1-April 8, 2016)

- | | |
|--|---------------------------------|
| ➤ Chief of Patient Care Services Report: Ms. Terry Murphy | Tab 7 Information |
| ➤ JPA Report: Mr. Tom Birdsell, Chair | Information |
| ➤ Plant Services Report; Ms. Ellen Hardin | Information |
| ➤ Approval of Alysoun Huntley Ford Fund Draw: Mr. Wade Sturgeon, CFO | Action/Information |
| ➤ Association and Community Service Reports | Information |
| ➤ Finance Committee Report: Mr. Sean Hogan | |
| ➤ Emergency Dept. Analysis: Mr. Wade Sturgeon, CFO | Action/Information |
| ➤ Statistical/Finance Report, February 2016 | Tab 8 Action/Information |

XIII. ADJOURNMENT

*** THIS DOCUMENT WILL BE PROVIDED AT THE MEETING.**

All disabled persons requesting disability related modifications or accommodations, including auxiliary aids or service may make such request in order to participate in a public meeting to Gayl Moon, Secretary to the Board of Directors, 700 River Drive, Fort Bragg, CA 95437, no later than 72 hours prior to the meeting that such matter be included on that month's agenda.

*Per District Resolution, each member of the Public who wishes to speak shall be limited to three minutes each per agenda item. Please identify yourself prior to speaking. Thank you.

BOARD OF DIRECTORS
MONDAY, APRIL 18, 2016
AGENDA
5:30 P.M. – REDWOODS ROOM MCDH
700 RIVER DR. FORT BRAGG, CA 95437

**THIS MEETING WAS CANCELLED DUE TO LACK OF
QUORUM**

NOTICE IS HEREBY GIVEN in accordance with Section 54956 of the Government Code that a Special Session of the Board of Directors and the Medical Executive Committee of the Mendocino Coast Health Care District is called to be held on April 18, 2016 at 5:30 p.m. at Mendocino Coast District Hospital, 700 River Drive, Fort Bragg, California

CONDUCT OF BUSINESS:

1. Call to Order
2. Roll Call

OPEN SESSION: MS. KITTY BRUNING, VICE PRESIDENT

1. ***Information/Action:*** Resolution regarding Refinancing of Hospital District Bonds

CLOSED SESSION:

1. ***Information/Action:*** Mendocino Coast Medical Plaza, LLC (MCMP)/MCDH real property negotiations between MCMP and MCDH pertaining to the continued lease and/or purchase of the North Coast Family Health Center (NCFHC) building from MCMP by MCDH. Government Code §54956.8; Kleitman v. Superior Court (1999) 74 Cal App 4th 324.

OPEN SESSION: MS. KITTY BRUNING, VICE PRESIDENT

Report out of Closed Session:

1. ***Information/Action:*** Real Property negotiations for Mendocino Coast Medical Plaza, LLC
2. Comments from Community
3. Comments from Board of Directors
4. Adjourn

Dated: April 15, 2016

Gayl Moon
Secretary to the Board of Directors

STATE OF CALIFORNIA)
COUNTY OF MENDOCINO) §

I declare under penalty of perjury that I am employed by the Mendocino Coast Health Care District Board of Directors; and that I posted this notice at the North and Patient Services Building Lobby entrances to the Mendocino Coast District Hospital on April 15 2016

Gayl Moon
Secretary to the Board of Directors

Date

All disabled persons requesting disability related modifications or accommodations, including auxiliary aids or service may make such request in order to participate in a public meeting to Gayl Moon, Secretary to the Board of

Directors, 700 River Drive, Fort Bragg, CA 95437 no later than 1 working days prior to the meeting that such matter be included on that month's agenda.

*Per District Resolution, each member of the public who wishes to speak shall be limited to three minutes each per agenda item. Please identify yourself prior to speaking. Thank you

PUBLIC NOTICE

MENDOCINO COAST HEALTH CARE DISTRICT
BOARD OF DIRECTORS
REGULAR MEETING

THURSDAY, APRIL 28, 2016

5:00 p.m. Closed Session

6:00 p.m. Open Session

MENDOCINO COAST DISTRICT HOSPITAL

Redwoods Room

700 River Drive

Fort Bragg, California 95437

122 Merry Island Road

Edgecomb, ME 04556

I. ROLL CALL

II. CLOSED SESSION

1. **Information/Action:** Pursuant to California Government Code §54954.5 and §32155 of the Health and Safety Code Medical Staff Credentials and Privileges Review
2. **Information/Action:** Pursuant to §32155 of the Health and Safety Code April Quality Management and Improvement Council Reports
3. **Information/Action:** Mendocino Coast Medical Plaza, LLC (MCMP)/MCDH real property negotiations between MCMP and MCDH pertaining to the continued lease and/or purchase of the North Coast Family Health Center (NCFHC) building from MCMP by MCDH. Government Code §54956.8; Kleitman v. Superior Court (1999) 74 Cal App 4th 324
4. **Information/Action:** Public Employment: To review and approve Professional Services Agreement for Dr. Kevin Miller Government Code §54954.5 & 54957
5. **Information/Action:** Public Employment: To review and approve Professional Services Agreement for Carson City Nephrology, LLC, Dr. Michael Murphy Government Code §54954.5 & 54957
6. **Information/Action:** EM CARE/ PREMIER EMERGENCY PHYSICIANS OF CALIFORNIA MEDICAL GROUP: Discussion of confidential pricing information [trade secrets] for proposed new Emergency Room service; discussion of medical quality assurance metrics. Health & Safety Code §32106; Civil Code §3426.1.
7. **Information/Action:** MENDOCINO EMERGENCY PHYSICIANS MEDICAL GROUP, INC.: Discussion of confidential pricing information [trade secrets] for proposed Emergency Room service; discussion of medical quality assurance metrics. Health & Safety Code §32106; Civil Code §3426.1.

III. 6:00 P.M. OPEN SESSION CALL TO ORDER– KITTY BRUNING, VICE PRESIDENT

IV. ROLL CALL

V. REPORT ON CLOSED SESSION MATTERS

- | | |
|--|---------------------------|
| 1. Medical Staff Credentials and Privileges Report | Information/Action |
| 2. March Quality Management and Improvement Council Report | Information/Action |
| 3. Real Property negotiations for Mendocino Coast Medical Plaza, LLC | Information/Action |
| 4. Contract for Dr. Kevin Miller | Information/Action |
| 5. Contract for Carson City Nephrology, LLC, Dr. Michael Murphy | Information/Action |
| 6. Em Care/Premier Emergency Physicians of California Medical Group | Information/Action |
| 7. Mendocino Emergency Physicians Medical Group, Inc | Information/Action |

VI. PUBLIC COMMENTS

This portion of the meeting is reserved for persons desiring to address the Board of Directors on any matter over which the District has jurisdiction. You must state your name and address for the record. Time is limited to 3 minutes with a 20-minute total time limit for all comments. The Board of Directors can take no action on your presentation, but can seek clarification to points made in your presentation or comments. Additionally, members can ask staff for factual information or refer the item to staff and/or calendar the item on a future agenda.

VII. REVIEW OF THE AGENDA

Action

VIII. BOARD COMMENTS

Action/Information

IX. APPROVAL OF CONSENT CALENDAR

Action

The following items are considered routine and non-controversial by Hospital Staff. Consent items may be approved by one motion if no member of the Board or audience wishes to comment or ask questions. If comment or discussion is desired, the item will be removed from the Consent Agenda and will be considered under new business

- | | |
|---|-----------------------|
| 1. Approval of Board of Directors meeting minutes of March 31, 2016 | Tab 1 |
| 2. Approval of Special Board of Directors meeting minutes of March 23, 2016 | Tab 2 |
| 3. Policies & Procedures | Tab 3 |
| <i>Policy Titles</i> | <i>Policy Numbers</i> |
| a. Policy and Procedure Development Management and Review | 100.1003 |
| b. User Data Access, Passwords and Authentication | 420.3040 |
| c. Board of Directors Email Policy | 420.3045 |

X. NEW BUSINESS

- Resolution regarding Application to Refinance of Hospital District Bonds: Mr. Wade Sturgeon, CFO Tab 4 *Action*
- Review & Approval of MediTract Contract: Mr. Wade Sturgeon, CFO Tab 5 *Action*
- Approval of contract with Nichols, Melberg & Rossetto, Architects & Engineers for preliminary design of Hospital dishwasher replacement: Ms. Ellen Hardin Tab 6 *Action/Information*
- Review and Approval of Medical Staff Bylaws: Dr. John Kermen Tab 7 *Action*

XI. OLD BUSINESS

- Em Care/Premier Emergency Physicians of California Medical Group: Report on status of proposed contract's non-confidential terms: Mr. Wade Sturgeon, CFO & Mr. John Ruprecht *Action/Information*

XII. REPORTS

- CEO Report: Mr. Bob Edwards, CEO *Information*
- Planning Committee Report: Ms. Kitty Bruning *Action/Information*
- Medical Staff: Dr. John Kermen Tab 8 *Action/Information*
 - A. Appointments to Medical Staff-Provisional
 - 1. Praveen Reddy, MD –Department of Surgery-Orthopedics
 - B. Appointment to Allied Health Professionals Staff
 - 1. Suzanne Hewitt, FNP –Department of Medicine –Emergency Room
 - C. Temporary Privileges (AHP-Allied Health Professional)
 - 1. Shelyna Rice, DNP-C Department of Medicine –Allied Health Professional – North Coast Family Health Center (May 6-June 6, 2016)
 - 2. Matthew Tomlin, NP-C -Department of Medicine-Allied Health Professional - North Coast Family Health Center (April 28-May 28, 2016)

D. Locum Tenens Coverage

1. Lynette Chevalier-Paris, MD –Department of Medicine-Pediatrics (April 8-22, 2016)
2. Lai Heung Lee, MD –Department of Medicine-Pediatrics (May 1-May 9, 2016)
3. Gabriel Larson, MD –Department of Medicine-Pediatrics (May 21-May 28, 2016)

E. Resignation from Medical Staff

1. Peter Glusker, MD –Department of Medicine-Neurology –Effective March 1, 2016

- Chief of Patient Care Services Report: Ms. Terry Murphy Tab 9 **Information**
- JPA Report: Mr. Bob Edwards, CEO **Information**
- Plant Services Report; Ms. Ellen Hardin **Information**
- Approval of Alysoun Huntley Ford Fund Draw: Mr. Wade Sturgeon, CFO **Action/Information**
- Association and Community Service Reports **Information**
- Finance Committee Report: Mr. Sean Hogan
- Statistical/Finance Report, March 2016 Tab 10 **Action/Information**

XIII. ADJOURNMENT

*** THIS DOCUMENT WILL BE PROVIDED AT THE MEETING.**

All disabled persons requesting disability related modifications or accommodations, including auxiliary aids or service may make such request in order to participate in a public meeting to Gayl Moon, Secretary to the Board of Directors, 700 River Drive, Fort Bragg, CA 95437, no later than 72 hours prior to the meeting that such matter be included on that month's agenda.

*Per District Resolution, each member of the Public who wishes to speak shall be limited to three minutes each per agenda item. Please identify yourself prior to speaking. Thank you.

BOARD OF DIRECTORS
THURSDAY, MAY 5, 2016
AGENDA
5:30 P.M. – REDWOODS ROOM MCDH
700 RIVER DR. FORT BRAGG, CA 95437

122 Merry Island Road
Edgecomb, ME 04556

NOTICE IS HEREBY GIVEN in accordance with Section 54956 of the Government Code that a Special Session of the Board of Directors and the Medical Executive Committee of the Mendocino Coast Health Care District is called to be held on May 5, 2016 at 5:30 p.m. at Mendocino Coast District Hospital, 700 River Drive, Fort Bragg, California

CONDUCT OF BUSINESS:

1. Call to Order
2. Roll Call

CLOSED SESSION:

1. ***Information/Action:*** EM CARE/ PREMIER EMERGENCY PHYSICIANS OF CALIFORNIA MEDICAL GROUP: Discussion of confidential pricing information [trade secrets] for proposed new Emergency Room service; discussion of medical quality assurance metrics. Health & Safety Code §32106; Civil Code §3426.1.
2. ***Information/Action:*** MENDOCINO EMERGENCY PHYSICIANS MEDICAL GROUP, INC.: Discussion of confidential pricing information [trade secrets] for proposed Emergency Room service; discussion of medical quality assurance metrics. Health & Safety Code §32106; Civil Code §3426.1.

OPEN SESSION: MR. TOM BIRDSSELL, PRESIDENT

Report out of Closed Session:

1. ***Information/Action:*** Em Care/Premier Emergency Physicians of California Medical Group
2. ***Information/Action:*** Mendocino Emergency Physicians Medical Group, Inc.
3. Comments from Community
4. Comments from Board of Directors
5. Adjourn

Dated: May 4, 2016

Gayl Moon
Secretary to the Board of Directors

STATE OF CALIFORNIA)
COUNTY OF MENDOCINO) §

I declare under penalty of perjury that I am employed by the Mendocino Coast Health Care District Board of Directors; and that I posted this notice at the North and Patient Services Building Lobby entrances to the Mendocino Coast District Hospital on May 4, 2016

Gayl Moon
Secretary to the Board of Directors

Date

All disabled persons requesting disability related modifications or accommodations, including auxiliary aids or service may make such request in order to participate in a public meeting to Gayl Moon, Secretary to the Board of

Directors, 700 River Drive, Fort Bragg, CA 95437 no later than 1 working days prior to the meeting that such matter be included on that month's agenda.

*Per District Resolution, each member of the public who wishes to speak shall be limited to three minutes each per agenda item. Please identify yourself prior to speaking. Thank you

BOARD OF DIRECTORS

TUESDAY, MAY 10, 2016

AGENDA

**5:30 P.M. – REDWOODS ROOM MCDH
700 RIVER DR. FORT BRAGG, CA 95437**

**122 MERRY ISLAND ROAD
EDGECOMB, ME**

**NOTICE OF SPECIAL BOARD OF DIRECTORS MEETING
OF THE BOARD OF DIRECTORS
MENDOCINO COAST HEALTH CARE DISTRICT**

NOTICE IS HEREBY GIVEN in accordance with Section 54956 of the Government Code that a Special Session of the Board of Directors of the Mendocino Coast Health Care District is called to be held on May 10, 2016 at 5:30 p.m. at Mendocino Coast District Hospital, 700 River Drive, Fort Bragg, California

CONDUCT OF BUSINESS:

1. Call to Order
2. Roll Call

CLOSED SESSION:

1. **Information/Action:** Pursuant to §32155 of the Health and Safety Code Quality Management and Improvement Council Reports

RECONVENTION OF OPEN SESSION: CALL TO ORDER - MR. TOM BIRDSSELL, PRESIDENT

- Roll call

REPORT ON CLOSED SESSION MATTERS:

1. **Information/Action:** Quality Management and Improvement Council Report
2. Comments from the community.
3. Comments from the Board of Directors.
4. Adjourn

Dated: May 6, 2016

Gayl Moon
Secretary to the Board of Directors

STATE OF CALIFORNIA)
COUNTY OF MENDOCINO) §

I declare under penalty of perjury that I am employed by the Mendocino Coast Health Care District Board of Directors; and that I posted this notice at the North and Patient Services Building Lobby entrances to the Mendocino Coast District Hospital on May 6, 2016

Gayl Moon
Secretary to the Board of Directors

Date

All disabled persons requesting disability related modifications or accommodations, including auxiliary aids or service may make such request in order to participate in a public meeting to Gayl Moon, Secretary to the Board of Directors, 700 River Drive, Fort Bragg, CA 95437 no later than 1 working days prior to the meeting that such matter be included on that month's agenda.

*Per District Resolution, each member of the public who wishes to speak shall be limited to three minutes each per agenda item. Please identify yourself prior to speaking. Thank you.

PUBLIC NOTICE

MENDOCINO COAST HEALTH CARE DISTRICT
BOARD OF DIRECTORS
REGULAR MEETING

THURSDAY, MAY 26, 2016
5:00 p.m. Closed Session
6:00 p.m. Open Session

MENDOCINO COAST DISTRICT HOSPITAL
Redwoods Room
700 River Drive
Fort Bragg, California 95437

I. ROLL CALL

II. CLOSED SESSION

1. **Information/Action:** Pursuant to §32155 of the Health and Safety Code May Quality Management and Improvement Council Reports
2. **Information/Action:** Pursuant to California Government Code §54954.5 and §32155 of the Health and Safety Code Medical Staff Credentials and Privileges Review
3. **Information/Action:** Joint Conference Committee Meeting Report of May 2016 per Medical Staff Bylaws, Part III, Section 2.8 (Joint Conference Committee). Business & Professions Code §§809.05, 2282.5; Evidence Code §1157
4. **Information/Action:** Pursuant to Government Code Section §54957, personnel session with Hospital CEO to evaluate performance
5. **Information/Action:** Mendocino Coast Medical Plaza, LLC (MCMP)/MCDH real property negotiations between MCMP and MCDH pertaining to the continued lease and/or purchase of the North Coast Family Health Center (NCFHC) building from MCMP by MCDH. Government Code §54956.8; Kleitman v. Superior Court (1999) 74 Cal App 4th 324
6. **Information/Action:** To consider professional services agreement with Lucas Campos, M.D., pain management specialist. Government Code §§54954.5; 54957
7. **Information/Action:** Public Employment: To review and approve Professional Services Agreement for Pathology Services Contract Government Code §54954.5 & 54957
8. **Information/Action:** To review and approve Professional Services Agreement extension for John Kermen, DO Contract Government Code §54954.5 & 54957
9. **Information/Action:** Conference with the District's labor negotiators, Wade Sturgeon and Ellen Hardin for union negotiations under the Meyers, Miliias, Brown Act, Government Code §3500, et seq. with UFCW8, Golden State, United Food and Commercial Workers Union. Government Code §§54954.5, 54957.6

III. 6:00 P.M. OPEN SESSION CALL TO ORDER– TOM BIRDSSELL, PRESIDENT

IV. ROLL CALL

V. REPORT ON CLOSED SESSION MATTERS

- | | |
|--|---------------------------|
| 1. May Quality Management and Improvement Council Report | Information/Action |
| 2. Medical Staff Credentials and Privileges Report | Information/Action |
| 3. Joint Conference Meeting Report | Information/Action |
| 4. Report on CEO Personnel Session | Information/Action |
| 5. Real Property negotiations for Mendocino Coast Medical Plaza, LLC | Information/Action |
| 6. Lucas Campos, MD Agreement | Information/Action |

- 7. Pathology Services Contract
- 8. John Kermen, DO Contract extension
- 9. Union Negotiations

Information/Action
Information/Action
Information/Action

VI. PUBLIC COMMENTS

This portion of the meeting is reserved for persons desiring to address the Board of Directors on any matter over which the District has jurisdiction. You must state your name and address for the record. Time is limited to 3 minutes with a 20-minute total time limit for all comments. The Board of Directors can take no action on your presentation, but can seek clarification to points made in your presentation or comments. Additionally, members can ask staff for factual information or refer the item to staff and/or calendar the item on a future agenda.

VII. REVIEW OF THE AGENDA

Action

VIII. BOARD COMMENTS

Action/Information

IX. APPROVAL OF CONSENT CALENDAR

Action

The following items are considered routine and non-controversial by Hospital Staff. Consent items may be approved by one motion if no member of the Board or audience wishes to comment or ask questions. If comment or discussion is desired, the item will be removed from the Consent Agenda and will be considered under new business

- | | |
|---|-----------------------|
| 1. Approval of Board of Directors meeting minutes of April 28, 2016 | Tab 1 |
| 2. Approval of Special Board of Directors meeting minutes of May 5, 2016 | Tab 1a |
| 3. Approval of Special Board of Directors meeting minutes of May 10, 2016 | Tab 1b |
| 4. Policies & Procedures | Tab 2 |
| <i>Policy Titles</i> | <i>Policy Numbers</i> |
| a. Patient and Visitor Complaints/Grievances | 100.2006 |
| b. Business Associates Agreements | 120.2000 |
| c. Quality Review Report Form | 100.2008 |

X. NEW BUSINESS

- | | |
|---|---------------------------------|
| 1. Review and Approval of Medical Staff Bylaws: Dr. John Kermen | Tab 3 Action |
| 2. Board In-service with Mr. Dennis Strum: Mr. Tom Birdsell/Ellen Hardin | Information/Action |
| 3. Mendocino Coast Clinics OB/GYN Contract Extension: Mr. Wade Sturgeon, CFO | Information/Action |
| 4. Mendocino Coast Clinics Pediatrics Contract Extension:
Mr. Wade Sturgeon, CFO | Information/Action |
| 5. Retention of Bond Counsel Norton, Rose & Fulbright:
Mr. Wade Sturgeon | Tab 4 Information/Action |

XI. OLD BUSINESS

- | | |
|---|---------------------------|
| 1. Task Force to explore Hospital Fee/Hospital Structure: Mr. Tom Birdsell, Chair | Information/Action |
| 2. Cal Mortgage Loan Application and Refinancing: Mr. Wade Sturgeon, CFO | Information/Action |

XII. REPORTS

- | | |
|---|---------------------------------|
| ➤ CEO Report: Mr. Bob Edwards, CEO | Information |
| ➤ Planning Committee Report: Ms. Kitty Bruning | Action/Information |
| • Request for OB Research | |
| ➤ Medical Staff: Dr. John Kermen | Tab 5 Action/Information |
| A. <u>Appointments to Medical Staff-Provisional</u> | |
| 1. Nivedita Lakhera, MD –Department of Medicine-Hospitalist Service | |
| B. <u>Appointment to Allied Health Professionals Staff</u> | |
| 1. Thomas Harmon, CRNA –Department of Surgery-Anesthesia | |
| C. <u>Temporary Privileges</u> | |

1. Nivedita Lakhera, MD –Department of Medicine-Hospitalist Service (May 21-May 27, 2016)
- D. Temporary Privileges (AHP-Allied Health Professional)
 1. Matthew Tomlin, NP-C –Department of Medicine-Allied Health Professional-North Coast Family Health Center (May 28-June 28, 2016)
 2. Victoria Stadnyk, DNP-C –Department of Medicine-Allied Health Professional-North Coast Family Health Center (May 23-June 23, 2016)
- E. Locum Tenens Coverage
 1. Lynette Chevalier-Paris, MD –Department of Medicine-Pediatrics (May 31-June 6, 2016)
 2. Lai Heung Lee, MD- Department of Medicine-Pediatrics (June 10-June 20, 2016)
 3. Albert Lu, MD –Department of Medicine-Radiology (May 1-May 8, 2016)
- F. Re-Appointments to Medical Staff
 1. John Kermen, DO –Department of Surgery-Anesthesia
 2. Michael Murphy, MD –Department of Medicine-Nephrology
 3. Russell Perry, MD –Department of Medicine-Radiology
 4. Hong Luo, MD –Department of Surgery-Pathology
 5. Steve Mertens, MD –Department of Surgery-Pathology
- G. Reappointment to Allied Health Professional Staff
 1. Phil Conwell, CRNA –Department of Surgery-Anesthesia
 2. Tracy Riddle, CRNA –Department of Surgery-Anesthesia
- H. Release from Provisional Status/Advance to Active Status
 1. Jason Poop, MD –Department of Surgery-Interventional Pain Management
 2. Michael Yang, MD –Department of Surgery-Interventional Pain Management
- Chief of Patient Care Services Report: Ms. Terry Murphy Tab 6 **Information**
- JPA Report: Mr. Tom Birdsell, Chair **Information**
- Plant Services Report; Ms. Ellen Hardin **Information**
- Approval of Alysoun Huntley Ford Fund Draw: Mr. Wade Sturgeon, CFO **Action/Information**
- Association and Community Service Reports **Information**
- Finance Committee Report: Mr. Sean Hogan Tab 7 **Action/Information**
 - Statistical/Finance Report, April 2016

XIII. ADJOURNMENT

*** THIS DOCUMENT WILL BE PROVIDED AT THE MEETING.**

All disabled persons requesting disability related modifications or accommodations, including auxiliary aids or service may make such request in order to participate in a public meeting to Gayl Moon, Secretary to the Board of Directors, 700 River Drive, Fort Bragg, CA 95437, no later than 72 hours prior to the meeting that such matter be included on that month's agenda.

*Per District Resolution, each member of the Public who wishes to speak shall be limited to three minutes each per agenda item. Please identify yourself prior to speaking. Thank you.

BOARD OF DIRECTORS
TUESDAY, JUNE 21, 2016
AGENDA
5:00 P.M. CLOSED SESSION
6:00 OPEN SESSION
REDWOODS ROOM MCDH
700 RIVER DR. FORT BRAGG, CA 95437

NOTICE OF SPECIAL BOARD OF DIRECTORS MEETING
OF THE BOARD OF DIRECTORS
MENDOCINO COAST HEALTH CARE DISTRICT

NOTICE IS HEREBY GIVEN in accordance with Section 54956 of the Government Code that a Special Session of the Board of Directors and the Medical Executive Committee of the Mendocino Coast Health Care District is called to be held on June 21, 2016 at 6:00 p.m. at Mendocino Coast District Hospital, 700 River Drive, Fort Bragg, California

CONDUCT OF BUSINESS:

1. Call to Order
2. Roll Call

CLOSED SESSION:

1. **Action/Information:** To review and approve Professional Services Agreement extension for John Rochat, M. D. Contract Government Code §54954.5 & 54957
2. **Action/Information:** To review and approve Chief of Staff Professional Services Agreement extension for John Kermen, DO Contract Government Code §54954.5 & 54957
3. **Action/Information:** Pursuant to Government Code Section §54957, personnel session with Hospital CEO to evaluate performance

OPEN SESSION: MR. TOM BIRDSELL, PRESIDENT

Report out of Closed Session:

1. **Action/Information:** Professional Services Agreement extension for John Rochat, M.D.
2. **Action/Information:** Chief of Staff Professional Services Agreement extension for John Kermen, DO
3. **Action/Information:** Report on CEO Personnel Session

Open Session Items:

1. **Action/Information:** 2017 Operating Budget: Mr. Wade Sturgeon, CFO **Tab 1**
2. **Action/Information:** 2017 Capital Budget: Mr. Wade Sturgeon, CFO **Tab 2**
3. **Action/Information:** Renewal of Property Insurance Coverage: Mr. Wade Sturgeon, CFO **Tab 3**
4. **Action/Information:** Renewal of Professional Liability Insurance Coverage: Mr. Wade Sturgeon, CFO **Tab 4**
5. **Action/Information:** Renewal of Workers Compensation Insurance: Ms. Ellen Hardin **Tab 5**
6. Comments from Community
7. Comments from Board of Directors
8. Adjourn

Dated: June 20, 2016

Gayl Moon
Secretary to the Board of Directors

STATE OF CALIFORNIA)
COUNTY OF MENDOCINO) §

I declare under penalty of perjury that I am employed by the Mendocino Coast Health Care District Board of Directors; and that I posted this notice at the North and Patient Services Building Lobby entrances to the Mendocino Coast District Hospital on June 20, 2016

Gayl Moon
Secretary to the Board of Directors

Date

All disabled persons requesting disability related modifications or accommodations, including auxiliary aids or service may make such request in order to participate in a public meeting to Gayl Moon, Secretary to the Board of Directors, 700 River Drive, Fort Bragg, CA 95437 no later than 1 working days prior to the meeting that such matter be included on that month's agenda.

*Per District Resolution, each member of the public who wishes to speak shall be limited to three minutes each per agenda item. Please identify yourself prior to speaking. Thank you

PUBLIC NOTICE

MENDOCINO COAST HEALTH CARE DISTRICT
BOARD OF DIRECTORS
REGULAR MEETING

THURSDAY, JUNE 30, 2016
5:00 p.m. Closed Session
6:00 p.m. Open Session

MENDOCINO COAST DISTRICT HOSPITAL
Redwoods Room
700 River Drive
Fort Bragg, California 95437

I. ROLL CALL

II. CLOSED SESSION

- 1. Information/Action:** Pursuant to §32155 of the Health and Safety Code June Quality Management and Improvement Council Reports
- 2. Information/Action:** Pursuant to California Government Code §54954.5 and §32155 of the Health and Safety Code Medical Staff Credentials and Privileges Review
- 3. Information/Action:** To consider professional services agreement with Lucas Campos, M.D., pain management specialist. Government Code §§54954.5; 54957
- 4. Information/Action:** Conference with the District's labor negotiators, Wade Sturgeon and/or Ellen Hardin for union negotiations under Government Code §3500, et seq. with UFCW8, Golden State, United Food and Commercial Workers Union. Government Code §§54954.5, 54957.6
- 5. Information/Action:** Mendocino Coast Medical Plaza, LLC (MCMP)/MCDH real property negotiations between MCMP and MCDH pertaining to the continued lease and/or purchase of the North Coast Family Health Center (NCFHC) building from MCMP by MCDH. Government Code §54956.8; Kleitman v. Superior Court (1999) 74 Cal App 4th 324
- 6. Information/Action:** "Conference with District legal counsel regarding statements made by persons both in open and public meetings threatening litigation under the Ralph M. Brown Act and the same or similar statements made outside of open and public meetings; Government Code §54956.9(d) and (e)(4) & (5); Conference with District legal counsel regarding privileged matters within the meaning of Evidence Code §1157 pertaining to quality assurance issues." Evidence Code §§950, et seq. (Attorney Client Privilege); Government Code §6254(c) & (k).

III. 6:00 P.M. OPEN SESSION CALL TO ORDER– TOM BIRDELL, PRESIDENT

IV. ROLL CALL

V. REPORT ON CLOSED SESSION MATTERS

- | | |
|--|---------------------------|
| 1. June Quality Management and Improvement Council Report | Information/Action |
| 2. Medical Staff Credentials and Privileges Report | Information/Action |
| 3. Lucas Campos, MD Agreement | Information/Action |
| 4. Union Negotiations | Information/Action |
| 5. Real Property negotiations for Mendocino Coast Medical Plaza, LLC | Information/Action |
| 6. Conference with District Legal Counsel | Information/Action |

VI. PUBLIC COMMENTS

This portion of the meeting is reserved for persons desiring to address the Board of Directors on any matter over which the District has jurisdiction. You must state your name and address for the record.

Time is limited to 3 minutes with a 20-minute total time limit for all comments. The Board of Directors can take no action on your presentation, but can seek clarification to points made in your presentation or comments. Additionally, members can ask staff for factual information or refer the item to staff and/or calendar the item on a future agenda.

- VII. REVIEW OF THE AGENDA** *Action*
- VIII. BOARD COMMENTS** *Action/Information*
- IX. APPROVAL OF CONSENT CALENDAR** *Action*

The following items are considered routine and non-controversial by Hospital Staff. Consent items may be approved by one motion if no member of the Board or audience wishes to comment or ask questions. If comment or discussion is desired, the item will be removed from the Consent Agenda and will be considered under new business

 - 1. Approval of Board of Directors meeting minutes of May 26, 2016 Tab 1
- X. NEW BUSINESS**
 - 1. Resignation/Dr. Rohr: Mr. Tom Birdsell, Chair *Action/Information*
 - 2. Interim Board Appointment: Mr. Tom Birdsell, Chair *Action/Information*
 - 3. Review and Approval of Medical Staff Bylaws: Dr. John Kermen Tab 2 *Action/Information*
 - 4. i2i Systems Software: Mr. Wade Sturgeon, CFO Tab 3 *Action*
 - 5. Purchase of ER/ICU Monitor System: Mr. Wade Sturgeon, CFO Tab 4 *Action*
 - 6. Approval of all Capital Budget items: Mr. Wade Sturgeon, CFO Tab 5 *Action*
 - 7. Blood Source Agreement for Laboratory Services: Mr. John Ruprecht Tab 6 *Action*
 - 8. Board of Directors-Administration-Legal Information Requests Process: Mr. Tom Birdsell, Chair *Action/Information*
 - 9. OB Subcommittee formation: Mr. Tom Birdsell, Chair *Action/Information*
 - 10. Bond Refinance Approval: Mr. Wade Sturgeon, CFO Tab 7 *Action/Information*
 - a. Indenture
 - b. Amended and Estimated Regulatory Agreement
 - c. Contract of Insurance
 - d. Preliminary Official Statement
 - e. Continuing Disclosure Certificate
 - 11. Authorizing Resolution: Mr. Wade Sturgeon, CFO Tab 8 *Action*
 - 12. Reimbursement Resolution: Mr. Wade Sturgeon, CFO Tab 9 *Action*
- XI. OLD BUSINESS**
 - 1. Announcement of Task Force members to explore Hospital Fee/ Hospital Structure: Mr. Tom Birdsell, Chair *Action/Information*
- XII. REPORTS**
 - CEO Report: Mr. Bob Edwards, CEO *Information*
 - Planning Committee Report: Dr. Peter Glusker *Action/Information*
 - Request for OB Research
 - Medical Staff: Dr. John Kermen Tab 10 *Action/Information*
 - A. Appointments to Medical Staff-Provisional
 - 1. Zoe Berna, MD –Department of Medicine –Family Practice-NCFHC
 - B. Temporary Privileges (AHP-Allied Health Professional)
 - 1. Matthew Tomlin, NP-C Department of Medicine-Allied Health Professional-North Coast Family Health Center (June 28-July 28, 2016)
 - 2. Victoria Stadnyk, FNP-C Department of Medicine-Allied Health Professional-North Coast Family Health Center (June 23-July 23, 2016)
 - C. Locum Tenens Coverage

1. Lynette Chevalier-Paris, MD –Department of Medicine-Pediatrics (July 1-July 13, 2016)

D. Appointment to VRad Tele-Radiology Physicians

1. Waikeong Wong, MD

- Chief of Patient Care Services Report: Ms. Terry Murphy Tab 11 **Information**
- Plant Services Report; Ms. Ellen Hardin **Action/Information**
 - Approval to Bid HVAC Project
- Approval of Alysoun Huntley Ford Fund Draw: Mr. Wade Sturgeon, CFO **Action/Information**
- Association and Community Service Reports **Information**
- Finance Committee Report: Mr. Sean Hogan Tab 12 **Action/Information**
 - Statistical/Finance Report, May 2016

XIII. Public Comments

This portion of the meeting is reserved for persons desiring to address the Board of Directors on any matter over which the District has jurisdiction. You must state your name and address for the record. Time is limited to 3 minutes. The Board of Directors can take no action on your presentation, but can seek clarification to points made in your presentation or comments. Additionally, members can ask staff for factual information or refer the item to staff and/or calendar the item on a future agenda. Any person desiring to speak on an agenda item will be given an opportunity to do so prior to the Board of Directors taking action on the item.

XIV. ADJOURNMENT

**** THIS DOCUMENT WILL BE PROVIDED AT THE MEETING.***

All disabled persons requesting disability related modifications or accommodations, including auxiliary aids or service may make such request in order to participate in a public meeting to Gayl Moon, Secretary to the Board of Directors, 700 River Drive, Fort Bragg, CA 95437, no later than 72 hours prior to the meeting that such matter be included on that month's agenda.

*Per District Resolution, each member of the Public who wishes to speak shall be limited to three minutes each per agenda item. Please identify yourself prior to speaking. Thank you.

BOARD OF DIRECTORS
TUESDAY, JULY 12, 2016
AGENDA
6:00 P.M. OPEN SESSION
COTTON AUDITORIUM
500 NORTH HAROLD
FORT BRAGG, CA 95437

NOTICE OF SPECIAL BOARD OF DIRECTORS MEETING
OF THE BOARD OF DIRECTORS
MENDOCINO COAST HEALTH CARE DISTRICT

NOTICE IS HEREBY GIVEN in accordance with Section 54956 of the Government Code that a Special Session of the Board of Directors and the Medical Executive Committee of the Mendocino Coast Health Care District is called to be held on July 12, 2016 at 6:00 p.m. at Cotton Auditorium, 500 North Harold, Fort Bragg, California 95437

CONDUCT OF BUSINESS:

1. Call to Order
2. Roll Call

OPEN SESSION: MR. TOM BIRDSELL, PRESIDENT

1. **MCDH, OB SERVICES POWER POINT:** Mr. Bob Edwards, CEO
2. **COMMUNITY COMMENTS:**

Information
Information

This portion of the meeting is reserved for persons desiring to address the Board of Directors on any matter which the District has jurisdiction. You must state your name and address for the record. Time is limited to 3 minutes per speaker. The Board of Directors can take no action on your presentation, but can seek clarification to points made in your presentation or comments.

3. BOARD COMMENTS
8. ADJOURN

Dated: July 11, 2016

Gayl Moon
Secretary to the Board of Directors

STATE OF CALIFORNIA)
COUNTY OF MENDOCINO) §

I declare under penalty of perjury that I am employed by the Mendocino Coast Health Care District Board of Directors; and that I posted this notice at the North and Patient Services Building Lobby entrances to the Mendocino Coast District Hospital on July 11, 2016

Gayl Moon
Secretary to the Board of Directors

Date

All disabled persons requesting disability related modifications or accommodations, including auxiliary aids or service may make such request in order to participate in a public meeting to Gayl Moon, Secretary to the Board of Directors, 700 River Drive, Fort Bragg, CA 95437 no later than 1 working days prior to the meeting that such matter be included on that month's agenda.

*Per District Resolution, each member of the public who wishes to speak shall be limited to three minutes each per agenda item. Please identify yourself prior to speaking. Thank you

PUBLIC NOTICE

MENDOCINO COAST HEALTH CARE DISTRICT
BOARD OF DIRECTORS
REGULAR MEETING

THURSDAY, JULY 28, 2016
5:00 p.m. Closed Session
6:00 p.m. Open Session

MENDOCINO COAST DISTRICT HOSPITAL
Redwoods Room
700 River Drive
Fort Bragg, California 95437

1705 Old Andersonville Road
Hartwell, GA 30643

I. ROLL CALL

II. CLOSED SESSION

1. **Information/Action:** Conference with the District's labor negotiators, Wade Sturgeon and/or Ellen Hardin for union negotiations under Government Code §3500, et seq. with UFCW8, Golden State, United Food and Commercial Workers Union. Government Code §§54954.5, 54957.6
2. **Information/Action:** Pursuant to §32155 of the Health and Safety Code July Quality Management and Improvement Council Reports
3. **Information/Action:** Pursuant to California Government Code §54954.5 and §32155 of the Health and Safety Code Medical Staff Credentials and Privileges Review
4. **Information/Action:** Joint Management Personnel Session with CEO Bob Edwards, CFO Wade Sturgeon and District Counsel John Ruprecht pursuant to Government Code §54957(b)(1), (2) & (4)
5. **Information/Action:** Public Employment: To review and approve Professional Services Agreement for Dr. James Sandys Government Code §54954.5 & 54957
6. **Information/Action:** Association of California Healthcare Districts' Survey of January, 2014 required by The Joint Commission (TJC). Exempt from public disclosure pursuant to Government Code §6254(s); Evidence Code §1157; and Health & Safety Code §32,155

III. 6:00 P.M. OPEN SESSION CALL TO ORDER– TOM BIRDSSELL, PRESIDENT

IV. ROLL CALL

V. REPORT ON CLOSED SESSION MATTERS

- | | |
|---|---------------------------|
| 1. Union Negotiations | <i>Information/Action</i> |
| 2. July Quality Management and Improvement Council Report | <i>Information/Action</i> |
| 3. Medical Staff Credentials and Privileges Report | <i>Information/Action</i> |
| 4. Joint Management Personnel Session | <i>Information/Action</i> |
| 5. Contract for Dr. Sandys | <i>Information/Action</i> |
| 6. Board Self Evaluation | <i>Information/Action</i> |

VI. PUBLIC COMMENTS

This portion of the meeting is reserved for persons desiring to address the Board of Directors on any matter over which the District has jurisdiction. You must state your name and address for the record. Time is limited to 3 minutes with a 20-minute total time limit for all comments. The Board of Directors can take no action on your presentation, but can seek clarification to points made in your presentation or

comments. Additionally, members can ask staff for factual information or refer the item to staff and/or calendar the item on a future agenda.

- VII. REVIEW OF THE AGENDA** *Action*
- VIII. BOARD COMMENTS** *Action/Information*
- IX. APPROVAL OF CONSENT CALENDAR** *Action*
- The following items are considered routine and non-controversial by Hospital Staff. Consent items may be approved by one motion if no member of the Board or audience wishes to comment or ask questions. If comment or discussion is desired, the item will be removed from the Consent Agenda and will be considered under new business
1. Approval of Board of Directors meeting minutes of June 30, 2016 Tab 1
 2. Approval of Special Board of Directors meeting minutes of July, 12, 2016 Tab 1a
 3. Approval of Special Board of Directors meeting minutes of June 21, 2016 Tab 1b
- X. NEW BUSINESS**
1. Deletion of Board Policy #607: Mr. Tom Birdsell, Chair *Action/Information*
 2. Resolution to Bid HVAC Project: Ms. Ellen Hardin *Action/Information*
 3. Petrak & Associates, Inc. Contract: Mr. Wade Sturgeon, CFO Tab 2 *Action/Information*
 4. Discussion regarding formulation and adoption of District Management Information System *Action/Information*
 5. Approval of Dingus, Zarecor & Associates (DZA) Auditors: Mr. Wade Sturgeon, CFO Tab 3 *Action/Information*
- XI. OLD BUSINESS**
1. OB Subcommittee Formation: Mr. Tom Birdsell, Chair *Action/Information*
 2. Hospital Fee/Hospital Structure: Mr. Tom Birdsell, Chair *Information*
- XII. REPORTS**
- CEO Report: Mr. Bob Edwards, CEO *Information*
 - Planning Committee Report: Ms. Kitty Bruning *Action/Information*
 - Medical Staff: Dr. John Kermen Tab 4 *Action/Information*
 - A. Appointments to Medical Staff-Provisional
 1. Bradley Bettinger, MD –Department of Medicine-Radiology
 2. Lucas Campos, MD –Department of Surgery-Interventional Pain Medicine
 3. Philip Hassan, MD –Department of Medicine –Emergency Department
 4. Azhar Hossain, MD –Department of Medicine- Emergency Department
 5. Onna Konicek, DO –Department of Medicine- Emergency Department
 6. Juliet LaMers, MD –Department of Medicine- Emergency Department
 7. Richard Leach, MD –Department of Medicine- Emergency Department
 8. Le Thu, MD –Department of Medicine- Emergency Department
 9. Daniel Ziegler, MD –Department of Medicine- Emergency Department
 - B. Appointment to Allied Health Professionals Staff
 1. Terri Drew, NP –Department of Medicine- Allied Health Professional-NCFHC
 - C. Temporary Privileges (AHP-Allied Health Professional)
 1. Matthew Tomlin, NP-C Department of Medicine-Allied Health Professional NCFHC (July 28-August 28, 2016)
 2. Victoria Stadnyk, FNP-C Department of Medicine-Allied Health Professional NCFHC (July 23-August 23, 2016)
 - D. Locum Tenens Coverage
 1. Lynette Chevalier-Paris, MD –Department of Medicine-Pediatrics (August 27-September 6, 2016)
 2. Cecilia Geralde, MD –Department of Medicine-Pediatrics (August 2-8 2016)

- Chief of Patient Care Services report: Ms. Terry Murphy Tab 5 *Information*
- JPA Report: Mr. Tom Birdsell, Chair *Information*
- Plant Services Report; Ms. Ellen Hardin *Action/Information*
- Approval of Alysoun Huntley Ford Fund Draw: Mr. Wade Sturgeon, CFO *Action/Information*
- Association and Community Service Reports *Information*
- Finance Committee Report: Mr. Sean Hogan Tab 6 *Action/Information*
 - Statistical/Finance Report, June 2016

XIII. Public Comments

This portion of the meeting is reserved for persons desiring to address the Board of Directors on any matter over which the District has jurisdiction. You must state your name and address for the record. Time is limited to 3 minutes. The Board of Directors can take no action on your presentation, but can seek clarification to points made in your presentation or comments. Additionally, members can ask staff for factual information or refer the item to staff and/or calendar the item on a future agenda. Any person desiring to speak on an agenda item will be given an opportunity to do so prior to the Board of Directors taking action on the item.

XIV. ADJOURNMENT

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BOARD OF DIRECTORS

WEDNESDAY, AUGUST 10, 2016

AGENDA

6:00 P.M. OPEN SESSION

REDWOODS ROOM

700 RIVER DRIVE

FORT BRAGG, CA 95437

**NOTICE OF SPECIAL BOARD OF DIRECTORS MEETING
OF THE BOARD OF DIRECTORS
MENDOCINO COAST HEALTH CARE DISTRICT**

NOTICE IS HEREBY GIVEN in accordance with Section 54956 of the Government Code that a Special Session of the Board of Directors and the Medical Executive Committee of the Mendocino Coast Health Care District is called to be held on August 10, 2016 at 6:00 p.m. at Redwoods Room, 700 Redwoods Room, Fort Bragg, California 95437

CONDUCT OF BUSINESS:

- 1. Call to Order
- 2. Roll Call

OPEN SESSION: MR. TOM BIRDSELL, PRESIDENT

- 1. Interim Board Appointment process, Mr. Tom Birdsell, Chair
- 2. Appoint Scorecard Auditors: Mr. Tom Birdsell Chair
- 3. Board of Directors Candidate Session: League of Women Voters
- 4. Board of Directors Appointment: Mr. Tom Birdsell, Chair
- 5. Public Comments
- 6. Board Comments
- 7. Adjourn

*Information
Information/Action
Information
Action*

Dated: August 8, 2016

Gayl Moon
Secretary to the Board of Directors

STATE OF CALIFORNIA)
COUNTY OF MENDOCINO) §

I declare under penalty of perjury that I am employed by the Mendocino Coast Health Care District Board of Directors; and that I posted this notice at the North and Patient Services Building Lobby entrances to the Mendocino Coast District Hospital on August 8, 2016

Gayl Moon
Secretary to the Board of Directors

Date

All disabled persons requesting disability related modifications or accommodations, including auxiliary aids or service may make such request in order to participate in a public meeting to Gayl Moon, Secretary to the Board of Directors, 700 River Drive, Fort Bragg, CA 95437 no later than 1 working days prior to the meeting that such matter be included on that month's agenda.

*Per District Resolution, each member of the public who wishes to speak shall be limited to three minutes each per agenda item. Please identify yourself prior to speaking. Thank you

PUBLIC NOTICE

MENDOCINO COAST HEALTH CARE DISTRICT
BOARD OF DIRECTORS
REGULAR MEETING

THURSDAY, AUGUST 25, 2016

5:00 p.m. Closed Session

6:00 p.m. Open Session

MENDOCINO COAST DISTRICT HOSPITAL
Redwoods Room
700 River Drive
Fort Bragg, California 95437

I. ROLL CALL

II. CLOSED SESSION

1. **Information/Action:** Conference with the District's labor negotiators, Wade Sturgeon and/or Ellen Hardin for union negotiations under Government Code §3500, et seq. with UFCW8, Golden State, United Food and Commercial Workers Union. Government Code §§54954.5, 54957.6
2. **Information/Action:** Pursuant to §32155 of the Health and Safety Code August Quality Management and Improvement Council Reports
3. **Information/Action:** Pursuant to California Government Code §54954.5 and §32155 of the Health and Safety Code Medical Staff Credentials and Privileges Review
4. **Information/Action:** Public Employment: To review and approve Professional Services Agreement for Dr. Roger Brecheen and/or to extend Dr. Brecheen's existing contract Government Code §54954.5 & 54957

III. 6:00 P.M. OPEN SESSION CALL TO ORDER– TOM BIRDSELL, PRESIDENT

IV. ROLL CALL

V. REPORT ON CLOSED SESSION MATTERS

- | | |
|---|---------------------------|
| 1. Union Negotiations | <i>Information/Action</i> |
| 2. August Quality Management and Improvement Council Report | <i>Information/Action</i> |
| 3. Medical Staff Credentials and Privileges Report | <i>Information/Action</i> |
| 4. Contract and/or extension for Dr. Brecheen | <i>Information/Action</i> |

VI. PUBLIC COMMENTS

This portion of the meeting is reserved for persons desiring to address the Board of Directors on any matter over which the District has jurisdiction. You must state your name and address for the record. Time is limited to 3 minutes with a 20-minute total time limit for all comments. The Board of Directors can take no action on your presentation, but can seek clarification to points made in your presentation or comments. Additionally, members can ask staff for factual information or refer the item to staff and/or calendar the item on a future agenda.

VII. REVIEW OF THE AGENDA

Action

VIII. BOARD COMMENTS

Action/Information

IX. APPROVAL OF CONSENT CALENDAR

Action

The following items are considered routine and non-controversial by Hospital Staff. Consent items may be approved by one motion if no member of the Board or audience wishes to comment or ask questions. If comment or discussion is desired, the item will be removed from the Consent Agenda and will be considered under new business

- 1. Approval of Board of Directors meeting minutes of July 28, 2016 Tab 1
- 2. Approval of Special Board of Directors meeting minutes of August 10, 2016 Tab 1a

X. NEW BUSINESS

- Pipeline Contract: Mr. Wade Sturgeon, CFO Tab 2 *Action*
- Toshiba Leases: Mr. Wade Sturgeon, CFO Tab 3 *Action*
- Proposed new Money Bond: Mr. Wade Sturgeon, CFO Tab 4 *Action*

XI. OLD BUSINESS

- Board email Accounts: Mr. Wade Sturgeon, CFO *Information*

XII. REPORTS

- Planning Committee Report: Ms. Kitty Bruning *Action/Information*
 - ❖ Strategic Planning Initiatives: Ms. Kitty Bruning Tab 5 *Action*
- Medical Staff: Dr. John Kermen Tab 6 *Action/Information*
 - A. Appointments to Medical Staff-Provisional
 - 1. Gregory Higgins, MD –Department of Medicine- Emergency Department
 - 2. David Posner, MD –Department of Medicine- Emergency Department
 - B. Temporary Privileges
 - 1. Gregory Higgins, MD –Department of Medicine- Emergency Department (Aug 11-25, 2016)
 - 2. David Posner, MD –Department of Medicine- Emergency Department (Aug 8-25, 2016)
 - C. Re-Appointments to Medical Staff
 - 1. Jack Bellah, MD –Department of Surgery- Orthopedics
 - 2. Daniel Conlin, MD –Department of Surgery- Gastroenterology
 - 3. Linda James, MD –Department of Surgery- General Surgery
 - 4. Douglas Lister, DPM –Department of Surgery- Podiatry
 - 5. James Mattson –Department of Surgery- Dentistry
 - 6. Donald Sheffel, MD –Department of Surgery- Surgical Assist
 - 7. Kenneth Susman, MD –Department of Surgery- General Surgery
 - D. Reappointment to Allied Health Professional Staff
 - 1. Jessica Grinberg- Department of Surgery- Orthotics
- Chief of Patient Care Services report: Ms. Terry Murphy Tab 7 *Information*
- Plant Services Report; Ms. Ellen Hardin *Action/Information*
- Approval of Alysoun Huntley Ford Fund Draw: Mr. Wade Sturgeon, CFO *Action/Information*
- Association and Community Service Reports *Information*
- Finance Committee Report: Mr. Sean Hogan Tab 8 *Action/Information*
 - Statistical/Finance Report, July 2016

XIII. Public Comments

This portion of the meeting is reserved for persons desiring to address the Board of Directors on any matter over which the District has jurisdiction. You must state your name and address for the record. Time is limited to 3 minutes. The Board of Directors can take no action on your presentation, but can seek clarification to points made in your presentation or comments. Additionally, members can ask staff for factual information or refer the item to staff and/or calendar the item on a future agenda. Any person desiring to speak on an agenda item will be given an opportunity to do so prior to the Board of Directors taking action on the item.

XIV. ADJOURNMENT

**** THIS DOCUMENT WILL BE PROVIDED AT THE MEETING.***

All disabled persons requesting disability related modifications or accommodations, including auxiliary aids or service may make such request in order to participate in a public meeting to Gayl Moon, Secretary to the Board of Directors, 700 River Drive, Fort Bragg, CA 95437, no later than 72 hours prior to the meeting that such matter be included on that month's agenda.

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BOARD OF DIRECTORS

THURSDAY, SEPTEMBER 15, 2016

AGENDA

**6:00 P.M. – REDWOODS ROOM MCDH
700 RIVER DR., FORT BRAGG, CA 95437**

**NOTICE OF SPECIAL BOARD OF DIRECTORS MEETING
OF THE BOARD OF DIRECTORS
MENDOCINO COAST HEALTH CARE DISTRICT**

NOTICE IS HEREBY GIVEN in accordance with Section 54956 of the Government Code that a Special Session of the Board of Directors of the Mendocino Coast Health Care District is called to be held on September 19, 2016 at 6:00 p.m. at Mendocino Coast District Hospital, 700 River Drive, Fort Bragg, California

CONDUCT OF BUSINESS:

1. Call to Order
2. Roll Call

OPEN SESSION: MR. TOM BIRDSELL, PRESIDENT

1. **PHONE SURVEY EXECUTIVE SUMMARY REPORT: Mr. Bob Edwards, CEO**
2. **COMMUNITY COMMENTS:**

*Information/Action
Information*

This portion of the meeting is reserved for persons desiring to address the Board of Directors on any matter which the District has jurisdiction. You must state your name and address for the record. Time is limited to 3 minutes per speaker. The Board of Directors can take no action on your presentation, but can seek clarification to points made in your presentation or comments.

3. **BOARD COMMENTS**
8. **ADJOURN**

Dated: September 14, 2016

Gayl Moon
Secretary to the Board of Directors

STATE OF CALIFORNIA)
COUNTY OF MENDOCINO) §

I declare under penalty of perjury that I am employed by the Mendocino Coast Health Care District Board of Directors; and that I posted this notice at the North and Patient Services Building Lobby entrances to the Mendocino Coast District Hospital on September 14, 2016

Gayl Moon
Secretary to the Board of Directors

Date

All disabled persons requesting disability related modifications or accommodations, including auxiliary aids or service may make such request in order to participate in a public meeting to Gayl Moon, Secretary to the Board of Directors, 700 River Drive, Fort Bragg, CA 95437 no later than 1 working days prior to the meeting that such matter be included on that month's agenda.

*Per District Resolution, each member of the public who wishes to speak shall be limited to three minutes each per agenda item. Please identify yourself prior to speaking. Thank you

PUBLIC NOTICE

MENDOCINO COAST HEALTH CARE DISTRICT
BOARD OF DIRECTORS
REGULAR MEETING

THURSDAY, SEPTEMBER 29, 2016

5:00 p.m. Closed Session

6:00 p.m. Open Session

MENDOCINO COAST DISTRICT HOSPITAL
Redwoods Room
700 River Drive
Fort Bragg, California 95437

I. ROLL CALL

II. CLOSED SESSION

1. **Information/Action:** Personnel session with CEO Bob S. Edwards, Jr., pursuant to Government Code §54957
2. **Information/Action:** Conference with counsel regarding allegations of potential violation of Federal Physician Self-referral Laws pertaining to immediate family members (42 USC §1395nn; 42 CFR §411.350) Government Code §54956.9(d)(2)
3. **Information/Action:** Pursuant to California Government Code §54954.5 and §32155 of the Health and Safety Code Medical Staff Credentials and Privileges Review
4. **Information/Action:** Pursuant to §32155 of the Health and Safety Code September Quality Management and Improvement Council Reports
5. **Information/Action:** Conference with the District's labor negotiators, Wade Sturgeon and/or Ellen Hardin for union negotiations under Government Code §3500, et seq. with UFCW8, Golden State, United Food and Commercial Workers Union. Government Code §§54954.5, 54957.6
6. **Information/Action:** Public Employment: To review and approve Professional Services Agreement extension for Dr. Russell Perry Government Code §54954.5 & 54957
7. **Information:** Conference with legal counsel regarding compliance report to the Federal Health Resources and Services Administration pertaining to the Pharmacy's 340B Prescription Program. Government Code 54956.9(d)(2)§

III. 6:00 P.M. OPEN SESSION CALL TO ORDER– TOM BIRDSSELL, PRESIDENT

IV. ROLL CALL

V. REPORT ON CLOSED SESSION MATTERS

- | | |
|--|---------------------------|
| 1. Bob Edwards contract | Information/Action |
| 2. Potential violation of self referral laws | Information/Action |
| 3. Medical Staff Credentials and Privileges Report | Information/Action |
| 4. September Quality Management and Improvement Council Report | Information/Action |
| 5. Union Negotiations | Information/Action |
| 6. Contract extension for Dr. Russell Perry | Information/Action |
| 7. 340B Prescription Pharmacy Program | Information |

VI. PUBLIC COMMENTS

This portion of the meeting is reserved for persons desiring to address the Board of Directors on any matter over which the District has jurisdiction. You must state your name and address for the record. Time is limited to 3 minutes with a 20-minute total time limit for all comments. The Board of Directors can

take no action on your presentation, but can seek clarification to points made in your presentation or comments. Additionally, members can ask staff for factual information or refer the item to staff and/or calendar the item on a future agenda.

VII. REVIEW OF THE AGENDA		<i>Action</i>
VIII. BOARD COMMENTS		<i>Information</i>
IX. APPROVAL OF CONSENT CALENDAR		<i>Action</i>
The following items are considered routine and non-controversial by Hospital Staff. Consent items may be approved by one motion if no member of the Board or audience wishes to comment or ask questions. If comment or discussion is desired, the item will be removed from the Consent Agenda and will be considered under new business		
1. Approval of Board of Directors meeting minutes of August 25, 2016	Tab 1	
2. Policies & Procedures	Tab 2	
<i>Policy Titles</i>		<i>Policy Numbers</i>
a. Patient Classification		200.3010
b. Mandatory Flu Vaccination		170.1075
X. NEW BUSINESS		
➤ CDPH Relicense Survey Update: Mr. Bob Edwards, CEO		<i>Information</i>
➤ Special Board Meeting date for EMC Report: Tom Birdsell, Chair		<i>Action/Information</i>
➤ MCDH Facility License Beds in Suspension: Ms. Terry Murphy		<i>Action/Information</i>
➤ New Debt-Revenue Bond: Mr. Bob Edwards, CEO	Tab 4	<i>Action/Information</i>
➤ GO Bond, permission to explore: Mr. Michael Reimenshneider/Mr. Shin Green		<i>Action/Information</i>
➤ Medical Managed Care Inpatient Agreement: Mr. Bob Edwards, CEO	Tab 5	<i>Action/Information</i>
➤ Authorize MCDH to Participate in Medi-Cal and Prime Intergovernmental Transfer Agreements: Mr. Bob Edwards, CEO		<i>Action/Information</i>
XI. OLD BUSINESS		
➤ None		
XII. REPORTS		
➤ CEO Report: Mr. Bob Edwards, CEO		
➤ Winesong! Update: Ms. Michelle Roberts		<i>Information</i>
➤ Planning Committee Report: Ms. Kitty Bruning		<i>Action/Information</i>
❖ Strategic Planning Initiatives: Ms. Kitty Bruning/Mr. Bob Edwards, CEO	Tab 6	<i>Action</i>
➤ Medical Staff: Dr. John Kermen	Tab 7	<i>Action/Information</i>
A. <u>Locum Tenens Coverage</u>		
1. Lynette Chevalier-Paris, MD		
➤ Chief of Patient Care Services report: Ms. Terry Murphy	Tab 8	<i>Information</i>
➤ JPA Report: Mr. Bob Edwards, CEO		<i>Action/Information</i>
➤ Plant Services Report; Ms. Ellen Hardin		<i>Action/Information</i>
➤ Approval of Alysoun Huntley Ford Fund Draw: Mr. Bob Edwards, CFO		<i>Action/Information</i>
➤ Association and Community Service Reports		<i>Information</i>
➤ Finance Committee Report: Mr. Sean Hogan		
➤ Statistical/Finance Report, August 2016	Tab 9	<i>Action/Information</i>
XIII. Public Comments		
This portion of the meeting is reserved for persons desiring to address the Board of Directors on any matter over which the District has jurisdiction. You must state your name and address for the record. Time is limited to 3 minutes. The Board of Directors can take no action on your presentation, but can seek clarification to points made in your presentation or comments. Additionally, members can ask staff for factual information or refer the item to staff and/or calendar the item on a future agenda. Any person		

desiring to speak on an agenda item will be given an opportunity to do so prior to the Board of Directors taking action on the item.

XIV. ADJOURNMENT

**** THIS DOCUMENT WILL BE PROVIDED AT THE MEETING.***

All disabled persons requesting disability related modifications or accommodations, including auxiliary aids or service may make such request in order to participate in a public meeting to Gayl Moon, Secretary to the Board of Directors, 700 River Drive, Fort Bragg, CA 95437, no later than 72 hours prior to the meeting that such matter be included on that month's agenda.

*Per District Resolution, each member of the Public who wishes to speak shall be limited to three minutes each per agenda item. Please identify yourself prior to speaking. Thank you.

PUBLIC NOTICE

MENDOCINO COAST HEALTH CARE DISTRICT
BOARD OF DIRECTORS
REGULAR MEETING

THURSDAY, NOVEMBER 3, 2016

5:00 p.m. Closed Session

6:00 p.m. Open Session

MENDOCINO COAST DISTRICT HOSPITAL
Redwoods Room
700 River Drive
Fort Bragg, California 95437

I. ROLL CALL

II. CLOSED SESSION

1. **Information/Action:** Pursuant to California Government Code §54954.5 and §32155 of the Health and Safety Code Medical Staff Credentials and Privileges Review
2. **Information/Action:** Pursuant to §32155 of the Health and Safety Code October Quality Management and Improvement Council Reports
3. **Information/Action:** Consideration of Government Claim against Mendocino Coast District Hospital by J. Hammarback and R Peurrung. Government Code §§910, et seq. and 54956.9(e)(3)
4. **Information/Action:** Public Employment: To review and approve Professional Services Agreement extension for Jack Bellah, MD Government Code §54954.5 & 54957
5. **Information/Action:** Public Employment: To review and approve Professional Services Agreement extension for John Cottle, MD Government Code §54954.5 & 54957
6. **Information/Action:** Public Employment: To review and approve Professional Services Agreement extension for Linda James, MD Government Code §54954.5 & 54957
7. **Information/Action:** Public Employment: To review and approve Professional Services Agreement extension for Jennifer Kreger, MD Government Code §54954.5 & 54957
8. **Information/Action:** Public Employment: To review and approve Professional Services Agreement extension for Douglas Lister, MD Government Code §54954.5 & 54957
9. **Information/Action:** Association of California Healthcare Districts' Survey of January, 2013 required by The Joint Commission (TJC). Exempt from public disclosure pursuant to Government Code §6254(s); Evidence Code §1157; and Health & Safety Code §32,155.
10. **Information/Action:** To review and approve Professional Services Agreement for the District's Legal Counsel, John J. Ruprecht. Government Code §§54957, 54954.5

III. 6:00 P.M. OPEN SESSION CALL TO ORDER– TOM BIRDSSELL, PRESIDENT

IV. ROLL CALL

V. REPORT ON CLOSED SESSION MATTERS

- | | |
|--|---------------------------|
| 1. Medical Staff Credentials and Privileges Report | Information/Action |
| 2. October Quality Management and Improvement Council Report | Information/Action |
| 3. Consideration of Government Claim | Information/Action |
| 4. Contract extension for Jack Bellah, MD | Information/Action |
| 5. Contract extension for John Cottle, MD | Information/Action |
| 6. Contract extension for Linda James, MD | Information/Action |
| 7. Contract extension for Jennifer Kreger, MD | Information/Action |
| 8. Contract extension for Douglas Lister, MD | Information/Action |

- 9. Board Self Evaluation
- 10. Professional Services Agreement for John Ruprecht

Information/Action
Information/Action

VI. PUBLIC COMMENTS

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VII. REVIEW OF THE AGENDA

Action

VIII. BOARD COMMENTS

Information

IX. APPROVAL OF CONSENT CALENDAR

Action

The following items are considered routine and non-controversial by Hospital Staff. Consent items may be approved by one motion if no member of the Board or audience wishes to comment or ask questions. If comment or discussion is desired, the item will be removed from the Consent Agenda and will be considered under new business

- 1. Approval of Board of Directors meeting minutes of September 29, 2016 Tab 1
- 2. Approval of Special Joint Planning, Finance & Board meeting minutes of October 12, 2016 Tab 2

X. NEW BUSINESS

- Approval of Audit Report for FYE 2015/2016: Mr. Wade Sturgeon, CFO Tab 3 **Action**
- GO Bond Refunding: Mr. Wade Sturgeon, CFO
Action/Information
- Resolution #2016-5: A Resolution of the Board of Directors of the Mendocino Coast Health Care District Approving the Issuance and Sale of General Obligation Refunding Bonds for the District in an amount not to exceed \$4,500,000: Mr. John Ruprecht Tab 4
Action/Information
- Purchase Agreement regarding General Obligation Bonds: Mr. John Ruprecht Tab 5
Action/Information
- Escrow Deposit and Trust Agreement regarding General Obligation Bonds: Mr. John Ruprecht Tab 6
Action/Information
- Preliminary Official Statement regarding General Obligation Bonds: Mr. Wade Sturgeon, CFO Tab 7
Action/Information
- Agreement for Financial Advisory Services of Eastshore Consulting, LLC Pertaining to the Refinancing of the District's General Obligation Bonds: Mr. Bob Edwards, CEO Tab 8
Action/Information
- Corporate Member of Association of Ca. Healthcare Districts: Mr. Bob Edwards, CEO
Action/Information
- Executive Information System Proposal: Mr. Wade Sturgeon, CFO Tab 9
Action/Information
- Revenue Bond Approval: Mr. Wade Sturgeon, CFO
Action/Information
- Mendocino Coast Health Care District Ordinance # 16-1; Approving a Formal Agreement for the Private Sale of the Mendocino Coast Health Care District Revenue Bonds, Series 2016 and Bond Purchase Agreement: Mr. Wade Sturgeon, CFO Tab 10 **Action/Information**

- Resolution # 2016-6; A Resolution of the Directors of the Mendocino Coast Tab 11
Action/Information

Coast Health Care District DBA Mendocino Coast District Hospital Ratifying Withdrawal of LAIF Funds to the General Fund of the District to pay for the Rate Range (Medi-Cal) Intergovernmental Transfer (IGT): Mr. Wade Sturgeon, CFO

- Hiring Architect for Facility Replacement Planning: Mr. Bob Edwards, CEO
Action/Information

XI. OLD BUSINESS

- CDPH Relicense Survey Update: Mr. Bob Edwards, CEO

Action/Information

XII. REPORTS

- CEO Report: Mr. Bob Edwards, CEO

- Planning Committee Report: Ms. Kitty Bruning

Action/Information

- ❖ OB Ad Hoc Committee: Ms. Kitty Bruning/Mr. Bob Edwards, CEO

Action

- Medical Staff: Dr. John Kermen

Tab 12 *Action/Information*

A. Appointments to Medical Staff-Provisional

1. Tareq Ali, MD –Department of Medicine-Emergency Department
2. Debra Bowker, MD –Department of Medicine-Emergency Department
3. Mandaar Gokhale, MD –Department of Medicine-Emergency Department
4. David Irvine, MD –Department of Medicine-Emergency Department
5. Irais Leon, MD –Department of Medicine-Emergency Department
6. Bounghong David Vansomphone, MD –Department of Medicine-Hospitalist Service

B. Appointment to Allied Health Professionals Staff

1. Jennifer Pierce, PA-C –Department of Medicine-Allied Health Professional-North Coast Family Health Center

C. Release from Provisional Status & Proctoring/Advance to Active Status

1. Vivian Belmusto, MD –Department of Medicine-Pediatrics
2. Atila Mady, MD –Department of Medicine-Hospitalist Service
3. Camelia Wogu, MD –Department of Medicine-Hospitalist Service

D. Release from Provisional Status & Proctoring/Allied Health Professional

1. Suzanne Hewitt, FNP-C –Department of Medicine-Allied Health Professional-NCFHC
2. Joseph Martin, PA-C –Department of Medicine-Allied Health Professional-Hematology/Oncology/Infusion

E. Temporary Privileges

1. Tareq Ali, MD –Department of Medicine-Emergency Department (October 20-November 4, 2016)
2. Debra Bowker, MD –Department of Medicine-Emergency Department (October 20-November 4, 2016)
3. Mandaar Gokhale, MD – Department of Medicine-Emergency Department (October 31-November 4, 2016)
4. David Irvine, MD –Department of Medicine-Emergency Department (October 20-November 4, 2016)
5. Irais Leon, MD –Department of Medicine-Emergency Department (October 14-28, 2016)
6. Ragu Nathan, MD –Department of Medicine-Radiology (October 3-21, 2016)
7. Sasidharan Ponthenkandath, MD –Department of Medicine-Pediatrics (November 9-16, 2016 and December 16-29, 2016)
8. Bounghong David Vansomphone, MD –Department of Medicine-Hospitalist Service (November 3, 2016)

F. Temporary Privileges (AHP-Allied Health Professional)

1. Jennifer Pierce, PA-C –Department of Medicine-Allied Health Professional-NCFHC (October 10-November 10, 2016)

G. Locum Tenens Coverage

1. Lynette Chevalier-Paris, MD –Department of Medicine-Pediatrics (October 24-31 and November 23-28, 2016)

- Chief of Patient Care Services report: Ms. Terry Murphy

Tab 13 *Information*

- JPA Report: Mr. Bob Edwards, CEO

Action/Information

- Plant Services Report: Mr. Wade Sturgeon

Action/Information

- Approval of Alysoun Huntley Ford Fund Draw: Mr. Wade Sturgeon, CFO
- Association and Community Service Reports
- Finance Committee Report: Mr. Sean Hogan
 - Statistical/Finance Report, September 2016

**Action/Information
Information**

Tab 14 **Action/Information**

XIII. Public Comments

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XIV. ADJOURNMENT

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*Per District Resolution, each member of the Public who wishes to speak shall be limited to three minutes each per agenda item. Please identify yourself prior to speaking. Thank you.

PUBLIC NOTICE

MENDOCINO COAST HEALTH CARE DISTRICT
BOARD OF DIRECTORS
REGULAR MEETING

THURSDAY, DECEMBER 8, 2016
5:00 p.m. Closed Session
6:00 p.m. Open Session

MENDOCINO COAST DISTRICT HOSPITAL
Redwoods Room
700 River Drive
Fort Bragg, California 95437

I. ROLL CALL

II. CLOSED SESSION

1. **Information/Action:** Pursuant to California Government Code §54954.5 and §32155 of the Health and Safety Code Medical Staff Credentials and Privileges Review
2. **Information/Action:** Pursuant to §32155 of the Health and Safety Code November Quality Management and Improvement Council Reports
3. **Information/Action:** Workman's Comp. Discussion **Get wording from John**

III. 6:00 P.M. OPEN SESSION CALL TO ORDER– KITTY BRUNING, VICE PRESIDENT

IV. ROLL CALL

V. REPORT ON CLOSED SESSION MATTERS

- | | |
|---|---------------------------|
| 1. Medical Staff Credentials and Privileges Report | <i>Information/Action</i> |
| 2. November Quality Management and Improvement Council Report | <i>Information/Action</i> |
| 3. Workman's Comp. Discussion | <i>Information/Action</i> |

VI. PUBLIC COMMENTS

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VII. REVIEW OF THE AGENDA

Action

VIII. BOARD COMMENTS

Information

IX. APPROVAL OF CONSENT CALENDAR

Action

The following items are considered routine and non-controversial by Hospital Staff. Consent items may be approved by one motion if no member of the Board or audience wishes to comment or ask questions. If comment or discussion is desired, the item will be removed from the Consent Agenda and will be considered under new business

- | | |
|---|-----------------------|
| 1. Approval of Board of Directors meeting minutes of November 3, 2016 | Tab 1 |
| 2. Policies & Procedures | Tab 2 |
| <i>Policy Titles</i> | <i>Policy Numbers</i> |

X. NEW BUSINESS

- Election of Board Officers and JPA Representative also: Ms. Kitty Bruning Tab 3 *Action*
- Assignment of Board Members to Committees
- Workman’s Comp. Discussion: Mr. Bob Edwards, CEO *Action/Information*
- Change Banks: **Wording from Bob & Wade** Tab 4 *Action/Information*
- Locum Tenens Template: Mr. Wade Sturgeon, CFO Tab 5 *Action/Information*

XI. OLD BUSINESS

- None

XII. REPORTS

- CEO Report: Mr. Bob Edwards, CEO
- Planning Committee Report: Ms. Kitty Bruning *Action/Information*
 - ❖ OB Ad Hoc Committee: Ms. Kitty Bruning/Mr. Bob Edwards, CEO *Action*
- Medical Staff: Dr. John Kermen Tab 12 *Action/Information*
- Chief of Patient Care Services report: Ms. Terry Murphy Tab 13 *Information*
- JPA Report: Mr. Bob Edwards, CEO *Action/Information*
- Plant Services Report: Mr. Wade Sturgeon *Action/Information*
- Approval of Alysoun Huntley Ford Fund Draw: Mr. Wade Sturgeon, CFO *Action/Information*
- Association and Community Service Reports *Information*
- Finance Committee Report: Mr. Wade Sturgeon
 - Statistical/Finance Report, October 2016 Tab 14 *Action/Information*

XIII. Public Comments

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PUBLIC NOTICE

MENDOCINO COAST HEALTH CARE DISTRICT
BOARD OF DIRECTORS
REGULAR MEETING

THURSDAY, DECEMBER 15, 2016

5:00 p.m. Closed Session

6:00 p.m. Open Session

MENDOCINO COAST DISTRICT HOSPITAL
Redwoods Room
700 River Drive
Fort Bragg, California 95437

I. ROLL CALL

II. CLOSED SESSION

1. **Information/ Action:** Public Employee Performance Review Chief of Human Resources, Ellen Hardin; Government Code §§54957, 54954.5
2. **Information/ Action:** Claim of Swithenbank, General Building Contractor; Government Code §§54956.9(d)(2), (e)(3)
3. **Information/ Action:** Potential Litigation involving the Nurse Call Renovation Project; Government Code §§54956.9(d)(2), (e)(2) & (3)
4. **Information/Action:** Pursuant to §32155 of the Health and Safety Code November Quality Management and Improvement Council Reports
5. **Information/Action:** Pursuant to California Government Code §54954.5 and §32155 of the Health and Safety Code Medical Staff Credentials and Privileges Review
6. **Information/ Action:** Review and approve Addendum No.1 to Hospitalist Services Agreement between MCDH and Rural Physicians Group; Government Code §§54957, 54954.5
7. **Information/ Action:** Review and approve Second Amendment to MCDH Professional and Administrative Services Agreement with Summit Pain Alliance, Inc.; Government Code §§54957, 54954.5
8. **Information/ Action:** Review and approve First Amendment to Physician Recruitment and Credit Agreement between MCDH and Zoe Berna, M.D.; Government Code §§54957, 54954.5
9. **Information/ Action:** Review of the California Department of Public Health's General Acute Care Hospital Relicensing Survey and Plan of Correction. Health & Safety Code §32155; Evidence Code §§1157(a); 950, et seq.
10. **Information/ Action:** Review and approve Stephen Pinsk Pathology Services Agreement; Government Code §§54957, 54954.5

III. 6:00 P.M. OPEN SESSION CALL TO ORDER– KITTY BRUNING, VICE PRESIDENT

IV. ROLL CALL

- Recognition for Tom Birdsell and Sean Hogan

Information

V. REPORT ON CLOSED SESSION MATTERS

1. Performance Review Chief of Human Resources
2. Claim of Swithenbank, General Building Contractor
3. Nurse Call System
4. November Quality Management and Improvement Council Report
5. Medical Staff Credentials and Privileges Report

Information/Action

Information/Action

Information/Action

Information/Action

Information/Action

- | | |
|--|---------------------------|
| 6. Addendum No. 1 to Hospitalist Services Agreement | Information/Action |
| 7. Second Amendment with Summit Pain Alliance, Inc | Information/Action |
| 8. First Amendment for Zoe Berna, M.D. Agreement | Information/Action |
| 9. General Acute Care Hospital Survey & Plan of Correction | Information/Action |
| 10. Stephen Pinsk Pathology Services Agreement | Information/Action |

VI. PUBLIC COMMENTS

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VII. REVIEW OF THE AGENDA

Action

VIII. BOARD COMMENTS

Information

IX. APPROVAL OF CONSENT CALENDAR

Action

The following items are considered routine and non-controversial by Hospital Staff. Consent items may be approved by one motion if no member of the Board or audience wishes to comment or ask questions. If comment or discussion is desired, the item will be removed from the Consent Agenda and will be considered under new business

- | | |
|---|-----------------------|
| 1. Approval of Board of Directors meeting minutes of November 3, 2016 | Tab 1 |
| 2. Policies & Procedures | Tab 2 |
| <i>Policy Titles</i> | <i>Policy Numbers</i> |
| • Mandatory Flu Policy | 170.1075 |

X. NEW BUSINESS

- | | |
|---|----------------------------------|
| ➤ Election of Board President: Ms. Kitty Bruning | Action |
| ➤ Special Board Meeting Date: new Board President to name Committee Chairs, Board members on committees & JPA Representative | Tab 3 Action |
| ➤ GO Bond Update: Mr. Shin Greene | Tab 4 Action/Information |
| ➤ ACHD Training, Feb 2 nd & 3 rd for all Board Members: Mr. Bob Edwards, CEO | Tab 5 Action/Information |
| ➤ Workman's Comp. Discussion: Mr. Bob Edwards, CEO | Action/Information |
| ➤ PHP Quality Bonus \$166,535: Mr. Bob Edwards, CEO | Tab 6 Action/Information |
| ➤ NCFHC, Payment Increase, Mr. Wade Sturgeon, CFO | Action/Information |
| ➤ New Money Revenue Bond Issuance Update: Mr. Wade Sturgeon, CFO | Tab 7 Action/Information |
| ➤ Request for Approval to apply for HELP II Loan through California Health Facilities final Authority: Mr. Wade Sturgeon, CFO | Tab 8 Action/Information |
| ➤ Resolution 2016-7 to Transfer Bank of America Accounts to Tri Counties Bank: Mr. Wade Sturgeon, CFO | Tab 9 Action/Information |
| ➤ GE Maintenance Contract: Mr. Wade Sturgeon, CFO | Tab 10 Action/Information |
| ➤ Approval for NCFHC Locums Physican(s): Mr. Wade Sturgeon, CFO | Action/Information |
| ➤ Approval of Resignations from Finance Committee for: Mr. Bob Edwards, CEO
Kaye Handley, Charlie Haines, Skip MacLaren | Action/Information |

XI. OLD BUSINESS

- None

XII. REPORTS

- | | |
|---|---------------------------|
| ➤ CEO Report: Mr. Bob Edwards, CEO | |
| ➤ Planning Committee Report: Ms. Kitty Bruning | Action/Information |
| ❖ OB Ad Hoc Committee: Ms. Kitty Bruning/Mr. Bob Edwards, CEO | Action |

➤ Medical Staff: Dr. John Kermen

Tab 11 *Action/Information*

a. Temporary Privileges

1. MD# 737 –Department of Medicine-Emergency Department (Nov. 20-Dec. 9, 2016 & Dec. 9-Dec. 31, 2016)

b. Locum Tenens Coverage

1. MD# 708 –Department of Medicine-Pediatrics (Dec. 28, 2016-Jan 3, 2017)
2. MD# 733 –Department of Surgery-Obstetrics/Gynecology (Dec. 5-20, 2016; Jan. 2-17, 2017; Feb. 6-21, 2017; March 6-21, 2017 & April 3-18, 2017)

c. Release from Proctoring-Advance to Medical Staff

1. MD# 710 –Department of Surgery-Orthopedics

d. Appointment of V-Rad Teleradiology Physicians

1. Steven Davis, MD
2. Adam Hecht, MD
3. Franklin Nwoke, MD
4. Alison Robinette, MD
5. Thomas Vreeland, MD

➤ Chief of Patient Care Services report: Ms. Terry Murphy

Tab 12 *Information*

➤ JPA Report: Mr. Bob Edwards, CEO

Action/Information

➤ Plant Services Report: Mr. Wade Sturgeon

Action/Information

➤ Approval of Alysoun Huntley Ford Fund Draw: Mr. Wade Sturgeon, CFO

Action/Information

➤ Association and Community Service Reports

Information

➤ Finance Committee Report: Mr. Wade Sturgeon

➤ Statistical/Finance Report, October 2016

Tab 13 *Action/Information*

XIII. Public Comments

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XIV. ADJOURNMENT

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BOARD OF DIRECTORS

THURSDAY, DECEMBER 22, 2016

AGENDA

6:00 P.M. OPEN SESSION

MENDOCINO COAST DISTRICT HOSPITAL

700 RIVER DRIVE

FORT BRAGG, CA 95437

**NOTICE OF SPECIAL BOARD OF DIRECTORS MEETING
OF THE BOARD OF DIRECTORS
MENDOCINO COAST HEALTH CARE DISTRICT**

NOTICE IS HEREBY GIVEN in accordance with Section 54956 of the Government Code that a Special Session of the Board of Directors and the Medical Executive Committee of the Mendocino Coast Health Care District is called to be held on December 22, 2016 at 6:00 p.m. at Mendocino Coast District Hospital, 700 River Drive Fort Bragg, California 95437

CONDUCT OF BUSINESS:

1. Call to Order
2. Roll Call

OPEN SESSION: MR. TOM BIRDSELL, PRESIDENT

1. APPOINTMENT OF BOARD OFFICERS: MR. STEVE LUND, CHAIR *Action*
2. APPOINTMENT OF STANDING COMMITTEE CHAIRS AND VICE CHAIR PERSONS, JPA REPRESENTATIVE: MR. STEVE LUND, CHAIR **Tab 1** *Action*
3. AD HOC COMMITTEES: MR. STEVE LUND, CHAIR *Action*
 - a. Restructure Committee **Tab 2** *Action/Information*
 - b. OB Committee **Tab 3** *Action/Information*
4. MCHCD RESOLUTION # 2016-8 DISTRICT PERSONNEL AUTHORIZED TO DISBURSE FUNDS FROM DISTRICT BANK ACCOUNTS HELD AT THE BANK OF AMERICA: MR. WADE STURGEON, CFO **Tab 4** *Action/Information*
5. MCHCD RESOLUTION # 2016-9 DISTRICT PERSONNEL AUTHORIZED TO DISBURSE FUNDS FROM THE DISTRICT BANK ACCOUNTS HELD AT THE SAVINGS BANK OF MENDOCINO COUNTY: MR. WADE STURGEON, CFO **Tab 5** *Action/Information*
6. MCHCD RESOLUTION # 2016-10 DISTRICT PERSONNEL AUTHORIZED TO DISBURSE FUNDS FROM DISTRICT BANK ACCOUNTS HELD AT THE TRI-COUNTIES BANK: MR. WADE STURGEON, CFO **Tab 6** *Action/Information*
7. MCHCD RESOLUTION #2016-11 DISTRICT PERSONNEL AUTHORIZED TO DISBURSE FUNDS FROM DISTRICT BANK ACCOUNTS HELD IN THE LAIF ACCOUNT: MR. WADE STURGEON, CFO **Tab 7** *Action/Information*
8. ACHD EDUCATION FEB. 2ND & 3RD: MR. BOB EDWARDS, CEO *Action/Information*
9. ESTABLISH DATE AND TIME OF COMMITTEE MEETINGS: MR. STEVE LUND, CHAIR *Action/Information*
10. RE-APPROVE AND CONSIDER STANDING COMMITTEE MEMBERS: MR. STEVE LUND, CHAIR *Action/Information*
11. COMMUNITY COMMENTS: *Information*

This portion of the meeting is reserved for persons desiring to address the Board of Directors on any matter which the District has jurisdiction. You must state your name and address for the record. Time is limited to 3 minutes per speaker. The Board of Directors can take no action on your presentation, but can seek clarification to points made in your presentation or comments.

12. BOARD COMMENTS

CLOSED SESSION:

1. **Information/Action:** Public Employment: To review and approve 2nd Amendment to TeleMed2U Agreement, (Javeed Siddiqui, M.H.P., P.C.) Government Code §54954.5 & 54957

RECONVENTION OF OPEN SESSION: CALL TO ORDER - MR. STEVE LUND, CHAIR

➤ Roll call

REPORT ON CLOSED SESSION MATTERS:

1. **Information/Action:** 2nd Amendment to TeleMed2U Agreement
2. Comments from the community.
3. Comments from the Board of Directors
4. Adjourn

Dated: December 21, 2016

Gayl Moon
Secretary to the Board of Directors

STATE OF CALIFORNIA)
COUNTY OF MENDOCINO) §

I declare under penalty of perjury that I am employed by the Mendocino Coast Health Care District Board of Directors; and that I posted this notice at the North and Patient Services Building Lobby entrances to the Mendocino Coast District Hospital on December 21, 2016.

Gayl Moon
Secretary to the Board of Directors

Date

All disabled persons requesting disability related modifications or accommodations, including auxiliary aids or service may make such request in order to participate in a public meeting to Gayl Moon, Secretary to the Board of Directors, 700 River Drive, Fort Bragg, CA 95437 no later than 1 working days prior to the meeting that such matter be included on that month's agenda.

*Per District Resolution, each member of the public who wishes to speak shall be limited to three minutes each per agenda item. Please identify yourself prior to speaking. Thank you

**BOARD OF DIRECTORS MEETING
HOSPITAL REDWOODS ROOM
THURSDAY, JANUARY 7, 2016
MINUTES**

The Board of Directors of the Mendocino Coast Health Care District met in CLOSED session at 5:00 pm in the Hospital Redwoods Room, Sean Hogan presiding.

PRESENT: Ms. Bruning, Mr. Birdsell, Dr. Glusker, Dr. Rohr, Mr. Hogan

Mr. John Ruprecht, Legal Counsel
Mr. Wade Sturgeon, Chief Financial Officer
Gayl Moon, Executive Assistant

ABSENT: None

1. CALL TO ORDER:

OPEN Session of the Board of Directors of the Mendocino Coast Health Care District convened at 6:00 p.m. in the Redwoods Room, Mr. Sean Hogan presiding.

2. ROLL CALL:

PRESENT: Ms. Kitty Bruning, Mr. Tom Birdsell, Dr. Peter Glusker, Dr. William Rohr, Mr. Sean Hogan
Board Members

BOARD MEMBERS ABSENT: None

ALSO PRESENT:

Mr. John Ruprecht, Legal Counsel
Mr. Wade Sturgeon, Chief Financial Officer
Gayl Moon, Executive Assistant

3. CLOSED SESSION MATTERS:

The Board of Directors reviewed the following items in closed session:

A. **INFORMATION/ACTION:** Issues between the Board of Directors and the MEC

- The Board approved entering into mediation with Management and the Medical Executive Committee (MEC) regarding outstanding issues between the entities.

B. **INFORMATION/ACTION:** Alleged Violations of the Brown Act

- This issue is no longer being pursued.
- No action was taken.

C. **INFORMATION/ACTION:** Medical Staff Credentials and Privileges Report

- There was no report.

D. **INFORMATION/ACTION:** December Quality Management and Improvement Council Report

- The Board approved the December Quality Management and Improvement Council Report

E. **INFORMATION/ACTION:** Contract for Dr. Jason Kirkman Professional Services Agreement

- The Board approved the Professional Services Agreement for Dr. Jason Kirkman

F. **INFORMATION/ACTION:** Contract for Dr. Jason Kirkman Cardio-Pulmonary Services

Agreement

- The Board approved the Cardio-Pulmonary Services Agreement for Dr. Jason Kirkman; the Board also approved a ratification of Dr. Kirkman's Medical Director Contract

G. **INFORMATION/ACTION:** Contract for Dr. Jeffrey Berenson Cardio-Pulmonary Services Agreement

- The Board approved the Cardio-Pulmonary Services Agreement for Dr. Jeffrey Berenson

H. **INFORMATION/ACTION:** Potential Litigation for Mendocino Coast Medical Plaza, LLC

- The Board will receive a proposal the end of January.

4. PUBLIC COMMENTS:

- Frannie Leopold addressed the Board regarding a concern with her mother and the NCFHC.

5. ACTION: REVIEW OF THE AGENDA

- To remove the following items from the Agenda:
 - ✓ Planning Committee Report
 - ✓ JPA Report
 - ✓ Request for New Privileges for Jennifer Brown, PA-C

6. BOARD COMMENTS:

- There were no Board comments.

7. ACTION: APPROVAL OF CONSENT CALENDAR: MR. SEAN HOGAN, PRESIDENT

A. Minutes: Special Session, December 3, 2015

B. Policies & Procedures

Policy Titles

- Designation "Acting" Chief Executive Officer in the Absence of Chief Executive Officer

MOTION: To approve the Consent Calendar

- Rohr moved
- Bruning second
- Motion carried

8. INFORMATION/ACTION: FORMATION OF BOARD BYLAWS SUB-COMMITTEE: MR. SEAN HOGAN

- Mr. Birdsell will chair the Board Bylaws Sub-committee. He asked anyone interested in joining the committee to contact him.

MOTION: To approve the Board Bylaws Sub-committee with Tom Birdsell as Chairperson for review and formulation of Bylaws changes as necessary

- Rohr moved
- Glusker second
- Motion carried

9. INFORMATION/ACTION: AUTHORIZATION FOR CEO TO HIRE LOCUMS TENENS PHYSICIANS AND OTHER HEALTH CARE PROVIDERS WITHOUT PRIOR BOARD APPROVAL UNDER CONDITIONS AS SET FORTH HEREIN: MR. WADE STURGEON, CFO

- Mr. Sturgeon presented a policy with guidelines giving authorization to the CEO to hire Locums Tenens Physicians

- Discussion ensued.
- This policy to include the wording temporary physicians.
- This policy will be put on the January 28 agenda.

10. INFORMATION/ACTION: PURCHASE SURGERY EQUIPMENT RF UNIT FOR PAIN MANAGEMENT: MR. WADE STURGEON, CFO

- An RF Unit is needed in order for Pain Management to work in the OR.
- This equipment is a radio frequency ablation unit. The cost of the equipment is \$17,500 with the total initial investment costing approximately \$40,000.
- Mr. Sturgeon recommended the Board approve the purchase of the St. Jude Medical RF Unit in the amount of up to \$45,000 as the purchase of probes will be necessary.
- The cost will be \$45,000 the first year. After the first year the estimated investment in probes on an annual basis will be approximately \$20,000.

MOTION: To approve the purchase of the RF Unit needed for the Pain Management Surgeons in the amount of \$45,000

- Bruning moved
- Birdsell second
- Roll call
 - Ayes: Bruning, Birdsell, Rohr, Hogan
 - Noes: Glusker
 - Absent: None
 - Abstain: None
- Motion carried

11. ACTION: ELECTION OF BOARD OFFICERS AND JPA REPRESENTATIVE: MR. SEAN HOGAN, CHAIR

MOTION: To nominate Tom Birdsell as Board President

- Bruning moved
- Rohr second

MOTION: To close Board President nominations for Board President

- Glusker moved
- Roll call
 - Ayes: Rohr, Hogan, Glusker, Bruning, Birdsell
 - Noes: None
 - Absent: None
 - Abstain: None
- Motion carried

Mr. Birdsell thanked Mr. Hogan for serving as Board President last year and looks forward to good progress being made in the coming year.

MOTION: To nominate Sean Hogan as Board Treasurer

- Birdsell moved
- Rohr second
- Roll call
 - Ayes: Glusker, Rohr, Hogan, Birdsell, Bruning
 - Noes: None
 - Absent: None
 - Abstain: None
- Motion carried

MOTION: To nominate Peter Glusker as Board Secretary

- Birdsell moved
- Rohr second
- Roll call
 - Ayes: Hogan, Glusker, Bruning, Birdsell, Rohr
 - Noes: None
 - Absent: None
 - Abstain:
- Motion carried

MOTION: To nominate Kitty Bruning as Board Vice President

- Birdsell moved
- Hogan second
- Roll call
 - Ayes: Birdsell, Bruning, Rohr, Hogan, Glusker
 - Noes: None
 - Absent: None
 - Abstain: None
- Motion carried

MOTION: To nominate Tom Birdsell as the MCDH Representative for the JPA 2016

- Hogan moved
- Rohr second

MOTION: To nominate Kitty Bruning as the second member of the JPA

- Hogan moved
- Birdsell second
- Roll call
 - Ayes: Glusker, Hogan, Rohr, Bruning, Birdsell
 - Noes: None
 - Absent: None
 - Abstain: None
- Motion carried

Mr. Birdsell appointed:

Sean Hogan, Finance Committee Chair

Kitty Bruning, Planning Committee Chair

MOTION: To nominate Bill Rohr as Finance Committee member at large

- Glusker moved
- Birdsell second
- Roll call
 - Ayes: Rohr, Hogan, Glusker, Birdsell, Bruning
 - Noes: None
 - Absent: None
 - Abstain: None
- Motion carried

MOTION: To nominate Peter Glusker as Planning Committee member at large

- Hogan moved
- Rohr second
- Roll call
 - Ayes: Bruning, Rohr, Birdsell, Hogan, Glusker

- Noes: None
- Absent: None
- Abstain: None
- Motion carried

12. **INFORMATION/ACTION: MEDICAL STAFF REPORT: DR. JOHN KERMEN**

A. Appointments to Medical Staff:

1. Arvind Behl, MD –Department of Medicine-Hospitalist Service
2. Vivian Belmusto, MD – Department of Medicine-Pediatrics

MOTION: After careful consideration recommend approval of Appointments to Medical Staff for Arvind Behl, MD: Vivian Belmusto, MD

- Hogan moved
- Bruning second
- Motion carried

B. Temporary Privileges:

1. Arvind Behl, MD – Department of Medicine-Hospitalist Service (November 3, 2015-January 8, 2016)
2. Vivian Belmusto, MD – Department of Medicine-Pediatrics (December 31, 2015-January 8, 2016)
3. Jennifer Brown, PA-C

MOTION: After careful consideration recommend approval of Temporary Privileges for Arvind Behl, MD: Vivian Belmusto, MD

- Bruning moved
- Birdsell second
- Motion carried

MOTION: After careful consideration recommend approval of Temporary Privileges for Jennifer Brown, PA-C

- Bruning moved
- Birdsell second
- Motion carried

C. Locum Tenens Coverage:

1. Nneka Orjiakor, MD – Department of Medicine-Pediatrics (January 5, 2015-March 30, 2016)
2. Jennifer Brown, PA-C – Department of Surgery-Orthopedics (***removed and put under Temporary Privileges***)

MOTION: After careful consideration recommend approval of Locum Tenens Coverage for Nneka Orjiakor, MD

- Birdsell moved
- Bruning second
- Jennifer Brown, PA-C to be removed under Locum Tenens Coverage and moved to Temporary Privileges.
- Discussion ensued.
- Motion carried

D. Request for New Privileges-Physician Assistant Clinical Privileges-Orthopedic Surgery

1. Jennifer Brown, PA-C – Department of Surgery-Orthopedics
- ***This item was tabled.***

E. Appointment of V-Rad TeleRadiology Physicians:

1. Frank Welte, MD
2. Shanshan Bao, MD

MOTION: After careful consideration recommend approval of V-Rad TeleRadiology Physicians Frank Welte, MD: Shanshan Bao, MD

- Birdsell moved
- Bruning second
- Motion carried

F. Resignations:

1. Neil Birnbaum, MD – Department of Medicine-Rheumatology- Effective December 31, 2015

MOTION: After careful consideration recommend approval of Resignation for Neil Birnbaum, MD

- Birdsell moved
- Bruning second
- Motion carried

13. INFORMATION: HOME HEALTH QUARTERLY REPORT: MS. JUNICE WILSON

- Ms. Wilson reported:
 - ✓ Home Health had no readmissions for any of their congestive heart failure patients. General readmissions was at a 5% rate; compared to state which is 19.6% and the nation which is 24.5%, so Home Health is doing very well.
 - ✓ The patient satisfaction rate continues to go up.
 - ✓ The length of stay is approximately the same as the state of California.
 - ✓ The average visits per case are at 10.6 whereas the State of California is at 18 and the nation is at 25.
 - ✓ The quality of care star ratings nationally are at 3.5, and for the 4th quarter of 2015 Home Health is at 4.
 - ✓ There continues to be one (1) registry physical therapist for the Home Health patients; they continue to look for a permanent PT.
 - ✓ They hold weekly meetings at NCFHC and Mendocino Coast Clinics to increase their referrals, and their admissions are steadily increasing.
 - ✓ The Hospice fundraiser “Light up a Life” achieved \$25,446.00 this year.

14. INFORMATION: CEO REPORT: MR. WADE STURGEON, CFO for Mr. Bob Edwards, CEO

- Three (3) new physicians have recently been recruited:
 - Zoe Berna, MD – Family Practice
 - Rosemarie Kennaley, MD – Family Practice
 - P.K. Reddy, MD – Orthopedic Surgeon
- Mr. Sturgeon gave a power point presentation regarding the possible Hospital Parcel Tax to the Fort Bragg Rotary yesterday.

15. INFORMATION: PLANT SERVICES REPORT: MS. ELLEN HARDIN

- Engineering is on track for submitting the HVAC project with OSHPD for review next week and will request a fast track review.
- Engineering is on schedule for the Automatic Transfer Switch (ATS) replacement.
- Then Nurse Call System project will be launched next week.
- The Fire Alarm System that was knocked out during a recent lightning storm has been repaired and has got the all clear from the state. Ellen thanked all the staff that was a part this process.

16. INFORMATION/ACTION: ALYSOUN HUNTLEY FORD FUND DRAW

- The Alysoun Huntley Ford Fund is a Board designated fund left to the Hospital for purposes of funding some respite for caregivers of patients who are dying at home. Each draw request is for up to \$2,000.00.
- There were three (3) requests.

MOTION: To approve three (3) Alysoun Huntley Ford Fund Draws in the amount of \$1,114.94

- Rohr moved
- Hogan second
- Motion carried

21. ASSOCIATION AND COMMUNITY SERVICE REPORTS: BOARD MEMBERS

- There were no reports.

**22. ACTION: Finance Committee Report: Dr. Bill Rohr
November Consolidated Highlights**

- Net Income from Operations was \$12,155.
 - o YTD Income \$645,618
- Net Income from All Sources was \$41,470.
 - o YTD Income \$839,006
- Bond Covenants
 - o Days Cash On Hand is within the covenant at 32.52
 - o Debt Service Coverage Ratio is within covenant at 2.07
 - o Current Ratio is within covenant at 1.20
- All entries associated with the bankruptcy have now been recorded. I've attached a schedule of payments and future obligations associated to the Bankruptcy and Bonds payable.

MOTION: To approve the Finance and Statistical Report for November 2015

- Rohr moved
- Bruning second
- Motion carried

23. PUBLIC COMMENTS:

- There were no comments.

24. ADJOURN:

Meeting adjourned at 7:40 p.m.

Peter Glusker, MD, Secretary
Board of Directors

Gayl Moon, Secretary to the
Board of Directors

**MENDOCINO COAST HEALTH CARE DISTRICT
BOARD OF DIRECTORS
SPECIAL SESSION
FORT BRAGG, CA
TUESDAY, JANUARY 19, 2016**

1. CALL TO ORDER:

CLOSED Session of the Board of Directors of the Mendocino Coast Health Care District convened at 5:00 p.m. at 700 River Drive, Fort Bragg, CA 95437: President Tom Birdsell presiding

2. ROLL CALL: Hogan, Bruning, Rohr, Glusker, Birdsell

ABSENT: None

3. CLOSED SESSION:

A. **INFORMATION/ACTION:** Pursuant to §32155 of the Health and Safety Code Quality Management and Improvement Council Reports

4. RECONVENTION OF OPEN SESSION:

5. ROLL CALL: Glusker, Hogan, Birdsell, Bruning, Rohr

ABSENT: None

REPORT OUT OF CLOSED SESSION

• **INFORMATION/ACTION:** Pursuant to §32155 of the Health and Safety Code Quality Management and Improvement Council Reports

➤ The Board unanimously approved the Quarterly IQM Report

6. COMMENTS FROM THE COMMUNITY

• There were no comments from the community.

7. ADJOURN:

The meeting adjourned at 6:20 p.m.

Mr. Tom Birdsell, President
Board of Directors

ATTEST:

Ms. Kitty Bruning, Vice-President
Board of Directors

These minutes constitute a portion of the official record of the Board and are the written record of the proceedings. Documents distributed to the Board of Directors at the meeting are available for public review except legally privileged or confidential documents.

**BOARD OF DIRECTORS MEETING
HOSPITAL REDWOODS ROOM
THURSDAY, JANUARY 28, 2016
MINUTES**

The Board of Directors of the Mendocino Coast Health Care District met in CLOSED session at 5:00 pm in the Hospital Redwoods Room, Tom Birdsell presiding.

PRESENT: Ms. Bruning, Mr. Birdsell, Dr. Glusker, Dr. Rohr, Mr. Hogan

Mr. John Ruprecht, Legal Counsel
Bob Edwards, Chief Executive Officer
Mr. Wade Sturgeon, Chief Financial Officer
Gayl Moon, Executive Assistant

ABSENT: None

1. CALL TO ORDER:

OPEN Session of the Board of Directors of the Mendocino Coast Health Care District convened at 6:00 p.m. in the Redwoods Room, Mr. Tom Birdsell presiding.

2. ROLL CALL:

PRESENT: Ms. Kitty Bruning, Mr. Tom Birdsell, Dr. Peter Glusker, Dr. William Rohr, Mr. Sean Hogan
Board Members

BOARD MEMBERS ABSENT: None

ALSO PRESENT:

Mr. John Ruprecht, Legal Counsel
Mr. Bob Edwards, Chief Executive Officer
Mr. Wade Sturgeon, Chief Financial Officer
Ms. Gayl Moon, Executive Assistant

3. CLOSED SESSION MATTERS:

The Board of Directors reviewed the following items in closed session:

1. **INFORMATION/ACTION:** Medical Staff Credentials and Privileges Report
 - The Board received a report on the Medical Staff Credentials and Privileges.
2. **INFORMATION/ACTION:** January Quality Management and Improvement Council Report
 - The Board approved the January Quality Management and Improvement Council Report
3. **INFORMATION/ACTION:** Contract for Dr. Zoe Berna
 - The Board approved the contract for Dr. Zoe Berna contingent upon legal contract review for compliance.
4. **INFORMATION/ACTION:** Recruitment & Credit Agreement and Note for Dr. Zoe Berna
 - The Board approved the Recruitment & Credit Agreement and Note for Dr. Zoe Berna
5. **INFORMATION/ACTION:** Contract for Dr. Rosemarie Kennaley
 - The Board approved the contract for Dr. Rosemarie Kennaley contingent upon legal

contract review for compliance.

Closed Session will reconvene after Open Session.

6. **INFORMATION/ACTION:** Recruitment & Credit Agreement and Note for Dr. Rosemarie Kennaley
 - To be discussed when the Board reconvenes Closed Session after Open Session.
7. **INFORMATION/ACTION:** Contract for Dr. P.K. Reddy
 - To be discussed when the Board reconvenes Closed Session after Open Session.
8. **INFORMATION/ACTION:** Recruitment & Credit Agreement and Note for Dr. P.K. Reddy
 - To be discussed when the Board reconvenes Closed Session after Open Session.
9. **INFORMATION/ACTION:** Contract for Dr. Kenneth Susman
 - To be discussed when the Board reconvenes Closed Session after Open Session.
10. **INFORMATION/ACTION:** Retention of the law firm of DeCaro, Coppo & Popcke
 - To be discussed when the Board reconvenes Closed Session after Open Session.
11. **INFORMATION/ACTION:** Real Property negotiations for Mendocino Coast Medical Plaza, LLC
 - To be discussed when the Board reconvenes Closed Session after Open Session.
12. **INFORMATION/ACTION:** Dias vs. MCDH
 - The Board authorized the CEO to enter into mediation.
13. **INFORMATION/ACTION:** Alderson vs. MCDH
 - No action was taken.
14. **INFORMATION/ACTION:** Petra ICS vs. MCDH
 - To be discussed when the Board reconvenes Closed Session after Open Session.
 - The Board will reconvene Closed Session after Open Session to discuss items 6 thru 11 and item #14.
 - The Board added the extension of privileges of an additional two (2) months for Dr. Andrea McCullough as an emergency item to the agenda. This item will be added to the Medical Staff Report.
 - The Board will remove the Medical Staff Credentials from the Consent Calendar and added to the Medical Staff Report.
4. **PUBLIC COMMENTS:**
 - There were no public comments.
5. **ACTION: REVIEW OF THE AGENDA**
 - There were no additional changes to the Agenda.
6. **BOARD COMMENTS:**
 - There were no Board comments.
7. **ACTION: APPROVAL OF CONSENT CALENDAR: MR. SEAN HOGAN, PRESIDENT**
 - A. Minutes: Regular Session, January 7, 2016
 - B. Minutes: Special Session, January 7, 2016
 - C. Policies & Procedures
 - Policy Titles**
 - Destruction of Medical Records

- Retention of Facility Records
- Secure Storage (off site) of Medical Records
- Myoview Myocardial perfusion Scanning Protocol using Lexiscan® (Regadenoson)

MOTION: To approve the Consent Calendar

- Hogan moved
- Bruning second
- Motion carried

8. INFORMATION/ACTION: DETERMINE MEDIATION DATE WITH MR. CARLO COPPO: MR. JOHN RUPRECHT

- Mr. Ruprecht requested setting the Mediation dates with Mr. Carol Coppo for March 21, 22 & 23 as those dates work for everyone involved with the Mediation.

MOTION: To approve the dates of March 21, 22 & 23 as Mediation dates with Mr. Coppo

- Bruning moved
- Birdsell second
- Motion carried

9. INFORMATION/ACTION: APPROVAL OF NUANCE TRANSCRIPTION SERVICE AGREEMENT: MR. WADE STURGEON, CFO

- Mr. Sturgeon stated this is an extension of the current contract. This also includes a cost reduction as they will use an offshore transcription service over night; this would be only over night. This will not change the service currently being provided.

MOTION: To approve the Nuance Transcription Service Agreement

- Rohr moved
- Glusker second
- Roll call
 - Ayes: Rohr, Hogan, Glusker, Bruning, Birdsell
 - Noes: None
 - Absent: None
 - Abstain: None
- Motion carried

10. INFORMATION/ACTION: APPROVAL OF EMERGENCY DEPARTMENT AGREEMENT EXTENSION: MR. WADE STURGEON, CFO

- The Hospital's current contract with VEP expires on January 31, 2016. Mr. Sturgeon requested an extension of six (6) months in order to renegotiate a permanent contract.

MOTION: To approve a six (6) month extension of the VEP Emergency Department Agreement on the condition that this agreement will come back to the Board in April, to be accompanied by other proposals in order to make comparisons with other companies

- Hogan moved
- Rohr second
- Roll call
 - Ayes: Glusker, Hogan, Birdsell, Rohr, Bruning
 - Noes: None
 - Absent: None
 - Abstain: None
- Motion carried

11. INFORMATION/ACTION: APPROVAL OF RESOLUTION 2016-1: MR. TOM BIRDSSELL, CHAIR

- Mr. Birdsell read Resolution 2016-1 to the Board regarding the Consent Calendar.

MOTION: To approve Resolution 2016-1

- Birdsell moved
- Bruning second

Mr. Hogan objected to this resolution as it could leave the Board unprepared for the subject at hand. Discussion ensued.

- Mr. Birdsell withdrew his motion to approve Resolution 2016-1 from consideration.

12. INFORMATION/ACTION: Approval of Medestar Contract: Mr. Wade Sturgeon, CFO

- Mr. Sturgeon stated this is another option when looking for temporary providers.
- Following are issues that Mr. Ruprecht had with the contract:
 1. Acceptance of a provider which states that the district has only 48 hours to reject a potential candidate, if the district does not reject a candidate within 48 hours, then the district will owe the fee; this should be changed to 96 hours.
 2. Under Termination for cause of the Locums Tenens provider. The contract does not include that if the Locums Tenens provider is charged with a felony or a misdemeanor involving moral peripitude that would be cause to terminate that provider's employment.
 3. Under confidentiality there should an addition to the paragraph that the Hospital can disclose the agreement if required to do so by law. There is a paragraph in the contract that limits any damages if the Hospital had a breach of contract with them that MCDH could receive against them only to the amount of the placement fee that the Hospital paid; which is very limited damages.
 4. The arbitration clause states that if there is a dispute the arbitration would take place in Dallas Texas.

MOTION: To approve the Medestar Contract subject to John Ruprecht and Wade Sturgeon negotiating John Ruprecht's issues as stated above that need to be resolved.

- Bruning moved
- Birdsell second

Discussed changing the terminology from locums tenens services to temporary services. Dr. Rohr stated that California State Law is very specific regarding locum tenens agencies in that they are prevented from employing physicians. Dr. Rohr feels that the contract states that MCDH will pay Medestar, which would therefore make them an employer. Mr. Ruprecht stated that the contract does disclaim that the provider is their employee, that the provider is strictly an independent contractor and that Medestar is not responsible for Social Security, Medicare and self employment tax. Dr. Rohr stated that the Hospital can pay Medestar an agency fee, but MCDH can't pay the provider through the agency as that makes the provider the agency's employee. Mr. Ruprecht will research this issue.

- **Ms. Bruning amended her motion:** To include the point discussed above and the legality of California Law
- Hogan second
- Roll call
 - Ayes: Birdsell, Bruning, Hogan
 - Noes: Rohr, Glusker
 - Absent: None
 - Abstain: None
- Motion carried

13. INFORMATION/ACTION: APPROVAL OF TITAN HEALTH MANAGEMENT SOLUTIONS CONTRACT: MR. WADE STURGEON, CFO

- Titan Health Management Solutions does after the fact audits on fully paid claims. They will

audit the Hospital's accounts receivable to find possible areas in which the Hospital may have oversight from underpayment. Titan Health will get a commission on what extra money the Hospital is paid by those companies.

- Mr. Ruprecht stated that this is a proposal letter and one of the conditions of the proposal letter is that MCDH execute a signed and executed contract. Mr. Ruprecht would like to see a contract. He suggested approving the proposal and to give him the discretion to approve the contract.

MOTION: To accept this proposal subject to Mr. Ruprecht's approval of a contract

- Rohr moved
- Hogan second
- Roll call
 - Ayes: Rohr, Glusker, Birdsell, Bruning, Hogan
 - Noes: None
 - Absent: None
 - Abstain: None
- Motion carried

14. INFORMATION/ACTION: APPROVAL OF TELEMED 2U CONTRACT: MR. WADE STURGEON, CFO

- This organization is a group of physicians that will provide infectious disease telephone consultation for MCDH's hospitalist, pharmacist, surgeons and Emergency Department. Their hours would be 9:00 a.m. to 5:00 p.m. Monday through Friday. The physician to be credentialed will be the Hospital's Medical Director for the Infection Prevention Program working with Emmet O'Connell; they will oversee the Hospital's Antimicrobial Stewardship Program and they will attend via skype, monthly meetings for the Infection Prevention Program and for the Antimicrobial Stewardship Program.
- Discussion ensued.

MOTION: To approve the Telemed 2U Contract

- Bruning moved
- Hogan second

Mr. Lee stated that a Go To meeting using skype would be HIPAA compliant. Mr. Ruprecht will review the revised contract which was not provided in the packet. Discussion ensued.

- **Ms. Bruning amended her motion:** To accept the Telemed 2U Contract subject to Mr. Ruprecht approving the revised contract
- Glusker second
- Roll call
 - Ayes: Birdsell, Bruning, Hogan, Glusker
 - Noes: Rohr
 - Absent: None
 - Abstain: None
- Motion carried

15. INFORMATION/ACTION: LOCAL AGENCY FORMATION COMMISSION (LAFCO) INDEPENDENT SPECIAL DISTRICT ELECTION: MR. TOM BIRDSSELL CHAIR

- No action was taken.

16. INFORMATION/ACTION: AUTHORIZATION FOR CEO TO HIRE TEMPORARY PHYSICIANS AND OTHER HEALTH CARE PROVIDERS WITHOUT PRIOR BOARD APPROVAL UNDER CONDITIONS AS SET FORTH HEREIN

- This policy would give the CEO authorization to bring in temporary providers and other personnel when the need arises.

MOTION: To approve this policy authorizing the CEO to hire Temporary Physicians and other Health Care Providers with Prior Board Approval

- Bruning moved
- Hogan second

Mr. Hogan stated there is a typographical error on the second page of the policy; the term locum tenens needs to be replaced with the word temporary. Mr. Hogan also stated that temporary personnel should include locum tenens. Discussed using the wording “contract with” rather than “hire” as hospitals in the State of California cannot hire physicians as employees. Discussion ensued.

Mr. Birdsell stated necessary modifications to this policy as per the discussion:

- ✓ Use the words “contract with” not “hire”.
- ✓ The last paragraph heading should read “Qualifications of Temporary Personnel” rather the locums tenens.
- **Ms. Bruning amended her motion:** To reword this policy as stated by Mr. Birdsell above
- Mr. Birdsell stated that not hearing a second on the amendment, the original Motion still holds.
- Roll call
 - Ayes: Birdsell, Bruning
 - Noes: Hogan, Rohr, Glusker
 - Absent: None
 - Abstain: None
- Motion did not carry

17. INFORMATION: CEO REPORT: MR. BOB EDWARDS, CEO

- Mr. Edwards reported:
 - ✓ Dr. Peter Glusker, Kitty Bruning and Bob Edwards all attended the ACHD Leadership Academy in Sacramento January 20 – 22nd.
 - ✓ Reviewed the Hospital’s Quality Management Scorecard.
 - ✓ Pain Intervention Management Services are now done at MCDH.
 - ✓ Physician recruitment continues.

18. INFORMATION: PLANNING COMMITTEE REPORT: MS. KITTY BRUNING

- The Planning Committee discussed how to present the possible November 2016 Parcel Tax to the public.

19. INFORMATION/ACTION: MEDICAL STAFF REPORT: DR. JOHN KERMEN

- Doctors Pope and Yang have begun doing Pain Management Procedures at the Hospital and everything is going very smooth in the OR.
- The MEC Bylaws are now typed and ready be approved in March.

A. Appointments to Medical Staff:

1. Christiane Eisele, MD – Department of Medicine-Emergency Department
2. Cynthia Lawder, MD – Department of Medicine-Emergency Department

MOTION: After careful consideration recommend approval of Appointments to Medical Staff for Christiane Eisele, MD; Cynthia Lawder, MD

- Birdsell moved
- Hogan second
- Motion carried

B. Temporary Privileges AHP-Allied Health Professional):

1. Glenda Moore, FNP-Department of Medicine-Allied Health Professional NCFHC (January 19-April 19, 2016)

MOTION: After careful consideration recommend approval of Temporary Privileges for Glenda Moore, FNP

- Bruning moved
- Hogan second
- Motion carried

C. Request for New Privileges- Physician Assistant Clinical Privileges-Orthopedic Surgery

1. Jennifer Brown, PA-C-Department of Surgery-Orthopedics

- Dr. Kermen stated this is for the criteria that the MEC wants to present for a PA in the Surgery Department.

MOTION: To approve privileges for Jennifer Brown

- Bruning moved
- Birdsell second

Dr. Rohr stated that this is not the correct procedure.

Dr. Kermen stated this is for any PA who wants to apply for privileges at MCDH. This is not to approve privileges for Jennifer Brown.

- Ms. Bruning withdrew her motion
- Mr. Birdsell stated that the the adoption of privileges criteria was not an agenda item.
- No action was taken.

D. Resignations:

1. Robert Pollard, MD – Department of Medicine-Emergency Department Effective December 31, 2016

MOTION: After careful consideration recommend approval of Resignation for Robert Pollard, MD

- Hogan moved
- Glusker second
- Motion carried

E. Extension of Privileges for Sixty (60) Days

1. Andrea McCullough, MD

MOTION: After careful consideration recommend approval if a sixty (60) day extension for Andrea McCullough, MD

- Bruning moved
- Hogan second
- Glusker No
- Motion carried

20. **INFORMATION/ACTION: CHIEF OF PATIENT CARE SERVICES: MS. TERRY MURPHY**

- Refer to the attached report as part of these minutes.

21. **INFORMATION: PLANT SERVICES REPORT: MS. ELLEN HARDIN**

- Ellen met with the OSHPD Compliance Officer and discussed/reviewed all Hospital projects that are currently open.
- The HVAC plans are ready to be submitted to OSHPD.
- The Nurse Call System project continues to progress and move forward.

22. **INFORMATION: BYLAWS COMMITTEE REPORT: MR. TOM BIRDSSELL**

- Mr. Birdsell reported the Bylaws Committee Members are:
 - ✓ Carol Steele, Chair
 - ✓ Mark Hougland
 - ✓ Sharon Valente

- ✓ Tom Birdsell
- The committee will meet next week and will make recommendations at the next Board Meeting.

23. INFORMATION/ACTION: ALYSOUN HUNTLEY FORD FUND DRAW

- The Alysoun Huntley Ford Fund is a Board designated fund left to the Hospital for purposes of funding some respite for caregivers of patients who are dying at home. Each draw request is for up to \$2,000.00.
- There were two (2) requests.

MOTION: To approve two (2) Alysoun Huntley Ford Fund Draws in the amount of \$280.05

- Hogan moved
- Rohr second
- Motion carried

24. ASSOCIATION AND COMMUNITY SERVICE REPORTS: BOARD MEMBERS

- There were no reports.

25. ACTION: Finance Committee Report: Mr. Sean Hogan

- The Finance Committee discussed/reviewed what will be done in the next few months at the Finance Committee meetings.

- Mr. Sturgeon reported:

December Consolidated Highlights

- Net Income from Operations was \$183,002
 - o YTD Income from Operations \$828,620
- Net Income from All Sources was \$212,903
 - o YTD Income \$1,051,910
- Bond Covenants
 - o Days Cash On Hand is within the covenant at 35.57
 - o Debt Service Coverage Ratio is within covenant at 2.56
 - o Current Ratio is within covenant at 1.13

MOTION: To approve the Finance and Statistical Report for December 2015

- Rohr moved
- Hogan second
- Motion carried

26. PUBLIC COMMENTS:

- There were no comments.

27. ADJOURN:

Open Session adjourned at 8:05 p.m.

Reconvened Closed Session at 8:10 p.m.

A. Reporting out of Closed Session

1. Recruitment & Credit Agreement and Note for Dr. Rosemarie Kennaley

- The Board approved the Physician and Recruitment and Credit Agreement for Dr. Rosemarie Kennaley contingent upon legal contract review for compliance

2. Contract for Dr. P.K. Reddy

- The Board approved the contract for Dr. P.K. Reddy contingent upon legal contract review for compliance

3. Recruitment & Credit Agreement and Note for Dr. P.K. Reddy
 - The Board approved the Recruitment & Credit Agreement and Note for Dr. P. K. Reddy
4. On Call Contract for Dr. Kenneth Susman
 - The Board approved extending Dr. Susman's existing contract for 90 days in order to work out a new on call contract
5. Retention of the law firm of DeCaro, Coppo & Popcke
 - The Board approved Retention of the law firm of DeCaro, Coppo & Popcke
6. Real Property negotiations for Mendocino Coast Medical Plaza, LLC
 - The Board approved tabling this item to a later date
7. Petra vs. MCDH
 - No action was taken.

Meeting adjourned at 8:45 p.m.

Peter Glusker, MD, Secretary
Board of Directors

Gayl Moon, Secretary to the
Board of Directors

**BOARD OF DIRECTORS MEETING
HOSPITAL REDWOODS ROOM
THURSDAY, FEBRUARY 25, 2016
MINUTES**

The Board of Directors of the Mendocino Coast Health Care District met in CLOSED session at 5:00 pm in the Hospital Redwoods Room, Tom Birdsell presiding.

PRESENT: Mr. Birdsell, Dr. Glusker, Mr. Hogan

Mr. John Ruprecht, Legal Counsel
Bob Edwards, Chief Executive Officer
Mr. Wade Sturgeon, Chief Financial Officer
Gayl Moon, Executive Assistant

ABSENT: Ms. Bruning, Dr. Rohr

1. CALL TO ORDER:

OPEN Session of the Board of Directors of the Mendocino Coast Health Care District convened at 6:00 p.m. in the Redwoods Room, Mr. Tom Birdsell presiding.

2. ROLL CALL:

PRESENT: Mr. Tom Birdsell, Dr. Peter Glusker, Mr. Sean Hogan
Board Members

BOARD MEMBERS ABSENT: Ms. Kitty Bruning, Dr. Bill Rohr

ALSO PRESENT:

Mr. John Ruprecht, Legal Counsel
Mr. Bob Edwards, Chief Executive Officer
Mr. Wade Sturgeon, Chief Financial Officer
Ms. Will Lee, Medical Staff Manager

3. CLOSED SESSION MATTERS:

The Board of Directors reviewed the following items in closed session:

1. **INFORMATION:** Potential New Medical Services
 - The Board received information concerning new Medical Services and pricing.
2. **INFORMATION/ACTION:** Medical Staff Credentials and Privileges Report
 - The Board received a report on the Medical Staff Credentials and Privileges.
3. **INFORMATION/ACTION:** February Quality Management and Improvement Council Report
 - The Board approved the February Quality Management and Improvement Council Report
4. **INFORMATION/ACTION:** Contract for Dr. Kenneth Susman
 - To be discussed when the Board reconvenes Closed Session after Open Session.
Closed Session will reconvene after Open Session.
5. **INFORMATION/ACTION:** Real Property negotiations for Mendocino Coast Medical Plaza, LLC
 - To be discussed when the Board reconvenes Closed Session after Open Session.

6. **INFORMATION/ACTION: Bratton vs. MCDH**
- The Board extended consideration of the claim.
 - The Board will reconvene Closed Session after Open Session.
 - On behalf of the Board, Mr. Birdsell expressed deep sorrow for the recent loss of John Lemley. John was a member of the Finance Committee for several years; was very knowledgeable and will be deeply missed.
4. **PUBLIC COMMENTS:**
- There were no public comments.
5. **ACTION: REVIEW OF THE AGENDA**
- Mr. Birdsell removed “Bylaws Changes per Bylaws Committee recommendations” from the agenda.
6. **BOARD COMMENTS:**
- There were no Board comments.
7. **ACTION: APPROVAL OF CONSENT CALENDAR: MR. SEAN HOGAN, PRESIDENT**
- A. Minutes: Regular Session, January 26, 2016
- B. Policies & Procedures
- Policy Titles**
- Electronic Signature
 - Use of Off Site Medical Record Storage Facility
 - Downtime
 - Influenza and Pneumonia Vaccinations for Patients
- MOTION:** To approve the Consent Calendar
- Birdsell moved
 - Hogan second
 - Motion carried
8. **INFORMATION/ACTION: AUDIT REVIEW & APPROVAL: MR. JERREL TUCKER, AUDITOR**
- Mr. Tucker reported MCDH received an unmodified opinion or a clean opinion with no material weaknesses or significant deficiencies, and no reportable findings. TCA Partners opinion is that the 2015 financial statements present fairly, in all material respects, the financial position of the District at June 30, 2015 and the results of its operations and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.
- MOTION:** To approve the June 30, 2015 Audited Financial Statements
- Hogan moved
 - Glusker second
 - Motion carried
9. **INFORMATION/ACTION: PRESENTATION FROM MENDOCINO EMERGENCY PHYSICIANS MEDICAL GROUP: MR. BOB EDWARDS, CEO**
- The Board received a presentation from Mendocino Emergency Physicians Medical Group.
10. **INFORMATION/ACTION: PRESENTATION FROM EMCARE EMERGENCY SERVICES GROUP: MR. BOB EDWARDS, CEO**
- The Board received a presentation from Emcare Emergency Services Group.
11. **INFORMATION/ACTION: LABSCO REAGENT LEASE AGREEMENT: MR. EMMET O’CONNELL**

- Mr. O'Connell stated the Laboratory is asking the Board to approve the procurement of two (2) Bio-fire Microbiology D&A Diagnostic Analyzers. These analyzers will be added to the Lab's D&A testing in the Microbiology Departments for the following reasons:
 - ✓ The analyzers will allow rapid turnaround time on the identification of pathogens.
 - ✓ They will help the Lab meet the time of improving the quality care while managing their costs.
 - ✓ These analyzers can produce a result within an hour compared to currently which takes approximately 72 hours.
 - ✓ This would improve the effectiveness and timeliness of septus treatment with rapid identification of the pathogens.
 - ✓ By rapidly identifying pathogens, the Lab can improve the effectiveness of the antibiotic stewardship program and meet their obligations to respond to regulatory initiatives about that.
 - ✓ The testing system is self contained within a sealed environment.
 - ✓ This system and it's methodology is recognized by the payors, Medical included.
- Mr. O'Connell asked the Board to approve a three year contract that has been reviewed by the Hospital's Council.
- Mr. Ruprecht stated this 3 year contract cannot be terminated without cause. This is a \$500,000 contract over the 3 year period. There can be a price increase if the group purchasing organization allows an increase in the price during the time period.
- Mr. Ruprecht recommended Board approval of the contract.

MOTION: To approve the Labsco Reagent Lease Agreement for two (2) bio-fire Microbiology D&A Diagnostic Analyzers

- Hogan moved
- Birdsell second
- Dr. Glusker requested this be presented to the Planning Committee in more detail and then bring it before the Board; he also wanted to know how this would pay for itself. Mr. O'Connell explained that the patient population was looked into and a proposal was developed around the current volumes. The reimbursement based upon current Medi-Cal coding, is \$1.6 million; the payback would be achieved within the first year of implementation and would continue onward over the life of the contract.
- Discussion ensued.
- Roll call
 - Ayes: Birdsell, Hogan,
 - Noes: None
 - Absent: Rohr, Bruning
 - Abstain: Glusker
- Motion carried

12. INFORMATION/ACTION: SAFEWAY 340B CONTRACT PHARMACY SERVICES AGREEMENT: MR. JOHN RUPRECHT

- Mr. Ruprecht stated the Hospital pays a program administrator, Macro Helix \$6000 per month and \$72,000 annually to administer the 340B Program.

MOTION: To approve the Safeway 340B Contract Pharmacy Services Agreement

- Hogan moved
- Glusker second
- Roll call
 - Ayes: Birdsell, Hogan, Glusker
 - Noes: None
 - Absent: Rohr, Bruning

- Abstain: None
- Motion carried

13. INFORMATION/ACTION: AUTHORIZATION FOR CEO TO HIRE TEMPORARY HEALTH CARE WORKERS WITHOUT PRIOR BOARD APPROVAL UNDER CONDITIONS AS SET FORTH HEREIN: MR. BOB EDWARDS, CEO

- This policy was brought before the Board last month, and the Board requested changes to the policy. The following changes have been made:
 - ✓ The policy does not refer to physicians
 - ✓ The policy does not contain the word “hire”

MOTION: To approve authorization for the CEO to hire temporary health care workers without prior board approval under conditions as set forth herein

- Hogan moved
- Birdsell second
- Roll call
 - Ayes: Hogan, Birdsell
 - Noes: Glusker
 - Absent: Rohr, Bruning
 - Abstain: None
- Motion carried

14. INFORMATION/ACTION: COMPLETION OF CURRENT OSHPD PROJECTS WITH EXISTING ARCHITECT OF RECORD: MS. ELLEN HARDIN

- Ms. Hardin reported on the open OSHPD Projects which are:
 - Temporary ATS Installation –NMR Architect of Record
 - OR HVAC/Upgrade –NMR Architect of Record
 - Nurse Call System Replacement –Aspen Street Architect of Record
 - Pharmacy Remodel –Aspen Street Architect of Record
 - Replace Existing TV Sets –Ruff’ Associates –Architect of Record
- Ms. Hardin asked for a motion to keep Aspen Street as Architect of Record on the Nurse Call System Replacement and the Pharmacy Remodel in order to avoid new charges for bringing on a new architect.

MOTION: To continue with the Architects of Records

- Birdsell moved
- Hogan second
- Discussion ensued.
- Roll call
 - Ayes: Birdsell, Hogan, Glusker
 - Noes: None
 - Abstain: None
 - Absent: Rohr, Bruning
- Motion carried

15. INFORMATION: CEO REPORT: MR. BOB EDWARDS, CEO

- Mr. Edwards reported:
 - ✓ The Hospital received notification of Joint Commission accreditation on Monday.
 - ✓ One of the family practice providers will not be joining NCFHC as was earlier thought.
 - ✓ Mr. Edwards and Steve Lund will give the Parcel Tax Presentation to the Board of Realtors. Presentations for the employees will be scheduled soon.
 - ✓ The Volunteers held their annual installation of officers. Carole Steele will be the

President, Susan Collins will be Vice President, Ilene Brown will be Secretary and Norma Holmes will be Treasurer. The Volunteers gave the Hospital Staff a lovely Valentines luncheon which was very appreciated.

16. INFORMATION: PLANNING COMMITTEE REPORT: MS. KITTY BRUNING

- The Planning Committee had a few suggestions to improve the Parcel Tax Power Point Presentation.
- Mr. Edwards reported on Hospital Fee Reimbursement for District Critical Access Hospitals and those Critical Access Hospitals governed by Non Profit Boards. Following is a summary:
 1. Recent discovery by MCDH surfaced around finding disparities between Hospital Fee reimbursement (NOTE: Provider Tax Assessment with Medi-Cal and IGT funds) for District Critical Access Hospitals and those Critical Access Hospitals governed by Non Profit Boards.
FACT: MCDH had a net receivable of about one million dollars last fiscal year, plus had to submit over one million of its own dollars to receive its IGT (inter government transfer monies).
FACT: Some Non Profit Boards of Critical Access Hospitals have been receiving four to six million dollars via the Provider Tax, and are exempt from sending in their own monies for a match (IGT monies).
 2. Recent conversations have been held that focused on MCDH exploring an alignment with another Hospital or Hospital System that could enhance the financial performance of MCDH. Within the last month, the Administration has discovered that two District Hospitals are in the process of exploring how its District Critical Access Hospital could convert to a Non Profit Hospital Board so it could receive the higher amount of Provider Tax reimbursement. Changing to a Non Profit Hospital Board would be addressing how changing the oversight of MCDH would improve financial viability, plus it would be able to retain local control.
FACT: An annual three million dollar improvement could be made to MCDH if we became a Non Profit Critical Access Hospital.
FACT: To change the oversight of MCDH to a Non Profit Hospital, would take a vote of the people.
FACT: It is possible to have the District Board remain in place, thus having the ability to receive Parcel Tax Revenues.
 3. MCDH would propose that if MCDH would be managed by a Non Profit Board, after a vote of the people, that the difference in monies, for rounding purposes of three million dollars per year, would be used to design, fund, and construct a replacement facility. We believe that one-hundred-twenty million dollars (or more) could be set aside for these purposes.

The Planning Committee passed a motion which stated the Board considers entering into a fact finding journey on a Hospital Fee and a Hospital Restructure requesting a subject expert attorney to prepare a proposal to the Board and or the Planning Committee. The cost for the attorney and the presentation not to exceed \$5,000. Mr. Edwards asked for a motion.

MOTION: To spend no more than \$5,000 of initial money to find out more information about the Hospital Fee Program

- Birdsell moved
- Hogan second
- Dr. Glusker stated that he and Dr. Rohr received an email from a company that purports to do the same thing as Bookman does, and Dr. Rohr wants to make a presentation to the Board regarding the company with whom he has spoken. Dr. Rohr, Dr. Glusker and

Kaye Handley have been pursuing this notion. Mr. Hogan stated that since \$5,000 is well within the CEO's spending limit, he questioned why the Board is having this discussion. Mr. Birdsell suggested management gather further information, then report back to the Board.

- Mr. Birdsell withdrew the motion.
- Steve Lund stated a phone survey will be conducted, probably in May regarding the Parcel Tax.

17. INFORMATION/ACTION: MEDICAL STAFF REPORT: DR. JOHN KERMEN

- Medical Staff continues their efforts on the new Bylaws.
- A. Clinical Privileges-Allied Health Professionals (AHP) Orthopedic

MOTION: After careful consideration recommend approval of Clinical Privileges-Allied Health Professionals (AHP) Orthopedic

- Birdsell moved
- Hogan second
- Glusker No
- Motion carried

B. Appointments to Medical Staff-Provisional

1. Darby Clayson, MD –Department of Medicine-Hospitalist Service
2. Ramesh Nathan, MD –Department of Medicine-Infectious Disease

MOTION: After careful consideration recommend approval of Medical Staff-Provisional for Darby Clayso, MD: Ramesh Nathan, MD

- Birdsell moved
- Glusker second
- Motion carried

C. Temporary Privileges (AHP-Allied Health Professional)

1. Vadim Galperin, PA-C –Department of Medicine--Allied Health Professional North Coast Family Health Center (February 15-March 15, 2016)

MOTION: After careful consideration recommend approval of Temporary Privileges for Vadim Galperin, PA-C

- Birdsell moved
- Glusker second
- Motion carried

D. Locum Tenens Coverage

1. Gabriel Larson, MD –Department of Medicine-Pediatrics (March 1-March 5, 2016)
2. Lai Heung Lee, MD –Department of Medicine-Pediatrics (March 4-March 15, 2016)

MOTION: After careful consideration recommend approval of Locum Tenens Coverage for Gabriel Larson, MD: Lai Heung Lee, MD

- Birdsell moved
- Glusker second
- Motion carried

E. Re-Appointments to Medical Staff

1. Roger Brecheen, MD –Department of Surgery-Obstetrics/Gynecology
2. Brent Wright, MD –Department of Surgery-Obstetrics/Gynecology
3. Kevin Miller, MD –Department of Surgery-Ophthalmology

MOTION: After careful consideration recommend approval of Re-Appointments to Medical Staff for Roger Brecheen, MD: Brent Wright, MD: Kevin Miller, MD

- Glusker moved
- Hogan second
- Motion carried

18. INFORMATION/ACTION: CHIEF OF PATIENT CARE SERVICES: MS. TERRY MURPHY

- Refer to the attached report as part of these minutes.

19. INFORMATION/ACTION: JPA REPORT: MR. TOM BIRDSELL, CHAIR

- The JPA's annual conference will take place in Healdsburg on Friday, June 24, 2016.

20. INFORMATION: PLANT SERVICES REPORT: MS. ELLEN HARDIN

- The temporary ATS has been switched over. On March 8th an over the counter review with OSHPD is scheduled to take place.
- The HVAC plans have been submitted to OSHPD.
- Calstar would like to install a weathercam on or near the Hospital.
- ED Fast Track looking into a space and what needs to be done to that space without major improvements or costs and not having to involve OSHPD.
- A per deim plant maintenance employee has been hired.

21. INFORMATION/ACTION: ALYSOUN HUNTLEY FORD FUND DRAW

- The Alysoun Huntley Ford Fund is a Board designated fund left to the Hospital for purposes of funding some respite for caregivers of patients who are dying at home. Each draw request is for up to \$2,000.00.
- There were no requests.

22. ASSOCIATION AND COMMUNITY SERVICE REPORTS: BOARD MEMBERS

- There were no reports.

23. ACTION: Finance Committee Report: Mr. Sean Hogan

- Mr. Sturgeon reported:
- Dr. Brecheen & Dr. Wright discussed options for the OB Department. These options will be reviewed during the budget process.

January **Consolidated** Highlights

- Net Income from Operations was a loss of \$60,068
 - YTD Income from Operations \$768,553
- Net Income from All Sources was \$133,947
 - YTD Income \$1,185,857
- Bond Covenants
 - Days Cash On Hand is within the covenant at 42.06
 - Debt Service Coverage Ratio is within covenant at 2.69
 - Current Ratio is within covenant at 1.11

MOTION: To approve the Finance and Statistical Report for January 2016

- Hogan moved
- Glusker second
- Motion carried

24. PUBLIC COMMENTS:

- There were no comments.

25. ADJOURN:

Open Session adjourned at 8:05 p.m.

Reconvened Closed Session at 8:55 p.m.

A. Reporting out of Closed Session

1. Contract for Dr. Kenneth Susman
 - The Board passed the Contract for Dr. Kenneth Susman

2. Real Property negotiations for Mendocino Coast Medical Plaza, LLC
 - The Board authorized Management to proceed with a loan application.

Meeting adjourned at 9:30 p.m.

Peter Glusker, MD, Secretary
Board of Directors

Gayl Moon, Secretary to the
Board of Directors

**MENDOCINO COAST HEALTH CARE DISTRICT
BOARD OF DIRECTORS
SPECIAL SESSION
FORT BRAGG, CA
WEDNESDAY, MARCH 9, 2016**

1. CALL TO ORDER:

Open Session of the Board of Directors of the Mendocino Coast Health Care District convened at 5:30 am at 700 River Drive, Fort Bragg, CA 95437: Vice President Kitty Bruning

2. ROLL CALL: Bruning, Rohr, Glusker, Hogan

ABSENT: Birdsell

3. OPEN SESSION:

1. **INFORMATION/ACTION:** Determine Mediation Status with Mr. Carlo Coppo: Mr. John Ruprecht

- Mr. Ruprecht stated there are three (3) possible issues:
 1. The Board confirms its -prior decision to go forward with the full mediation.
 2. Have Mr. Coppo do an in-service presentation.
 3. Board could cancel the prior decision to conduct a mediation.
- Mr. Coppo is available to come and conduct the mediation on March 21, 22 & 23.
- Mr. Ruprecht recommended at a prior Board Meeting that the formal meeting with Mr. Coppo was to be mediation. Dr. Rohr asked if anything had changed and Mr. Ruprecht said that he felt mediation was still the proper course.
- The Board was given a letter from the MEC that stated that they wanted the Board to consider another possibility, but regardless of whether the Board went with an educational session or a mediation, that they would participate.
- Discussion ensued.

MOTION: To continue and reaffirm the Board's original decision to have Mr. Coppo come conduct the mediation

- Rohr moved
- Glusker second
- Roll call
 - Ayes: Hogan, Rohr, Glusker
 - Noes: Bruning
 - Absent: Birdsell
 - Abstain: None
- Motion carried

4. COMMENTS FROM THE COMMUNITY:

There were no comments from the community

5. COMMENTS FROM BOARD OF DIRECTORS:

There were no Board comments.

6. ADJOURN:

The meeting was adjourned at 5:40 pm

Tom Birdsell, President
Board of Directors

ATTEST:

Kitty Bruning, Vice-President
Board of Directors

These minutes constitute a portion of the official record of the Board and are the written record of the proceedings. Documents distributed to the Board of Directors at the meeting are available for public review except legally privileged or confidential documents.

**MENDOCINO COAST HEALTH CARE DISTRICT
BOARD OF DIRECTORS
SPECIAL SESSION
FORT BRAGG, CA
MONDAY, MARCH 23, 2016**

1. CALL TO ORDER:

CLOSED Session of the Board of Directors of the Mendocino Coast Health Care District convened at 6:30 p.m. at 700 River Drive, Fort Bragg, CA 95437: President Tom Birdsell presiding

2. ROLL CALL: Hogan, Bruning, Birdsell

ABSENT: Rohr, Glusker

3. CLOSED SESSION:

A. **INFORMATION:** Presentation to the Board of Directors, MEC and Management by Mr. Carlo Coppo, of DiCaro, Coppo & Popcke Attorneys at Law. Government Code §54956.9(b)(1) and Government Code §54956.9(b)(2); Health and Safety Code Section §32,155, discussion of Medical Quality Assurance Issues.

4. RECONVENTION OF OPEN SESSION:

5. ROLL CALL: Hogan, Birdsell, Bruning

ABSENT: Glusker, Rohr

REPORT OUT OF CLOSED SESSION

- **INFORMATION:** Presentation to the Board of Directors, MEC and Management by Mr. Carlo Coppo, of DiCaro, Coppo & Popcke Attorneys at Law. Government Code §54956.9(b)(1) and Government Code §54956.9(b)(2); Health and Safety Code Section §32,155, discussion of Medical Quality Assurance Issues.

- The Board of Directors, MEC and Management had a presentation by and discussion with Mr. Carlo Coppo of DiCaro, Coppo & Popcke Attorneys at Law.

6. COMMENTS FROM THE COMMUNITY

- There were no comments from the community.

7. ADJOURN:

The meeting adjourned at 9:00 p.m.

Mr. Tom Birdsell, President
Board of Directors

ATTEST:

Ms. Kitty Bruning, Vice-President
Board of Directors

These minutes constitute a portion of the official record of the Board and are the written record of the proceedings. Documents distributed to the Board of Directors at the meeting are available for public review except legally privileged or confidential documents.

**BOARD OF DIRECTORS MEETING
HOSPITAL REDWOODS ROOM
THURSDAY, MARCH 31, 2016
MINUTES**

The Board of Directors of the Mendocino Coast Health Care District met in CLOSED session at 5:00 pm in the Hospital Redwoods Room, Tom Birdsell presiding.

PRESENT: Mr. Birdsell, Dr. Glusker, Mr. Hogan, Ms. Bruning, Dr. Rohr

Mr. John Ruprecht, Legal Counsel
Bob Edwards, Chief Executive Officer
Mr. Wade Sturgeon, Chief Financial Officer
Gayl Moon, Executive Assistant

ABSENT: None

1. CALL TO ORDER:

OPEN Session of the Board of Directors of the Mendocino Coast Health Care District convened at 6:00 p.m. in the Redwoods Room, Mr. Tom Birdsell presiding.

2. ROLL CALL:

PRESENT: Mr. Tom Birdsell, Dr. Peter Glusker, Mr. Sean Hogan, Ms. Kitty Bruning, Dr. Bill Rohr
Board Members

BOARD MEMBERS ABSENT: None

ALSO PRESENT:

Mr. John Ruprecht, Legal Counsel
Mr. Bob Edwards, Chief Executive Officer
Mr. Wade Sturgeon, Chief Financial Officer
Ms. Gayl Moon, Executive Assistant

3. CLOSED SESSION MATTERS:

The Board of Directors reviewed the following items in closed session:

1. **INFORMATION:** Medical Staff Credentials and Privileges Report
 - The Board received a Bylaws update from Medical Staff. No action was taken.
2. **INFORMATION/ACTION:** March Quality Management and Improvement Council Report
 - The Board approved the March Quality Management and Improvement Council Report
3. **INFORMATION/ACTION:** Dr. Bradley Bettinger Contract
 - The Board renewed the contract for Dr. Bradley Bettinger.
4. **INFORMATION/ACTION:** Dias vs. MCDH
 - This matter has concluded and is now closed.
5. **INFORMATION/ACTION:** Real Property negotiations for Mendocino Coast Medical Plaza, LLC
 - The Board received an update on this matter. No action was taken.
6. **INFORMATION/ACTION:** Medical Quality Assurance Issues

- The Board discussed the meeting the Board of Directors, Medical Executive Committee and Administration had with Mr. Carlo Coppo last week.

4. PUBLIC COMMENTS:

- Lucretia Renteria introduced herself to the Board as the Mendocino Coast Clinic's new Executive Director.
- Dr. Andrea McCullough and a few other people spoke regarding Dr. McCullough leaving MCDH after 10 years as an Emergency Room Physician through VEP.

5. ACTION: REVIEW OF THE AGENDA

- There were no changes to the agenda.

6. BOARD COMMENTS:

- Mr. Birdsell stated the Board will do a better job of following Robert's Rules of Order.
 - A staff presenter will give an overview of the agenda issue that is up for information or action and they make a recommendation to the Board.
 - Legal Counsel will make suggestions/comments as necessary.
 - There then needs to be a motion and a second before the Board engages in any discussion. Then the Board enters into discussion and debate. There will be two (2) rounds of discussion.
 - After the second round of discussion the Board Chair will call for a vote.
 - Mr. Birdsell stated that audience participation is not part of Robert's Rules of Order; however if there is ever an important issue that may affect services or restructuring for the district, the Board will ensure a public hearing will be held to give everyone the opportunity to be heard.

7. ACTION: APPROVAL OF CONSENT CALENDAR: MR. SEAN HOGAN, PRESIDENT

- A. Minutes: Regular Session, February 25, 2016
- B. Minutes: Special Session, March 9, 2016
- C. Policies & Procedures

Policy Titles

- Information Systems Policy & Procedure Manual Annual Review
- Goals and Objectives
- Information Systems Security
- User Data Access, Passwords and Authentication
- Use of Portable Computing and Storage Devices
- Standard Drug Formulas
- Drug Administration Times
- Nursing Orientation to Pharmacy Services
- Medication Error Reduction Plan
- Dr. Glusker would like to discuss the "User Data Access, Passwords and Authentication" policy.
- Dr. Rohr wants requested changes to the March 9th minutes.

MOTION: To approve the Consent Calendar with the removal of the User Data Access, Passwords and Authentication policy & the March 9th minutes

- Hogan moved
- Glusker second
- Motion carried
- Dr. Rohr requested a modification to the March 9th minutes. He stated the minutes should reflect that Mr. Ruprecht recommended at a prior Board meeting that the formal meeting with Mr. Coppo was to be mediation. Dr. Rohr asked Mr. Ruprecht at the March

9th meeting is anything had changed and Mr. Ruprecht that he felt mediation was still the proper course. Also at the March 9th meeting the Board was given a letter from the MEC that stated that they wanted the Board to consider another possibility, but regardless of whether the Board went with an educational session or a mediation, that they would participate.

MOTION: To approve the above stated additions/modifications to the March 9th minutes

- Rohr moved
- Glusker second
- Motion carried

➤ User Data Access, Passwords and Authentication policy.

MOTION: To approve the policy as is

- Birdsell moved
- Bruning second

Dr. Glusker requested the policy be modified to include the Board Members in order to participate in a secure network. Discussion ensued.

Mr. Birdsell withdrew his motion

MOTION: To approve the User Data Access, Passwords and Authentication policy with the above stated modification to include the Board Members in order to participate in a secure network

- Glusker moved
- Hogan second
- Motion carried

8. INFORMATION/ACTION: HOSPITAL FEE/HOSPITAL STRUCTURE PROGRAM

DISCUSSION: MR. LLOYD BOOKMAN, HOPER, LUNDY & BOOKMAN

- Hospital Fee reimbursement for District Critical Access Hospitals and those Critical Access Hospital governed by Non Profit Boards.
- MCDH recently learned of disparities between Hospital Fee reimbursement (provider tax assessment with Medi-Cal and IGT funds) for District Critical Access hospitals and those Critical Access Hospitals governed by Non Profit Boards. MCDH had a net receivable of about one million dollars last fiscal year, plus had to submit over one million of its own dollars to receive its IGT (inter government transfer monies). By converting to a Non Profit Hospital Board could help MCDH receive the higher amount of Provider Tax reimbursement.
- Mr. Bookman spoke on the Hospital Fee/Hospital Structure Program, known as a Medical Provider Fee Program. Mr. Bookman explained the process of doing this conversion.

9. INFORMATION/ACTION: AUDIT REVIEW AND APPROVAL: MR. JERREL TUCKER, AUDITOR

- The audit is complete, there were no changes and Wade will receive the final document within the next couple of days.

10. INFORMATION/ACTION: PRIME PROJECT: MS. ILONA HORTON

- Ms. Horton described a funding opportunity that has recently been brought to management's attention:
- Ms. Horton stated this is a Prime Project (Public Hospital Redesign & Incentives in Medi-Cal) and it is through the California Department of Health Care Services (DHCS). The Prime Projects are designed to address three (3) main issues:
 1. Establishing the infrastructure to managing high cost populations.
 2. Expanding capacity, enhancing efficiency and reducing unnecessary utilization.

- 3. Building capabilities to support transitioning to alternative payment methodologies.
- The alternative payment methodologies refer to: currently Critical Access Hospitals Rural Health Clinics are exempt for pay for performance, which requires meeting certain quality measures; however this exemption will be changing in the future. The total amount of funding is \$750,000 per year for five (5) years, and would allow the Hospital to put an infrastructure in place.
- Out of the many projects to choose from, Hospital management selected Cancer screening and follow up which focuses on three cancers:
 1. Breast cancer
 2. Cervical cancer
 3. Colorectal cancer
- The application needs to be submitted by Monday, April 4, 2016. MCDH will be notified on June 3, 2016 if they were selected or not.
- Ms. Horton will update to the Planning Committee each month.

MOTION: To approve the Prime Project

- Hogan moved
- Bruning second
- Dr. Rohr asked that in the future documentation to the Board would be beneficial in order to allow them to ask questions and fully understand the project. The cost of implementing this project will be approximately \$100,000.
- Roll call
 - Ayes: Rohr, Bruning, Hogan, Birdsell, Bruning
 - Noes: None
 - Absent: None
 - Abstain: None
- Motion carried

11. INFORMATION/ACTION: BYLAWS CHANGES PER BYLAWS COMMITTEE RECOMMENDATIONS: MS. CAROL STEELE & MR. TOM BIRDSSELL

- The Bylaws Committee was formed a few months ago to review the Board Bylaws and the recommended changes were presented to the Board.
- Dr. Rohr recommended several changes to the Bylaws.
- These changes will be made and brought back to the Board for approval.

MOTION: To table this item

- Birdsell moved
- Bruning second
- Motion carried

12. INFORMATION/ACTION: AUXILIARY VOLUNTEERS BYLAWS: MR. WILL LEE

- Mr. Lee presented the updated Auxiliary Volunteers Bylaws.
- National Volunteers Week is the week of April 11. On April 14 all the Hospital Volunteers will be honored with a special recognition party from 4:00 to 6:00 pm.

MOTION: To approve the Auxiliary Volunteers Bylaws

- Hogan moved
- Rohr second
- Motion carried

13. ACTION: CHANGE OCTOBER, NOVEMBER AND DECEMBER MEETING DATES: MR. BOB EDWARDS, CEO

- Mr. Edwards requested the following Board Meeting date changes:

- October meeting date be changed to November 3, 2016
- November meeting date to be changed to December 8, 2016
- December meeting date to be changed to January 5, 2017

MOTION: To change the November meeting to December 8, 2016

- Rohr moved
- Glusker second
- Motion carried

MOTION: To change the December meeting to January 5, 2017

- Hogan moved
- Rohr second
- Motion carried

MOTION: To change the October meeting to November 3, 2016

- Hogan moved
- Bruning second
- Motion carried

14. INFORMATION: CEO REPORT: MR. BOB EDWARDS, CEO

- Mr. Edwards reported:
 - ✓ Two ER Physician Provider Agreements will be presented to the Board at the April meeting.
 - ✓ Mr. Edwards will attend the California Hospital Association Rural Health Symposium next week and he will be a speaker at the CEO Roundtable.
 - ✓ Mr. Edwards will be gone April 21, 22 & 25 as he is going to accompany/chaperone the High School Fort Bragg Choir to New Orleans.
 - ✓ The implementation of the Biofire Microbiology equipment is taking place.
 - ✓ Jim Wood, Assemblyman for the Coast's District is proposing AB2024 which would propose that Critical Access Hospitals be able to employ physicians.

15. INFORMATION: PLANNING COMMITTEE REPORT: MS. KITTY BRUNING

- The Planning Committee reviewed their goals and schedule for the upcoming year.
- March the committee will work on the Parcel Tax.
- The committee discussed the Hospital Fee/Hospital Structure and recommended it be presented to the Board.
- April will receive a report on the 5 Strategic Planning Sections.

15. INFORMATION/ACTION: MEDICAL STAFF REPORT: DR. JOHN KERMEN

A. One Month Extension for Dr. Andrea McCullough

MOTION: After careful consideration recommend approval of a one month extension for Dr. Andrea McCullough

- Hogan moved
- Bruning second
- Motion carried

B. Appointments to Medical Staff-Provisional

1. Michael Azarkh, MD—Department of Medicine-Hospitalist Service
2. Patrick Neal Lenaghan, MD- Department of Medicine-Emergency Department
3. Rebecca Sapien, MD-Department of Medicine-Emergency Department

MOTION: After careful consideration recommend approval of Medical Staff-Provisional for Michael Azarkh, MD: Patrick Neal Lenaghan, MD Rebecca Sapien, MD

- Hogan moved
- Bruning second
- Motion carried

C. Reappointment to Allied Health Professionals

1. Michele Tellier, FNP-Department of Medicine-North Coast Family Health Center

MOTION: After careful consideration recommend approval of Reappointment to Allied Health Professionals for Michele Tellier, FNP

- Hogan moved
- Bruning second
- Motion carried

D. Temporary Privileges

1. Michael Azarkh, MD –Department of Medicine-Hospitalist Service (March 24-April 1, 2016)

Temporary Privileges (AHP-Allied Health Professional)

1. Aneet Deol, DNP-C-Department of Medicine-North Coast Family Health Center (April 15-May 15, 2016)
2. Shelyna Rice, NP-C-Department of Medicine-Allied Health Professional-North Coast Family Health Center (April 6-May 6, 2016)
3. Matthew Tomlin, NP-C-Department of Medicine-Allied Health Professional-North Coast Family Health Center (Marcy 28-April 28, 2016)

MOTION: After careful consideration recommend approval of Temporary Privileges for Michael Azarkh, MD: Aneet Deol, DNP-C: Shelyna Rice, NP-C: Matthew Tomlin, NP-C

- Bruning moved
- Glusker second
- Motion carried

E. Locum Tenens Coverage

1. Lai Heung Lee, MD –Department of Medicine-Pediatrics (April 1-April 8, 2016)

MOTION: After careful consideration recommend approval of Locum Tenens Coverage for Lai Heung Lee, MD

- Bruning moved
- Glusker second
- Motion carried

17. INFORMATION/ACTION: CHIEF OF PATIENT CARE SERVICES: MS. TERRY MURPHY

- Refer to the attached report as part of these minutes.

18. INFORMATION/ACTION: JPA REPORT: MR. TOM BIRDELL, CHAIR

- The JPA's next meeting will take place Tuesday April 12.

19. INFORMATION: PLANT SERVICES REPORT: MS. ELLEN HARDIN

- The Pharmacy Project is complete and pending closure with OSHPD.
- Project to put tv's in patients rooms will close out with OSHPD very soon.
- Currently in the process of stabilizing the ATS temporary switch.
- HVAC is in plan review.
- The Nurse Call System has a new code requirement of having a temporary system operating while the Nurse Call System installation takes place.

20. INFORMATION/ACTION: ALYSOUN HUNTLEY FORD FUND DRAW

- The Alysoun Huntley Ford Fund is a Board designated fund left to the Hospital for purposes of funding some respite for caregivers of patients who are dying at home. Each draw request is for up to \$2,000.00.

- There were no requests.

21. ASSOCIATION AND COMMUNITY SERVICE REPORTS: BOARD MEMBERS

- There were no reports.

22. ACTION: FINANCE COMMITTEE REPORT: MR. SEAN HOGAN

February Consolidated Highlights

- Net Income from Operations was a profit of \$199,650
 - YTD Income from Operations \$968,203
- Net Income from All Sources was \$226,066
 - YTD Income \$1,411,922
- Bond Covenants
 - Days Cash On Hand is within the covenant at 48.21
 - Debt Service Coverage Ratio is within covenant at 3.06
 - Current Ratio is within covenant at 1.17
- Mr. Sturgeon reported the Hospital received \$1.5 million on the Interim Cost Report Settlement; these funds will go toward the Pension Contribution.

MOTION: To approve the Finance and Statistical Report for February 2016

- Bruning moved
- Glusker second
- Motion carried

23. PUBLIC COMMENTS:

- There were no comments.

24. ADJOURN:

The meeting adjourned at 8:05 p.m.

Peter Glusker, MD, Secretary
Board of Directors

Gayl Moon, Secretary to the
Board of Directors

**BOARD OF DIRECTORS MEETING
HOSPITAL REDWOODS ROOM
THURSDAY, APRIL 28, 2016
MINUTES**

The Board of Directors of the Mendocino Coast Health Care District met in CLOSED session at 5:00 pm in the Hospital Redwoods Room, Tom Birdsell presiding.

PRESENT: Dr. Glusker, Mr. Hogan, Ms. Bruning, Dr. Rohr (via videoconference)

Mr. John Ruprecht, Legal Counsel
Bob Edwards, Chief Executive Officer
Mr. Wade Sturgeon, Chief Financial Officer
Gayl Moon, Executive Assistant

ABSENT: Mr. Birdsell

1. CALL TO ORDER:

OPEN Session of the Board of Directors of the Mendocino Coast Health Care District convened at 6:00 p.m. in the Redwoods Room, Ms. Kitty Bruning presiding.

2. ROLL CALL:

PRESENT: Dr. Glusker, Mr. Hogan, Ms. Bruning, Dr. Rohr (via videoconference)
Board Members

BOARD MEMBERS ABSENT: Mr. Birdsell

ALSO PRESENT:

Mr. John Ruprecht, Legal Counsel
Mr. Bob Edwards, Chief Executive Officer
Mr. Wade Sturgeon, Chief Financial Officer
Ms. Gayl Moon, Executive Assistant

3. CLOSED SESSION MATTERS:

The Board of Directors reviewed the following items in closed session:

1. **INFORMATION:** Medical Staff Credentials and Privileges Report
 - There was no report.
2. **INFORMATION/ACTION:** April Quality Management and Improvement Council Report
 - The Board approved the April Quality Management and Improvement Council Report
3. **INFORMATION/ACTION:** Real Property negotiations for Mendocino Coast Medical Plaza, LLC
 - The Board is requiring further information.
4. **INFORMATION/ACTION:** Contract for Dr. Kevin Miller
 - The Board approved the contract for Dr. Kevin Miller.
5. **INFORMATION/ACTION:** Contract for Carson City Nephrology, LLC, Dr. Michael Murphy
 - The Board approved the contract for Carson City Nephrology, LLC, Dr. Michael Murphy
6. **INFORMATION/ACTION:** EmCare/Premier Emergency Physicians of California Medical Group

- This item was tabled.
7. **INFORMATION/ACTION:** Mendocino Emergency Physicians Medical Group, Inc.
- This item was tabled.
4. **PUBLIC COMMENTS:**
- Several staff and community members spoke about having Public Comments put back on the end of the agenda, after the business is conducted. They would like more opportunity to speak. Ms. Bruning stated that she will accept questions from the audience as agenda items are brought up at this meeting.
5. **ACTION: REVIEW OF THE AGENDA**
- To remove “Approval of contract with Nichols, Melberg & Rossetto, Architects & Engineers for preliminary design of Hospital dishwasher replacement” from the agenda.
6. **BOARD COMMENTS:**
- Mr. Hogan stated that people who attended the Board Meetings when he presided, the public was allowed to say their peace, and he was loath to cut people off. Mr. Hogan also stated there are two (2) sets of Roberts Rules of Order. One set is very large (approximately 700 pages). There is a small section in Roberts Rules of Order that applies to Boards and Commissions that have five (5) members. This is a section of Roberts Rules of Order that allows a very simple procedure and gives the chair the authority to run the meeting, it does not require seconds of motions, it does not require the motion to be on the table to have discussion and it is about two (2) pages long. This is the section Mr. Hogan used because it applied to small boards such as the Hospital’s. It is interesting to see the way 2 different people do things.
7. **ACTION: APPROVAL OF CONSENT CALENDAR: MS. KITTY BRUNING, VICE PRESIDENT**
- A. Minutes: Regular Session, March 31, 2016
- B. Minutes: Special Session, March 23, 2016
- C. Policies & Procedures
- Policy Titles***
- Policy and Procedure Development Management and Review
 - User Data Access, Passwords and Authentication
 - Board of Directors Email Policy
- MOTION:*** To approve the Consent Calendar
- Hogan moved
 - Glusker second
 - Motion carried
8. **ACTION: RESOLUTION REGARDING APPLICATION TO REFINANCE OF HOSPITAL DISTRICT BONDS: MR. WADE STURGEON, CFO**
- This resolution would authorize Mr. Sturgeon to sign an application with Cal Mortgage and Cal Mortgage would then give MCDH the authority to work with outside lenders in order to save money by refinancing the current Bonds. Mr. Sturgeon estimates the annual interest savings of about \$65,000.
- MOTION:*** To approve Resolution 2016-1
- Hogan moved
 - Glusker second

- Roll call
 - Ayes: Bruning, Rohr, Hogan, Glusker
 - Noes: None
 - Absent: Birdsell
 - Abstain: None
- Motion carried

9. INFORMATION/ACTION: REVIEW AND APPROVAL OF MEDITRACT CONTRACT: MR. WADE STURGEON, CFO

- Mr. Sturgeon stated MediTract is a highly recommended contract management tool used by many hospitals around the state and country. This is a cloud based system, and MediTract will bring staff onsite to scan our contracts into their system and create the search engine the Hospital wants.
- Mr. Sturgeon recommended approving the contract for five (5) years.
- Dr. Glusker asked who would be responsible if there was a cyber breach. Mr. Sturgeon stated these contracts would not contain any patient data.
- Discussion ensued. MCDH would be responsible in case of a cyber breach.

MOTION: To approve the MediTract Contract as presented

- Hogan moved
- Glusker second
- Roll call
 - Ayes: Glusker, Hogan, Rohr, Bruning
 - Noes: None
 - Absent: Birdsell
 - Abstain: None
- Motion carried

10. INFORMATION/ACTION: APPROVAL OF CONTRACT WITH NICHOLS. MELBERG & ROSSETTO, ARCHITECTS & ENGINEERS FOR PRELIMINARY DESIGN OF HOSPITAL DISHWASHER REPLACEMENT: MS. ELLEN HARDIN

- This item was removed from the agenda.

11. INFORMATION/ACTION: REVIEW AND APPROVAL OF MEDICAL STAFF BYLAWS: DR. JOHN KERMEN

- The Medical Staff Bylaws have been through the Medical Executive Committee several times as well as the Medical Staff Attorney.
- The Bylaws have been voted on and passed by the Medical Staff Committee.

MOTION: To table the Medical Staff Bylaws until the next meeting

- Hogan moved

Mr. Hogan stated he has no objection to the Bylaws, but he received them on Tuesday afternoon and they are 105 pages; he has not had the opportunity to read them in their entirety. He also wants to read the California Medical Association regulations of Medical Staff Bylaws.

Dr. Glusker stated these bylaws are based on the California Hospital Associations regulations, not the California Medical Associations (CMA) regulations. He would like to review a copy of the CMA's Medical Staff Bylaws regulations in order to determine whether he will approve MCDH's Medical Staff Bylaws. Board members with specific issues will put those issues in writing to be submitted to the MEC.

- Rohr second

- Motion carried

11. INFORMATION/ACTION: EMCARE/PREMIER EMERGENCY PHYSICIANS OF CALIFORNIA MEDICAL GROUP: REPORT ON STATUS OF PROPOSED CONTRACT'S NON-CONFIDENTIAL TERMS: MR. WADE STURGEON, CFO & MR. JOHN RUPRECHT

- This issue will be discussed at a Special Board Meeting to take place on May 5th.

MOTION: To table this item

- Birdsell moved
- Bruning second
- Motion carried

12. INFORMATION: CEO REPORT: MR. BOB EDWARDS, CEO

- Oncology started at MCDH ten (10) years ago.
- The Cardiology Echo Lab has been accredited for the third time. Congratulations!
- The Fast Track will begin in the ER Department the second week of May.
- MCDH is expecting another survey, which is called a Validation Survey with Department of Public Health. A committee meets weekly in preparation for this survey.
- Mammography has recently received accreditation.
- Hospital week will take place May 8 thru May 14. The staff will have an Ice Cream Social on May 9th and a Pot Luck on May 12th.
- This is National Lab Professionals Week.
- Dr. Reddy, Orthopedic Surgeon will start on May 2 & Dr. Berna will join the NCFHC staff on July 1st.

13. ACTION/INFORMATION: PLANNING COMMITTEE REPORT: MS. KITTY BRUNING

- Ms. Bruning reported:
 - The Planning Committee received an update on the Prime Project.
 - The Planning Committee would like to ask the Board to postpone any further discussion and research related to a potential Parcel Tax until there is more clarity on other Hospital funding proposals. Mr. Lund (Planning Committee Member) stated the ballot this November is very complicated with several issues to be addressed at that time.
 - The committee received an update on the Strategic Initiatives.

MOTION: To approve the Planning Committee Report

- Glusker moved
- Hogan second
- Motion carried

14. INFORMATION/ACTION: MEDICAL STAFF REPORT: DR. JOHN KERMEN

A. Appointments to Medical Staff-Provisional

1. Praveen Reddy, MD–Department of Surgery-Orthopedics

MOTION: After careful consideration recommend approval of Medical Staff-Provisional for Praveen Reddy, MD

- Hogan moved
- Bruning second
- Motion carried

B. Appointment to Allied Health Professionals Staff

1. Suzanne Hewitt, FNP-Department of Medicine-Emergency Department

MOTION: After careful consideration recommend approval of Reappointment to Allied Health Professionals for Suzanne Hewitt, FNP

- Hogan moved
- Bruning second
- Motion carried

C. Temporary Privileges (AHP-Allied Health Professional)

1. Shelyna Rice, DNP-C Department of Medicine-Allied Health Professional- North Coast Family Health Center (May 6-June 6, 2016)
2. Matthew Tomlin, NP-C-Department of Medicine-Allied Health Professional-North Coast Family Health Center (April 28-May 28, 2016)

MOTION: After careful consideration recommend approval of Temporary Privileges for Shelyna Rice, NP-C: Matthew Tomlin, NP-C

- Hogan moved
- Glusker second
- Motion carried

D. Locum Tenens Coverage

1. Lynette Chevalier-Paris, MD- Department of Medicine-Pediatrics (April 8-April 22, 2016)
2. Lia Heung Lee, MD – Department of Medicine-Pediatrics (May 1-May 19, 2016)
3. Gabriel Larson, MD – Department of Medicine-Pediatrics (May 21-May 28, 2016)

MOTION: After careful consideration recommend approval of Locum Tenens Coverage for Lynette Chevalier-Paris, MD: Lia Heung Lee, MD: Gabriel Larson, MD

- Hogan moved
- Glusker second
- Motion carried

E. Resignation from Medical Staff

1. Peter Glusker, MD –Department of Medicine-Neurology-Effective March 1, 2016

MOTION: After careful consideration recommend approval of Resignation from Medical Staff for Peter Glusker, MD

- Hogan moved
- Rohr second
- Motion carried

15. INFORMATION/ACTION: CHIEF OF PATIENT CARE SERVICES: MS. TERRY MURPHY

- Refer to the attached report as part of these minutes.

16. INFORMATION/ACTION: JPA REPORT: MR. BOB EDWARDS, CEO

- The JPA will not have their annual meeting this year.
- The JPA wants to develop a business plan; each JPA Hospital CEO is to come up with one (1) item to contribute to the business plan.

17. INFORMATION: PLANT SERVICES REPORT: MS. ELLEN HARDIN

- The Pharmacy Project's final closure review with OSHPD is scheduled for June 16.
- Project to put tv's in patients rooms will close out with OSHPD very soon.
- The State of California has adopted some new rules have been issued regarding the 2030 deadline for a new hospital. Under the new rules MCDH may or may not qualify for 4D. In the coming months Ms. Hardin will be exploring this issue.

18. INFORMATION/ACTION: ALYSOUN HUNTLEY FORD FUND DRAW

- The Alysoun Huntley Ford Fund is a Board designated fund left to the Hospital for purposes of funding some respite for caregivers of patients who are dying at home. Each draw request is for up to \$2,000.00.

- There were no requests.

19. ASSOCIATION AND COMMUNITY SERVICE REPORTS: BOARD MEMBERS

- There were no reports.

20. ACTION: FINANCE COMMITTEE REPORT: MR. SEAN HOGAN

- Mr. Hogan reported there was a Budget Meeting at 1:00 pm prior to the 3:00 Finance Committee Meeting. The proposed Budget was reviewed in detail. The Finance Committee will meet on May 10th at 3:00 pm to do a second review of the Operating Budget and also to review the Capital Budget. The hope is to have the Budget final to recommend to the Board.
- The Finance Committee Meeting was cancelled due to lack of a quorum.
- Mr. Hogan reported the District Net Income from Operations for the month of March was \$46,000. The income from Operations YTD was slightly over a million dollars. For the District as a whole, including other non-operating sources of revenue there is a net income of just under \$75,000 with the YTD net income is not quite \$500,000. The Operating Account at the end of March was \$3.5 million, and in the LAIF Fund there is \$3.9 million.

MOTION: To approve the Staff Report

- Glusker moved
- Bruning second
- Motion carried

21. PUBLIC COMMENTS:

- Amy McColley, an MCDH staff member, stated that she is preparing for survey readiness with CMS. What is really important to her is to have the Medical Staff Bylaws passed before they show up, and they are due at any time after March 1st. She also stated that as a community member as she is listening, she feels that the Board is not supporting the Medical Staff. They work as a group the triad leadership, Medical Staff and the Board and that the Board is elected, and then you work and collaborate with those you have elected or hired as a group. The Medical Staff did a great job with these Bylaws, hours and hours, and it upsets her that the Board wants to compare it to another one instead of respecting everyone on the Medical Staff and the MEC. She appreciated the Board stating they received 105 pages and they want to review them, but she doesn't appreciate that the Board wants to go out to another company and compare. She asked the Board to support the Hospital leadership.
- Brenda Ross, PT staff member stated that she recently had a challenge with a policy and procedure, a signed policy and procedure that she was following. The repercussions of this were very upsetting. Her chain of command was kind of limited. She did the best she could in the situation, but it comes back again to when the Hospital has a policy, staff need to be respected that as working professionals are following the policy that has been established, that has been signed and should be respected for their expertise. The staff needs confidence from the Board. She stated things could be a lot easier if there was proper chain of command support and also when there is a challenge of any sort, the staff teams to get the solution as soon as possible because, unfortunately, sometimes a patient can get caught in the center of this. On her own time she makes sure that her patient has every confidence in her. She would also appreciate if "Poor Performance will be Addressed" be removed from the staff cards. Every person associated with this Hospital should have a performance review, not just employees. Not talking about the little people who are nurses or assistants; everyone should be responsible.

- Louise Mariana asked if the ER Physician Group, VEP is still being considered. Ms. Bruning stated that the Board is reviewing contracts with both VEP and Emcare.
- Ellen Hardin stated that a group of staff members went to Colusa on a recruiting trip. She thanked the following staff members for their participation in helping to organize as well the staff who went to Colusa to recruit on site:
 - ❖ Kira Rafanan
 - ❖ Lynne Bradley
 - ❖ Jeannee Christ
 - ❖ Terry Murphy
 - ❖ Amy McColley
 - ❖ Richard Padilla
 - ❖ Emmet O'Connell

The result was possibly recruiting three (3) DI people, a couple of nurses and a couple of others that are still pending.

22. ADJOURN:

The meeting adjourned at 7:10 p.m.

Peter Glusker, MD, Secretary
Board of Directors

Gayl Moon, Secretary to the
Board of Directors

**BOARD OF DIRECTORS
SPECIAL SESSION
FORT BRAGG, CA
TUESDAY, MAY 5, 2016**

1. CALL TO ORDER:

CLOSED Session of the Board of Directors of the Mendocino Coast Health Care District convened at 5:30 p.m. at 700 River Drive, Fort Bragg, CA 95437: President Tom Birdsell presiding

2. ROLL CALL: Bruning, Rohr (via videoconference) Glusker, Birdsell
ABSENT: Hogan

3. CLOSED SESSION:

A. **INFORMATION/ACTION:** EM CARE/ PREMIER EMERGENCY PHYSICIANS OF CALIFORNIA MEDICAL GROUP: Discussion of confidential pricing information [trade secrets] for proposed new Emergency Room service; discussion of medical quality assurance metrics. Health & Safety Code §32106; Civil Code §3426.1.

B. **INFORMATION/ACTION:** MENDOCINO EMERGENCY PHYSICIANS MEDICAL GROUP, INC.: Discussion of confidential pricing information [trade secrets] for proposed Emergency Room service; discussion of medical quality assurance metrics. Health & Safety Code §32106; Civil Code §3426.1.

4. RECONVENTION OF OPEN SESSION:

Report out of Closed Session

1. Information/Action: EmCare/Premier Emergency Physicians of California Medical Group

- Mr. Birdsell reported: the Board of Directors by a 4-0 vote has instructed Administration to enter into a contract with EmCare for Emergency Physician Services effective July 1st.
- Mr. Birdsell asked that the record be corrected to change the EmCare Contract effective date from July 1st to August 1st.

2. Information/Action: Mendocino Emergency Physicians Medical Group, Inc.

- The contract with Mendocino Emergency Physicians Medical Group, Inc. to provide services through July 31st and will expire after that date.

5. COMMENTS FROM THE COMMUNITY

- There were no comments from the community.

6. ADJOURN:

The meeting adjourned at 6:10 p.m.

Mr. Tom Birdsell, President
Board of Directors

ATTEST:

Ms. Kitty Bruning, Vice-President
Board of Directors

These minutes constitute a portion of the official record of the Board and are the written record of the proceedings. Documents distributed to the Board of Directors at the meeting are available for public review except legally privileged or confidential documents.

**ATTMENDOCINO COAST HEALTH CARE DISTRICT
BOARD OF DIRECTORS
SPECIAL SESSION
FORT BRAGG, CA
TUESDAY, JUNE 21, 2016**

1. CALL TO ORDER:

CLOSED Session of the Board of Directors of the Mendocino Coast Health Care District convened at 5:00 p.m. at 700 River Drive, Fort Bragg, CA 95437: President Tom Birdsell presiding

2. ROLL CALL: Bruning, Glusker, Hogan

ABSENT: Birdsell, Rohr

3. CLOSED SESSION:

A. **INFORMATION/ACTION:** To review and approve Professional Services Agreement extension for John Rochat, M. D. Contract Government Code §54954.5 & 54957

B. **INFORMATION/ACTION:** To review and approve Chief of Staff Professional Services Agreement extension for John Kermen, DO Contract Government Code §54954.5 & 54957

C. **INFORMATION/ACTION:** Pursuant to Government Code Section §54957, personnel session with Hospital CEO to evaluate performance

4. RECONVENTION OF OPEN SESSION:

5. ROLL CALL: Glusker, Birdsell, Bruning, Hogan

ABSENT: Rohr

REPORT OUT OF CLOSED SESSION:

A. **INFORMATION/ACTION:** Professional Services Agreement extension for John Rochat, MD

- The Board approved the Professional Services Agreement extension for John Rochat, MD

B. **INFORMATION/ACTION:** Chief of Staff Professional Services Agreement extension for John Kermen, DO

- The Board approved the Chief of Staff Professional Services Agreement extension for John Kermen, DO

C. **INFORMATION/ACTION:** CEO Personnel Session

- The Board approved the CEO's annual evaluation

OPEN SESSION ITEMS:

1.

6. COMMENTS FROM THE COMMUNITY

- Brenda Ross expressed concerns about the Hospital possibly closing the OB Department.

7. ADJOURN:

The meeting adjourned at 6:10 p.m.

Mr. Tom Birdsell, President
Board of Directors

ATTEST:

Ms. Kitty Bruning, Vice-President
Board of Directors

These minutes constitute a portion of the official record of the Board and are the written record of the proceedings. Documents distributed to the Board of Directors at the meeting are available for public review except legally privileged or confidential documents.

**BOARD OF DIRECTORS MEETING
HOSPITAL REDWOODS ROOM
THURSDAY, MAY 26, 2016
MINUTES**

The Board of Directors of the Mendocino Coast Health Care District met in CLOSED session at 5:00 pm in the Hospital Redwoods Room, Tom Birdsell presiding.

PRESENT: Mr. Birdsell, Dr. Glusker, Mr. Hogan, Dr. Rohr, Ms. Bruning

Mr. John Ruprecht, Legal Counsel
Bob Edwards, Chief Executive Officer
Mr. Wade Sturgeon, Chief Financial Officer
Gayl Moon, Executive Assistant

ABSENT: None

1. CALL TO ORDER:

OPEN Session of the Board of Directors of the Mendocino Coast Health Care District convened at 6:00 p.m. in the Redwoods Room, Mr. Tom Birdsell presiding.

2. ROLL CALL:

PRESENT: Mr. Tom Birdsell, Dr. Peter Glusker, Mr. Sean Hogan, Dr. Kate Rohr, Ms. Kathleen Bruning
Board Members

BOARD MEMBERS ABSENT: None

ALSO PRESENT:

Mr. John Ruprecht, Legal Counsel
Mr. Bob Edwards, Chief Executive Officer
Mr. Wade Sturgeon, Chief Financial Officer
Ms. Gayl Moon, Executive Assistant

3. CLOSED SESSION MATTERS:

The Board of Directors reviewed the following items in closed session:

1. **INFORMATION/ACTION:** May Quality Management and Improvement Council Report
 - The Board approved the May Quality Management and Improvement Council Report with one abstention.
2. **INFORMATION/ACTION:** Medical Staff Credentials and Privileges Report
 - There was no report.
3. **INFORMATION/ACTION:** Joint Conference Meeting Report
 - The Board received an update on the Joint Conference Meeting that took place between, 2 members of Administration, 2 members of the MEC and 2 members of the Board.
4. **INFORMATION/ACTION:** Report on CEO Personnel Session
 - The Board will review some broader information that wasn't available to everybody, in particular, the original objectives that were assigned to the CEO.

The Board will reconvene Closed Session after Open Session.

- Mr. Birdsell stated that he is aware that the OB Department is a major concern and issue. It has been discussed at both the Planning & Finance Committee meetings.
- The Hospital will host a special open session meeting devoted to getting public input. The meeting will take place at Town Hall or the Cotton Auditorium. This meeting will be advertised via the paper and the radio.
- The Board is relying on Beta Healthcare to conduct some additional studies with regards to the OB Department. That study will be concluded toward the end of July, but the Board would like the open session meeting with the community to take place in June if at all possible.
- OB is imbedded within the Planning Committee Report which is scheduled towards the end of the meeting. Mr. Birdsell suggested having the Planning Committee Report moved to the top of the agenda; after that report then they can have public comments.

MOTION: To move the Planning Committee Report to the top of the agenda to allow for further discussion about the situation with the OB Department, to follow Report on Closed Session matters and before Public Comments.

- Rohr moved
- Glusker second
- Roll call
 - Ayes: Hogan, Glusker, Bruning, Birdsell, Rohr
- Motion carried

4. ACTION/INFORMATION: PLANNING COMMITTEE REPORT: MS. KITTY BRUNING

- **Request for OB Research**
- Ms. Bruning reported that the Planning Committee met on Tuesday, May 17 and discussed the OB Department. She stated the Planning Committee meets Tuesday the week before the Board Meeting and encouraged the public to attend these meetings in order to express their views and engage in dialogue with the committee and Board members.
- Terry Murphy, Chief of Patient Care gave a presentation. Following is the information presented by Ms. Murphy:
 - ❖ The considerations to be made are three fold:
 1. Staffing the department
 2. Operating costs
 3. Clinical risk
 - ❖ There is a high level of fixed members of staffing levels required due to the medical complexities of OB. 9 1/2 fte's are required, 2 full time physicians. Only 4 of the fte's are on staff permanently; the rest have to be filled with travelers through registry which is very costly, and getting them to come to MCDH is a challenge. OB Nurses tend to be very specialized and due to the small OB Department at MCDH, those nurses need to be cross trained in all areas.
 - ❖ Other hospitals that have eliminated OB have trained ER Physicians as back-up.
 - ❖ If the OB Department were to be closed, there would be a 3 month lead time in order for the expectant mothers to make other arrangements.
 - ❖ OB Departments need 30 to 60 births per month to keep the staff current to enable them to maintain their level of technical skill. MCDH is currently on track to do have less than 100 births the entire year.
 - ❖ Ms. Murphy made a presentation to the Board in 2013 regarding this issue, and the Board decided to keep OB open at that time. One of the key factors then was that the Hospital is required to maintain patient average days of less than 4 days and

OB helps bring that average down. The Hospital is presently running below 4 days per patient without the OB Department, so it is no longer necessary to bring that average down.

- ❖ Twenty percent of Critical Access Hospitals in California are operating OB Departments while 80% don't.
- ❖ The equipment is very expensive and much of the equipment is in need of repair and /or replacement.
- ❖ The committee wants have Hospital staff provide additional information to help support any decision that is made and recommend to the Board. The committee also wants the public to become actively involved in this issue. They also would like more information regarding experience of other hospitals that have closed their OB Departments and what has been their experience in terms of numbers of births that they have had in the ER. The committee also requested other alternatives to closing OB that would help mitigate the loss, such as adding GYN Services.
- ❖ Dr. Glusker stated the question is not whether or not to have OB; the question should be how can we make OB continue and solve the problems that need to be solved.
- ❖ The committee is awaiting this additional information before making a recommendation to the Board.

MOTION: To accept the Planning Committee Report

- Glusker moved
- Hogan second
- Motion carried

MOTION: The Planning Committee recommends that the Board consider having staff develop a metrics in order to get these questions answered. The questions being, staffing, locum tenens for Pediatrics OB/GYN coverage and clinical risks

- Birdsell moved
- Hogan second
- Motion carried

5. PUBLIC COMMENTS

- Several community members and staff members made statements supporting keeping the OB Department open.

6. REVIEW OF THE AGENDA

- There were no changes to the agenda.

7. BOARD COMMENTS:

- Dr. Glusker asked about the mediation status. Mr. Birdsell stated that was reported on in Closed Session, but it can be added to a Closed Session agenda.

8. ACTION: APPROVAL OF CONSENT CALENDAR: MR. SEAN HOGAN, PRESIDENT

- A. Minutes: Regular Session, April 28, 2016
- B. Minutes: Special Board Session, May 5, 2016
- C. Minutes: Special Board Session, May 10, 2016
- D. Policies & Procedures

Policy Titles

- Patient and Visitor Complaints/Grievances
- Business Associates Agreements
- Quality Review Report Form

- ✓ Dr. Glusker requested the “Quality Review Report Form” policy be pulled from the agenda. He requested the Board be included as an element in the elements listed on that form as well as various other places throughout the policy where the Board needs to be added.
- ✓ Mr. Hogan requested the “Patient and Visitor Complaints/Grievances” policy be pulled from the agenda. He feels the way it reads that a visitor cannot file a grievance.

MOTION: To approve the Consent Calendar with the removal of Policies “Patient and Visitor Complaints/Grievances” & “Quality Review Report Form”

- Bruning moved
- Glusker second
- Motion carried

9. INFORMATION/ACTION: REVIEW AND APPROVAL OF MEDICAL STAFF BYLAWS: DR. JOHN KERMEN

- Dr. Kermen stated these Bylaws were presented to the Board last month, but the Board requested more time to approve them as it is a lengthy document. Dr. Kermen requested Board members submit any suggested changes to him in writing and stated the Bylaws would be put on this agenda. Dr. Kermen did not receive any suggested changes from any Board member during the last month.
- Dr. Glusker handed Dr. Kermen his suggested changes at the meeting. Dr. Kermen will take the suggested changes back to the MEC.

MOTION: To table this item until the June meeting.

- Hogan moved
- Rohr second
- Motion carried

10. INFORMATION/ACTION: BOARD IN-SERVICE WITH MR. DENNIS STRUM: MR. TOM BIRDSELL/ELLEN HARDIN

- Mr. Birdsell stated that this Board is quite divided and he would like to see them begin to work together and learn from one another in order to be an effective governing body. Mr. Birdsell asked HR to recommend someone who could help educate/strengthen the Board of Directors.
- Ellen Hardin recommended Mr. Dennis Strum. Mr. Strum has spent 39 years in the healthcare business as a private consultant. Ms. Hardin listed his credentials as well as some of his clients. Ms. Hardin suggested the Board begin with in-service education on governance in order to determine the role of the Board, the Medical Staff and the Administration.
- Ms. Hardin and Mr. Birdsell will work together and develop a proposal to be presented to the Board.
- Discussion ensued.
- Brenda Ross stated that the Board needs to tell the public what this will cost the Hospital when the proposal is complete. She doesn't feel the Board needs to spend money on a consultant; they just need to get along with each other and start treating staff with consideration.
- Ms. Hardin stated that when the proposal is complete, the proposal and the cost will be presented at a Board Meeting in Open Session.

11. INFORMATION/ACTION: MENDOCINO COAST CLINICS OB/GYN CONTRACT EXTENSION: MR. WADE STURGEON, CFO

- This contract expires May 31, 2016. Mr. Sturgeon will work on a new agreement.
MOTION: To extend the Mendocino Coast Clinics OB/GYN Contract for one (1) year
- Rohr moved
- Glusker second
- Roll call
 - Ayes: Hogan, Birdsell, Bruning, Rohr, Glusker
 - Noes: None
 - Absent: None
 - Abstain: None
- Motion carried

12. INFORMATION/ACTION: MENDOCINO COAST CLINICS PEDIATRICS CONTRACT EXTENSION: MR. WADE STURGEON, CFO

- This contract expires May 31, 2016. Mr. Sturgeon will work on a new agreement.
MOTION: To extend the Mendocino Coast Clinics Pediatrics Contract for one (1) year
- Rohr moved
- Glusker second
- Roll call
 - Ayes: Birdsell, Hogan, Glusker, Bruning, Rohr
 - Noes: None
 - Absent: None
 - Abstain: None
- Motion carried

13. INFORMATION/ACTION: RETENTION OF BOND COUNSEL NORTON, ROSE & FULBRIGHT: MR. WADE STURGEON, CFO

- Mr. Sturgeon presented an agreement request to retain Norton, Rose Fulbright and Associates. They are a bond counsel firm which will assist in the refinancing of the Hospital's bonds, which Cal Mortgage has approved. They will be paid out of the proceeds from the bonds.
- Mr. Ruprecht has reviewed the agreement and suggested a couple of changes which are as follows:
 - The two (2) page engagement agreement has an addendum which is incorporated into the agreement. The biggest issue Mr. Ruprecht has is that if the bonds were not issued and either the district terminated the law firm or the law firm quit, they would be entitled to fee probably on an hourly basis. He wants to clarify that if for any reason the contract does get terminated and they already worked on it, what their hourly rate is.
 - The other issue is. This is an \$80,000 fee which includes both refinance of our existing bonds, and if the district has a new money bond within ninety (90) days of the issuance of the refinancing, the district could get those for \$80,000. If the district does not do the new money bond within the ninety (90) days then the district does not get the benefit of the \$80,000 cap. The district needs to know what they would charge for doing work for a new bond issue.
- Mr. Ruprecht recommended approval subject to Mr. Ruprecht and Mr. Sturgeon clarifying the above mentioned issues.

MOTION: To approve the Retention of Bond Counsel Norton, Rose & Fulbright subject to Mr. Ruprecht and Mr. Sturgeon clarifying the above mentioned issues

- Hogan moved
- Bruning second
- Roll call

- Ayes: Birdsell, Bruning, Rohr, Hogan, Glusker
- Noes: None
- Absent: None
- Abstain: None
- Motion carried

14. INFORMATION/ACTION: TASK FORCE TO EXPLORE HOSPITAL FEE/HOSPITAL STRUCTURE: MR. TOM BIRDSSELL, CHAIR

- Mr. Birdsell would like to create an Ad Hoc Committee to explore the Hospital Fee/Hospital Structure which would allow an increase in reimbursement to the Hospital by possibly an additional \$3 million.
- He asked the Planning & Finance Committee Chairs, Board members and audience members to contact him with anyone they would like to recommend be a member of this Ad Hoc Committee.

15. INFORMATION/ACTION: CAL MORTGAGE LOAN APPLICATION AND REFINANCING: MR. WADE STURGEON, CFO

- Cal Mortgage has approved the Hospital's loan application and they will back the refinancing of the current debt for a net savings or approximately \$65,000.

16. INFORMATION: CEO REPORT: MR. BOB EDWARDS, CEO

- Mr. Edwards reported:
 - ✓ The Hospital has been approved to participate in the Prime Project through the State of California, which helps fund cancer screening for patients.
 - ✓ Fast Track has begun in the ER.
 - ✓ The Hematology/Oncology program has record numbers of patients being treated.
 - ✓ The OR has been seeing a lot of patients.
 - ✓ Dr. Reddy, Orthopedic Surgeon started about three (3) weeks ago. Welcome Dr. Reddy!
 - ✓ National Hospital Week, which was the beginning of May, was a big success.

17. INFORMATION/ACTION: MEDICAL STAFF REPORT: DR. JOHN KERMEN

A. Appointment to Medical Staff-Provisional

1. Nivedita Lakhera, MD –Department of Medicine-Hospitalist Service

MOTION: After careful consideration recommend approval of Appointment to Medical Staff-Provisional for Nivedita Lakhera, MD

- Rohr moved
- Bruning second
- Motion carried

B. Appointment to Allied Health Professionals Staff

1. Thomas Harmon, CRNA –Department of Surgery-Anesthesia

MOTION: After careful consideration recommend approval of Appointment to Allied Health Professionals Staff for Thomas Harmon, CRNA

- Rohr moved
- Bruning second
- Motion carried

C. Temporary Privileges

1. Nivedita Lakhera, MD –Department of Medicine-Hospitalist Service (May 21-May 27, 2016)

MOTION: After careful consideration recommend approval of Temporary Privileges for Nivedita Lakhera, MD

- Bruning moved
- Glusker second
- Motion carried

D. Temporary Privileges (AHP-Allied Health Professional)

1. Matthew Tomlin, NP-C Department of Medicine-Allied Health Professional-North Coast Family Health Center (May 28-June 28, 2016)
2. Victoria Stadnyk, DNP-C Department of Medicine-Allied Health Professional-North Coast Family Health Center (May 28-June 28, 2016)

MOTION: After careful consideration recommend approval of Temporary Privileges (AHP-Allied Health Professionals) for Matthew Tomlin, NP-C; Victoria Stadnyk, DNP-C

- Bruning moved
- Glusker second
- Motion carried

E. Locum Tenens Coverage

1. Lynette Chevalier-Paris, MD –Department of Medicine-Pediatrics (May 31-June 6, 2016)
2. Lai Heung Lee, MD- Department of Medicine-Pediatrics (June 10-June 20, 2016)
3. Albert Lu, MD –Department of Medicine-Radiology (May 1-May 8, 2016)

MOTION: After careful consideration recommend approval of Locum Tenens Coverage for Lynette Chevalier-Paris, MD; Lai Heung Lee, MD; Albert Lu, MD

- Hogan moved
- Rohr second
- Motion carried

F. Re-Appointments to Medical Staff

1. John Kermen, DO –Department of Surgery-Anesthesia
2. Michael Murphy, MD –Department of Medicine-Nephrology
3. Russell Perry, MD –Department of Medicine-Radiology
4. Hong Luo, MD –Department of Surgery-Pathology
5. Steve Mertens, MD –Department of Surgery-Pathology

MOTION: After careful consideration recommend approval of Re-Appointments to Medical Staff for John Kermen, DO; Michael Murphy, MD; Russell Perry, MD; Hong Lou, MD; Steve Mertens, MD

- Hogan moved
- Bruning second
- Motion carried

G. Reappointment to Allied Health Professional Staff

1. Phil Conwell, CRNA –Department of Surgery-Anesthesia
2. Tracy Riddle, CRNA –Department of Surgery-Anesthesia

MOTION: After careful consideration recommend approval of Re-Appointments to Allied Health Professionals for Phil Conwell, CRNA; Tracy Riddle, CRNA

- Hogan moved
- Rohr second
- Motion carried

H. Release from Provisional Status/Advance to Active Status

1. Jason Pope, MD –Department of Surgery-Interventional Pain Management
2. Michael Yang, MD -Department of Surgery-Interventional Pain Management

MOTION: After careful consideration recommend approval of Release from Provisional Status/Advance to Active Status for Jason Pope, MD; Michael Yang, MS

- Hogan moved
- Bruning second
- Motion carried

18. **INFORMATION/ACTION: CHIEF OF PATIENT CARE SERVICES: MS. TERRY MURPHY**

- Refer to the attached report as part of these minutes.

19. **INFORMATION/ACTION: JPA REPORT: MR. TOM BIRDSSELL, CHAIR**

- The CEOs will meet on June 6th in Healdsburg to build a Business Plan for the JPA.
- There will not be an annual conference this year.

20. **INFORMATION: PLANT SERVICES REPORT: MS. ELLEN HARDIN**

- On track to close the Pharmacy Project on June 16.
- OSHPD approved the OR HVAC Project.
- The TV Project is awaiting over the counter closure.
- Nurse Call project has gone on so long; the code has changed and needs a different kind of nurse call system during construction.

21. **INFORMATION/ACTION: ALYSOUN HUNTLEY FORD FUND DRAW**

- The Alysoun Huntley Ford Fund is a Board designated fund left to the Hospital for purposes of funding some respite for caregivers of patients who are dying at home. Each draw request is for up to \$2,000.00.
- The Board received one (1) request for \$93.50

MOTION: To approve one (1) draw for \$93.50

- Hogan moved
- Glusker second
- Motion carried

22. **ASSOCIATION AND COMMUNITY SERVICE REPORTS: BOARD MEMBERS**

- There were no reports.

23. **ACTION:** Finance Committee Report: Mr. Sean Hogan

- Mr. Sturgeon reported:
- The Finance Committee approved the Budget to be presented to the Board with the caveat that the Board needs to address OB in some manner.

April Consolidated Highlights

- Net Income from Operations was a loss of (\$75,102)
 - o YTD Income from Operations \$939,694
- Net Income from All Sources was a loss of (\$17,542)
 - o YTD Income \$1,469,190
- Bond Covenants
 - o Days Cash On Hand is within the covenant at 45.13
 - o Debt Service Coverage Ratio is within covenant at 3.28
 - o Current Ratio is within covenant at 1.22

MOTION: To approve the Finance and Statistical Report for April 2016

- Glusker moved

- Rohr second
- Motion carried

Mr. Birdsell allowed for Public Comments even though they were not on the agenda.

- Lois Leister and Dr. Bellah both expressed what a great job Bob Edwards does.

24. ADJOURN:

Open Session adjourned at 7:50 p.m.

Reconvened Closed Session at 8:00 p.m.

A. Reporting out of Closed Session

1. **INFORMATION/ACTION:** Real Property negotiations for Mendocino Coast Medical Plaza, LLC
 - The Board authorized management to continue negotiations on a rental agreement for Coast Medical Plaza, LLC.
2. **INFORMATION/ACTION:** Lucas Campos, MD Agreement
 - The Board authorized management to ask Dr. Pope and Dr. Yang to modify their proposal and present an alternate proposal at the next Board Meeting.
3. **INFORMATION/ACTION:** Pathology Services Contract
 - The Board authorized management to negotiate with other Pathology Services and to approve an extension for the current contract as well as try to renegotiate the current contract.
4. **INFORMATION/ACTION:** John Kermen, DO Chief of Staff Contract extension
 - This item was tabled until the June Board Meeting.
5. **INFORMATION/ACTION:** Union Negotiations
 - The Board directed the negotiation team to proceed with the negotiations within the parameters of what the Board felt comfortable with.

Meeting adjourned at 10:45 p.m.

Peter Glusker, MD, Secretary
Board of Directors

Gayl Moon, Secretary to the
Board of Directors

**MENDOCINO COAST HEALTH CARE DISTRICT
BOARD OF DIRECTORS
SPECIAL SESSION
FORT BRAGG, CA
TUESDAY, JUNE 21, 2016**

1. CALL TO ORDER:

CLOSED Session of the Board of Directors of the Mendocino Coast Health Care District convened at 5:00 p.m. at 700 River Drive, Fort Bragg, CA 95437: President Tom Birdsell presiding

2. ROLL CALL: Bruning, Glusker, Hogan

ABSENT: Birdsell, Rohr

3. CLOSED SESSION:

A. **INFORMATION/ACTION:** To review and approve Professional Services Agreement extension for John Rochat, M. D. Contract Government Code §54954.5 & 54957

B. **INFORMATION/ACTION:** To review and approve Chief of Staff Professional Services Agreement extension for John Kermen, DO Contract Government Code §54954.5 & 54957

C. **INFORMATION/ACTION:** Pursuant to Government Code Section §54957, personnel session with Hospital CEO to evaluate performance

4. RECONVENTION OF OPEN SESSION:

5. ROLL CALL: Glusker, Birdsell, Bruning, Hogan

ABSENT: Rohr

Mr. Birdsell requested adding Public and Board Comments to the beginning of the meeting and the close of the meeting.

MOTION: To add Public and Board Comments to the beginning of the meeting and the close of the meeting

- Hogan moved
- Bruning second
- Roll call
 - Ayes: Bruning, Glusker, Birdsell, Hogan
 - Noes: None
 - Absent: Rohr
 - Abstain: None
- Motion carried

PUBLIC COMMENTS:

- There were no public comments.

BOARD COMMENTS:

- Dr. Glusker expressed his frustration with requests for information from Mr. Wade Sturgeon. He stated that Mr. Sturgeon declines to provide him the information because the Board has not voted on it. Dr. Glusker was referring to the numbers underpinning the OB Budget that was presented to the Board. He stated that he asked 4 times for the numbers that make up that budget, and he has refused. He requested the Mr. Sturgeon's assistance in public, because his prior requests have not succeeded.
- Mr. Birdsell stated that there are issues and lots of times there are issues on both sides of the table. Mr. Birdsell stated that he personally received a lot of complaints and he has decided to put an agenda item on the June 30 Board Meeting so the Board can have an open discussion on that matter.

- Dr. Glusker stated the numbers are supposed to be publicly available and he was perplexed as to why they are not available. Dr. Glusker spoke to Kaye Handley prior to the meeting and relayed a message from her as she was unable to attend the meeting. Kay Handley's message stated that having a public forum to discuss OB prior to having an ad hoc committee investigating the various possible solutions and problems may create more problems than having more answers than no answers. Dr. Glusker stated that he would like to have a data available to the numbers; it should be publicly available as it's a public institution.
- Mr. Birdsell stated that being a professional accountant he knows how difficult it can be to obtain information, especially in a hospital environment with accounting systems. It would be easier when there is a huge staff and computer systems that are especially designed to slice and dice charges and cross charges. Unfortunately, this hospital does not have that capability. Mr. Birdsell understands from Mr. Sturgeon that he has given his best effort to provide Dr. Glusker information in an understandable format. Mr. Birdsell reiterated that he will put this as an item on the June 30 Board agenda.

REPORT OUT OF CLOSED SESSION:

- A. **INFORMATION/ACTION:** Professional Services Agreement extension for John Rochat, MD
- The Board approved the Professional Services Agreement extension for John Rochat, MD
- B. **INFORMATION/ACTION:** Chief of Staff Professional Services Agreement extension for John Kermen, DO
- The Board approved the Chief of Staff Professional Services Agreement extension for John Kermen, DO
- C. **INFORMATION/ACTION:** CEO Personnel Session
- The Board reviewed and approved the CEO's personnel evaluation
- Mr. Birdsell introduced Dr. Reddy, the new Orthopedic Surgeon who was attending the meeting.

OPEN SESSION ITEMS:

1. **INFORMATION/ACTION:** 2017 Operating Budget: Mr. Wade Sturgeon, CFO
- Mr. Sturgeon presented the 2017 Operating Budget which was approved by the Finance Committee to be brought to the Board for consideration of approval. Mr. Sturgeon requested Board approval.
- MOTION:** To approve the 2017 Budget as set forth in draft 3 dated 5/24/16 showing total charges of \$107 million; Net Revenue of \$1.3 million; Total Operating Revenue of \$54 million; Operating Expenses of \$55 million with a net loss from operations of (\$926,682.00) and the associated Cash Flow which shows that this Budget is a basically neutral cash flow with a Net Cash Flow Budget of \$38,000
- Hogan moved
 - Bruning second
 - This motion includes the OB Department. Mr. Sturgeon stated this is a conservative budget and the numbers could change. For instance the estimates for Orthopedic Surgery were based off some historical information from when Dr. Rohr was still providing practice here and is also based off estimates from the Strategic Plan.
Mr. Hogan stated the Finance Committee accepted the Budget with the Budget with OB with the caveat that quick and firm ensures be undertaken to find a way to negate that loss by the end of this calendar year. The committee would like to look into other revenues; providing other services. They also expressed frustration regarding budgeting a loss.
Discussion ensued.
- Roll call
- Ayes: Hogan, Bruning, Birdsell
- Noes: None
- Absent: Rohr
- Abstain: Glusker

- Motion carried

2. **INFORMATION/ACTION:** 2017 Capital Budget: Mr. Wade Sturgeon, CFO

- Mr. Sturgeon presented the 2017 Capital Budget.
- Discussion ensued.

MOTION: To approve the 2017 Capital Budget draft v2 with the understanding that this is a budget, not an authorization to expend the funds; before the funds are expended the staff will present the Board with a request for authorization

- Hogan moved
- Glusker second
- Discussion ensued.
- Roll call
 - Ayes: Hogan, Birdsell, Bruning, Glusker
 - Noes: None
 - Absent: Rohr
 - Abstain: None
- Motion carried

3. **INFORMATION/ACTION:** Renewal of Property Insurance Coverage: Mr. Wade Sturgeon, CFO

MOTION: To approve the Renewal of Property Insurance Coverage

- Bruning moved
- Glusker second
- Roll call
 - Ayes: Bruning, Hogan, Glusker, Birdsell
 - Noes: None
 - Absent: Rohr
 - Abstain: None
- Motion carried

4. **INFORMATION/ACTION:** Renewal of Professional Liability Insurance Coverage: Mr. Wade Sturgeon, CFO

MOTION: To approve the Renewal of Professional Liability Insurance Coverage

- Hogan moved
- Glusker second
- Roll call
 - Ayes: Bruning, Hogan, Glusker, Birdsell
 - Noes: None
 - Absent: Rohr
 - Abstain: None
- Motion carried

5. **INFORMATION/ACTION:** Renewal of Workers Compensation Insurance: Ms. Ellen Hardin

- This renewal will reduce the monthly payments from \$80,000 to \$76,000.

MOTION: To approve Renewal of Workers Compensation Insurance

- Glusker moved
- Hogan second
- Roll call
 - Ayes: Bruning, Hogan, Glusker, Birdsell

- Noes: None
- Absent: Rohr
- Abstain: None
- Motion carried

6. COMMENTS FROM THE COMMUNITY

- Dr. Kermen thanked the Board on behalf of the Medical Staff for doing the CEO's evaluation by a majority vote, supporting him in maintaining a leadership role in the Hospital.

7. COMMENTS FROM THE BOARD OF DIRECTORS

8. ADJOURN:

The meeting adjourned at 6:10 p.m.

Mr. Tom Birdsell, President
Board of Directors

ATTEST:

Ms. Kitty Bruning, Vice-President
Board of Directors

These minutes constitute a portion of the official record of the Board and are the written record of the proceedings. Documents distributed to the Board of Directors at the meeting are available for public review except legally privileged or confidential documents.

**BOARD OF DIRECTORS MEETING
HOSPITAL REDWOODS ROOM
THURSDAY, JUNE 30, 2016
MINUTES**

The Board of Directors of the Mendocino Coast Health Care District met in CLOSED session at 5:00 pm in the Hospital Redwoods Room, Tom Birdsell presiding.

PRESENT: Mr. Birdsell, Dr. Glusker, Mr. Hogan, Ms. Bruning

Mr. John Ruprecht, Legal Counsel
Bob Edwards, Chief Executive Officer
Mr. Wade Sturgeon, Chief Financial Officer
Gayl Moon, Executive Assistant

ABSENT: None

1. CALL TO ORDER:

OPEN Session of the Board of Directors of the Mendocino Coast Health Care District convened at 6:00 p.m. in the Redwoods Room, Mr. Tom Birdsell presiding.

2. ROLL CALL:

PRESENT: Mr. Tom Birdsell, Dr. Peter Glusker, Mr. Sean Hogan, Ms. Kathleen Bruning
Board Members

BOARD MEMBERS ABSENT: None

ALSO PRESENT:

Mr. John Ruprecht, Legal Counsel
Mr. Bob Edwards, Chief Executive Officer
Mr. Wade Sturgeon, Chief Financial Officer
Ms. Gayl Moon, Executive Assistant

3. CLOSED SESSION MATTERS:

The Board of Directors reviewed the following items in closed session:

1. **INFORMATION/ACTION:** June Quality Management and Improvement Council Report
 - The Board approved the June Quality Management and Improvement Council Report with one abstention.
2. **INFORMATION/ACTION:** Medical Staff Credentials and Privileges Report
 - There was no report.
3. **INFORMATION/ACTION:** Lucas Campos, MD Agreement
 - The Board approved the Agreement for Lucas Campos, MD
4. **INFORMATION/ACTION:** Union Negotiations
 - This will be discussed when the Board reconvenes Closed Session after Open Session.
5. **INFORMATION/ACTION:** Real Property Negotiations for Mendocino Coast Medical Plaza, LLC
 - The Board approved the lease for North Coast Family Health Center
6. **INFORMATION/ACTION:** Conference with District Legal Counsel
 - The Board received a report on the Brown Act and confidentiality matters from Legal

Counsel.

4. PUBLIC COMMENTS

- There were no Public Comments.

5. REVIEW OF THE AGENDA

- There were no changes to the agenda.

6. BOARD COMMENTS

- Mr. Birdsell reminded everyone that a Community Meeting to discuss the OB Department will take place on Tuesday, July 12 at the Cotton Auditorium from 6:00 to 8:00 pm.

7. ACTION: APPROVAL OF CONSENT CALENDAR: MR. TOM BIRDSELL, PRESIDENT

A. Minutes: Regular Session, May 26, 2016

MOTION: To approve the Consent Calendar

- Hogan moved
- Bruning second
- Motion carried

8. INFORMATION/ACTION: RESIGNATION/DR. ROHR: MR. TOM BIRDSELL, CHAIR

- Mr. Birdsell reported that Dr. Rohr has resigned her MCDH Board Seat with the effective date being June 24. Mr. Birdsell thanked Dr. Rohr for serving on the Board.

MOTION: To accept the resignation from the MCDH Board of Directors of Dr. Rohr

- Glusker moved
- Hogan second
- Roll call
 - Ayes: Hogan, Bruning, Glusker, Birdsell
 - Noes: None
 - Absent: None
 - Abstain: None
- Motion carried

9. INFORMATION/ACTION: INTERIM BOARD APPOINTMENT: MR. TOM BIRDSELL, PRESIDENT

- Mr. Birdsell stated that in order to replace/appoint a new Board Member:
 - There needs to be sufficient notification period, which is thirty (30) days. That process will be started immediately.
 - Those interested in serving on the Board will serve from the time they are selected until the election takes place in November 2016.
 - Mr. Ruprecht stated that since Dr. Rohr resigned in the first half of her term, the Board has three (3) options:
 1. The Board can appoint a new member who would serve until the next general election in November 2016
 2. The Board can call a Special Election
 3. If the Board does nothing in the next sixty (60) days, the Board of Supervisors will appoint a member to the Board
 - The Board can also call a Special Election and have it coincide with the next General Election which would leave the seat vacant until the next General Election.
 - The vacancy needs to be posted in three (3) or more conspicuous places within the District at least fifteen (15) days before an appointment is made; however the policy states that the District needs to be open to accept applications of those interested in

serving on the Board on an interim basis for a thirty (30) day period.

➤ Mr. Birdsell read from Policy #116 which states the following:

1. *If the Board chooses to appoint the replacement, a posted notice will provide information that applications will be accepted by the Hospital for thirty (30) days from the date of notice. Applicants will be required to submit a letter of application and a brief resume of the relevant background and experience to the President of the Board of Directors.*
2. *At the conclusion of the thirty (30) day application period, each Board member will be provided with the packet of information received from the applicants.*
3. *A Special Board Meeting will be scheduled which will be open to the public to which all candidates will be invited to attend. The purpose of this Special Board Meeting will be to interview all candidates for the appointment to the MCDH Board of Directors.*
4. *The applicant(s) will be notified in writing no less than seven (7) days prior to the scheduled date of the place, time and purpose of the Special Board Meeting.*

NOTIFICATION: *The applicants will be told that at the Special Meeting they will have two (2) minutes for an opening statement and will be asked questions by the Board Members and will be given an additional two (2) minutes for a closing statement.*

5. *The format for the Special Board Meeting. The Board room will be set up as a normal Board Meeting. The candidates will be seated at a table facing the Board of Directors. Each candidate will be given two (2) minutes for an opening statement. Following the opening statement each candidate will be asked in sequence a series of five (5) questions which will be read out loud by a moderator. Each question will have a time limit of two (2) minutes per answer. The questions asked will not be communicated to the candidates prior to the questioning process. At the conclusion of the five (5) questions, each candidate will be given an additional two (2) minutes for a closing statement. The candidates will not be questioned by the community audience.*

❖ *The procedure has two (2) options for the Board to consider.*

✓ **Option 6:**

The Board President will call for a motion for the appointment of a new Interim Board Member. That motion will be seconded, discussion would ensue, and a vote would occur.

✓ **Option 7:**

This option is a ranking system. If there are three (3) candidates, the Board would rank their individual preferences 1, 2 & 3, and through a scoring mechanism those rankings would be accumulated and the candidate with the highest score would join the Board. The Board President would make a motion on behalf of the candidate with the highest score, there will be a second and an approval vote would follow.

Three (3) Board Seats will be available in the November 2016 election. Two (2) would have four (4) year terms and one would be a two (2) year term.

➤ Discussion ensued.

MOTION: The Board to start the process of notification and to go forward with an appointment of an Interim Board of Director Member

- Birdsell moved
- Bruning second
- Roll call

- Ayes: Bruning, Birdsell, Glusker
- Noes: Hogan
- Absent: None
- Abstain: None
- Motion carried

10. INFORMATION/ACTION: REVIEW AND APPROVAL OF MEDICAL STAFF BYLAWS: DR. JOHN KERMEN

- These bylaws have been approved by the Medical Staff and the Medical Staff Attorney.

MOTION: To approve the Medical Staff Bylaws

- Hogan moved
- Bruning second
- Roll call
 - Ayes: Hogan, Bruning, Birdsell
 - Noes: Glusker
 - Absent: None
 - Abstain: None
- Motion carried

11. ACTION: i2i SYSTEMS SOFTWARE: MR. WADE STURGEON, CFO

- The i2i Contract is for a software system for the Prime Project. This will enable MCDH to meet very specific requirements/deadlines for the Prime Project.
- The initial implementation cost is \$147,361, and the annual maintenance fee will be \$26,700.

MOTION: To approve the i2i Systems Software in the amount of \$147,361

- Glusker moved
- Bruning second
- Roll call
 - Ayes: Birdsell, Hogan, Glusker, Bruning
 - Noes: None
 - Absent: None
 - Abstain: None
- Motion carried

12. ACTION: PURCHASE OF ER/ICU MONITOR SYSTEM: MR. WADE STURGEON, CFO

- Mr. Sturgeon stated there is a great need to update the current equipment being used, which is 19 years old.
- The Hospital Foundation has guaranteed the funding of \$250,000 towards this project.
- \$268,001.72 is the target amount. Mr. Sturgeon asked that a 10% contingency be placed above this quote in the event that something is encountered that was not anticipated at the time.
- Mr. Sturgeon is requesting approval of the dollar amount to either go with this contract or another contract.

MOTION: To approve the purchase of the ER/ICU Monitoring System not to exceed \$295,000, which is \$268,000 plus a 10% contingency

- Bruning moved
- Hogan second
- This equipment was listed on the Capital Budget. Dr. Glusker stated he feels this equipment is unnecessary and should be presented to the Planning Committee prior to

going to the Board. Mr. Edwards stated this equipment will provide the Hospital's 8 Emergency Room beds and the 4 ICU beds with instant monitoring. The nurses and physicians feel this equipment is necessary. Discussion ensued.

Mr. Birdsell asked Administration to make a list of all equipment used in the Hospital that has reached the end of life from a manufacturing stand point.

- Roll call
 - Ayes: Hogan, Bruning, Birdsell
 - Noes: Glusker
 - Absent: None
 - Abstain: None
- Motion carried

13. ACTION: APPROVAL OF ALL CAPITAL BUDGET ITEMS: MR. WADE STURGEON, CFO

- Mr. Sturgeon presented the Board with a list of Capital for approval from the approved Capital Budget.
 - ❖ Mini C-Arm from current operating funds not to exceed \$110,000
 - ❖ Items to be purchased from LAIF Funds:
 - ✓ 3 new power exam tables for NCFHC
 - ✓ Install generator at NCFHC
 - ✓ PT equipment
 - ✓ Patient Weight Bed in ICU
 - ✓ New Blood Bank Refrigerator
 - ✓ New high volume printer in Laboratory
 - ✓ Syringe pump replacement for Anesthesiology
 - ✓ New software for Intection Control surveillance
 - ❖ Total request for LAIF Funds is \$94,556 for the above items. Each item is at or below \$20,000.

MOTION: To approve the above listed Capital purchase items in the total amount of \$204,556

- Hogan moved
- Bruning
- Dr. Glusker requested that per Board Policy #607 these items be presented to the Planning Committee prior to Board approval. Mr. Birdsell stated that he was not aware of the Planning Committee ever authorizing the purchase of capital equipment. Mr. Birdsell reported that Board Policy #607 which states any capital purchase over \$500.00 needs to be reviewed by the Planning Committee. This policy is from 1997. Per a request from Dr. Glusker the Bylaws Sub-committee reviewed this policy and referred it to the CFO. The \$500.000 limit no longer conforms to Hospital accounting policy.
- Roll Call
 - Ayes: Bruning, Birdsell, Hogan
 - Noes: Glusker
 - Absent: None
 - Abstain: None
- Motion carried

14. ACTION: BLOOD SOURCE AGREEMENT FOR LABORATORY SERVICES: MR. JOHN RUPRECHT

- This would be a three (3) year contract for supply of blood, plasma and other blood products to the Hospital. In addition to providing lab services that the Hospital might need.
- The contract is renewable annually after the three (3) year period, unless either party terminates upon 120 days notice, or it can be terminated for cause with 30 days prior notice. This contract has the same cost as the prior contract.

MOTION: To approve the agreement with Blood Source

- Glusker moved
- Bruning second
- Roll call
 - Ayes: Birdsell, Bruning, Hogan, Glusker
 - Noes: None
 - Absent: None
 - Abstain: None
- Motion carried

**15. INFORMATION/ACTION: BOARD OF DIRECTORS-ADMINISTRATION-LEGAL
INFORMATION REQUESTS PROCESS: MR. TOM BIRDSSELL, CHAIR**

- Mr. Birdsell has received a number of complaints regarding the need to have a smooth process to make requests. In particular there was a lot of heartache previously with Dr. Rohr and Dr. Glusker making requests. Mr. Birdsell requested this item be put on the agenda in order to smooth things out. Mr. Birdsell stated that he is hesitant to have requests from Board members made to either legal counsel or administration get reviewed by himself. Board members need to be sensitive to the amount of resources being tied up as well as the costs involved when making requests of legal counsel.
- Discussion ensued.

MOTION: Individual Board Members who have a question of any employee, staff member, contracted legal service that they first go through the Chairman of the Board or the CEO

- Bruning moved
- Hogan second
- Mr. Birdsell stated that if there is an issue with an employee or a department, he doesn't think it would be appropriate to go through the Board Chair as he is not that informed on a day to day basis. Mr. Birdsell can review the legal requests that come through, and if there are issues with information requests he would be glad to be a moderator and try to figure out what needs to be done by speaking with all the parties involved.

Dr. Glusker stated that he is uneasy about this motion, because the Board is a separate leg of the three (3) legs that this district operates under. One is the Board, one is the Administration and one is the MEC. Each of these entities has responsibilities and duties to perform. The individual members of the Board, in attempting to perform their duties, have fiduciary responsibility. They may have an issue, and if it ends up being screened by one individual on the Board, and if that individual doesn't agree, then that could impede the responsible exercise of responsibility. How can a system be set up where the individual responsibilities the Board Members are not curtailed by having it filtered it all through one person?

Mr. Birdsell stated that to be effective as a Board, they need to be a team working together in one direction. He feels that when Board members go off in an individual direction, and they have a separate agenda that is not the Board's agenda, it can create major issues. Mr. Birdsell stated to Dr. Glusker that if that comes up it can be addressed in Closed Session at a Board meeting.

Mr. Ruprecht stated that when a Board member makes a request to him, he has to prioritize that request against other (perhaps more important) issues that he is working on for MCDH. He doesn't want Board members angry with him that he doesn't get back to them, but it puts a big burden on him as he has to drop everything and respond within a day or two. He would like to set some parameters where the Board member will have to wait a week for his response. Discussion ensued. Ms. Bruning amended her motion.

MOTION: If a Board Member has a request for general information they go through the CEO first; if there is a legal request for information they go through the CEO as well

- Roll call
 - Ayes: Hogan, Birdsell, Bruning
 - Noes: Glusker
 - Absent: None
 - Abstain: None
- Motion carried

16. INFORMATION/ACTION: OB SUBCOMMITTEE FORMATION: MR. TOM BIRDSSELL, CHAIR

- This group will not be a sub-committee, but a community based group of people interested in helping with solutions for the OB Department. Anyone interested should contact Tom Birdsell.

MOTION: To table the OB Subcommittee formation until the next regular meeting of the Board or such other meeting that the chair may wish to have

- Hogan moved
- Bruning second
- Roll call
 - Ayes: Bruning, Birdsell, Hogan, Glusker
 - Noes: None
 - Absent: None
 - Abstain: None
- Motion carried

17. INFORMATION/ACTION: BOND REFINANCE APPROVAL: MR. WADE STURGEON, CFO

Mr. Sturgeon introduced Joe Crowley & Jeff Tamkin; they have been assisting Wade in putting the bond refinance proposal together. This bond refinance is at a lower interest rate and is estimated to save the District \$1 million over the next thirteen (13) years.

- a. Indenture
- b. Amended and Estimated Regulatory Agreement
- c. Contract of Insurance
- d. Preliminary Official Statement
- e. Continuing Disclosure Certification

MOTION: To approve the Indenture, Amended and Estimated Regulatory Agreement, Contract of Insurance, Preliminary Official Statement, and Continuing Disclosure Certificate, and authorize the CFO and the CEO as necessary to complete this transaction.

Mr. Hogan amended his motion to include approval of Resolution 2016-2

- Hogan moved
- Bruning second
- Dr. Glusker wanted to know the following information:
 - ✓ What is the payment now if the Hospital were to pay off the existing bonds right now and what would it cost if those bonds were taken to maturity?
 - ✓ What would the new bond cost now and similarly what it would cost if those bonds were taken to maturity?
 - ✓ What fees are associated with this transition?
 - ✓ Has Cal Mortgage approved and are they changing their rates?

Joe Crowley stated within the refunding there are three (3) series of bonds.

1. 1996 Revenue Bonds
2. 2010 Revenue Bonds
3. 2009 Revenue Bonds

In the aggregate they are proposing to refund \$6,380,000 amongst those three series. The aggregate debt service through 2029 on all the old outstanding bonds is \$8,630,000. The new debt service to term on the refunding bonds estimated \$7,537,000. On a current value basis that's the million dollars of gross cash flow savings Mr. Sturgeon has discussed. On a present value base if you discount that cash flow, based upon the interest rate of the bonds, the net present value of that cash flow is approximately \$970,000. The cost of issuance includes bond counsel, rating agency for getting the bonds rated, Cal Mortgage carries the general obligation bond rating of the State of California and they will be rated AA-. All the principle and interest payments will be provided or guaranteed by Cal Mortgage. Their fee in the 2009 & 2010 bonds the District issued, the District paid the premium up front to Cal Mortgage in total. The Hospital gets a discount for the refunding attributable to the 2009 & 2010's. The charge is 2.2% of total principle and interest on that portion of the refund. For the 1996 bonds, the Hospital has been paying as you go and Cal Mortgage is charging 3% of total principle and interest is their premium for the insurance. The aggregate is about \$175,000 paid out of bond proceeds that Cal Mortgage will receive to guarantee the principle and interest payments to the bonds. The remaining cost of issuance, which was bond counsel, rating agency Standard & Poor's, trustee, trustee counsel, title insurance, printing for the OS; these costs are estimated to total about \$150,000. The underwriters discount to purchase the bonds from the District so they own them, the proposal to underwrite the bonds based on the interest rates prevailing on the day they are actually in the market, they will buy them from the District and then they will disburse them to institutional and retail investors from there, is 2% of the part on the bonds. A part on the bonds; to refund 6.38 million they will issue 5.68 million to refunding bonds, they will have premium coupons. The current markets would have 3, 4 & 5% coupon bonds; the total yield will be substantially lower than that so there will be about \$1,000,000 in premium so they will have to issue 5.68 million dollars of bonds to refund the 6.8 million.

- Roll call
 - Ayes: Birdsell, Bruning, Hogan, Glusker
 - Noes: None
 - Absent: None
 - Abstain: None
- Motion carried

18. ACTION: AUTHORIZING RESOLUTION: MR. WADE STURGEON, CFO

- Approval of this Authorizing Resolution was included in the Item #17 motion.

19. ACTION: REIMBURSEMENT RESOLUTION: MR. WADE STURGEON, CFO

- Approval of this resolution would allow one or more series of tax-exempt obligations to finance an automatic transfer switch and to transfer the District's generator, an HVAC for the District's surgery department and for other capital improvements (collectively, the "Projects") of the District.
- This is an authorization for the Hospital to pay themselves back on monies they are currently spending if and when they do get the loan.
- Cal Mortgage has given verbal approval for this resolution.

MOTION: To approve the Reimbursement Resolution of the Mendocino Coast Healthcare District declaring its intention to reimburse certain expenditures from the proceeds of one or more tax exempt bond financing as required by the US Department of Treasury Regulation Section 1.150-2

- Bruning moved
- Hogan second
- Roll call

- Ayes: Glusker, Hogan, Birdsell, Bruning
- Noes: None
- Absent: None
- Abstain: None
- Motion carried

20. INFORMATION/ACTION: ANNOUNCEMENT OF TASK FORCE MEMBERS TO EXPLORE HOSPITAL FEE/HOSPITAL STRUCTURE: MR. TOM BIRDSSELL, CHAIR

- Steve Lund, Kaye Handley, Kirk O'Day, John Allison, Wade Sturgeon and Bob Edwards are currently the members of this task force. Anyone else interested can contact Tom Birdsell. The committee members will select a chair.

MOTION: To approve Steve Lund, Kirk O'Day, John Allison, Kaye Handley, Wade Sturgeon and Bob Edwards to be on the Hospital Fee/Hospital Structure Task Force

- Hogan moved
- Glusker second
- Motion carried

21. INFORMATION: CEO REPORT: MR. BOB EDWARDS, CEO

- Mr. Edwards sent a letter to CMS protesting the President's budget proposal to reduce the funding the Hospital receives for the Medicare patients from 101% to 100%.
- Fast Track with a Nurse Practitioner began in the ER began 6 weeks ago and is being reassessed. Instead of seeing level 2's the Nurse Practitioner is seeing level 4 patients. With the new ER Physician Group starting on August 1. Emcare has stated that they want that Nurse Practitioner to work for them and not for MCDH. On August 1st Bob would like to move Fast Track to the NCFHC and call it "Same Day Appointments".
- Bob and a few other people will participate in the 4th of July Parade in Mendocino.
- Dr. Zoe Berna will start at NCFHC in a few weeks.

22. INFORMATION/ACTION: PLANNING COMMITTEE REPORT: DR. PETER GLUSKER

- The Planning Committee discussed the OB Department.

23. INFORMATION/ACTION: MEDICAL STAFF: DR. JOHN KERMEN

A. Appointment to Medical Staff-Provisional

1. Zoe Berna, MD –Department of Medicine – Family Practice – NCFHC

MOTION: After careful consideration recommend approval of Appointment to Medical Staff-Provisional for Zoe Berna, MD

- Birdsell moved
- Bruning second
- Motion carried

B. Temporary Privileges (AHP-Allied Health Professional)

1. Matthew Tomlin, NP-C Department of Mendocino-Allied Health Professional –NCFHC (June 28-July 28)
2. Victoria Stadnyk, FNP-C Department of Medicino-Allied health Professional-NCFHC (June 23-July 23, 2016)

MOTION: After careful consideration recommend approval of Temporary Privileges (AHP-Allied Health Professional) for Matthew Tomlin, NP-C: Victoria Stadnyk, FNP-C

- Hogan moved
- Bruning second
- Motion carried

C. Locum Tenens Coverage

1. Lynette Chevaliar-Paris, MD –Department of Medicine-Pediatrics (July 1-July 13, 2016)

MOTION: After careful consideration recommend approval of Locum Tenens Coverage for Lyentte Chevaliar-Paris, MD

- Bruning moved
- Hogan second
- Motion carried

D. Appointment to VRad Tele-Radiology Physicians

1. Waikeong Wong, MD

MOTION: After careful consideration recommend approval of Appointment to VRad Tele-Radiology Physicians for Waileong Wong, MD

- Bruning moved
- Hogan second
- Motion carried

24. **INFORMATION: CHIEF OF PATIENT CARE REPORT: MS. TERRY MURPHY**

- Refer to the attached report as part of these minutes.

25. **INFORMATION/ACTION: PLANT SERVICES REPORT: MS. ELLEN HARDIN**

➤ **APPROVAL TO BID HVAC PROJECT**

- The Pharmacy Project has received the construction final.
- The Temporary ATS project is now a permanent project.
- The plans for the HVAC have been approved by OSHPD. Ellen requested authorization from the Board to have the Architect of Record take the HVAC Project out to bid.
- The Nurse Call plan changes are in process with the architect and Ellen anticipates an over the counter approval on those plans from OSHPD on July 13.

MOTION: To authorize the Architect of Record to take the HVAC Project out to bid

- Hogan moved
- Bruning second
- The Architect of Record is Nichols, Melberg & Rosetto. The architect will coordinate the bid process, bring the bids to the Hospital, the Hospital decides who is awarded the bid. Tom requested the Board be shown the Architect's paperwork prior to it being sent out to bid. Ellen will present the document to the Board for their approval prior to it being sent out to contractors. The Board will send their thoughts/requests on what is to be included in the document to Bob and Bob will communicate these thoughts/requests to Ellen.
- This item will be put under New Business at the July Board Meeting.
- No action was taken.

26. **INFORMATION/ACTION: ALYSOUN HUNTLEY FORD FUND DRAW**

- The Alysoun Huntley Ford Fund is a Board designated fund left to the Hospital for purposes of funding some respite for caregivers of patients who are dying at home. Each draw request is for up to \$2,000.00.
- There were no requests.

27. **ASSOCIATION AND COMMUNITY SERVICE REPORTS: BOARD MEMBERS**

- Malcom MacDonald made a correction to a statement he made earlier about Joint Commission being lead around by Administration. He stated that he should have said Department Heads and Administration. Malcom thanked Dr. Miller for his excellent care prior, during and after his cataract surgery.

28. **ACTION:** Finance Committee Report: Mr. Sean Hogan

May Consolidated Highlights

- Net Income from Operations was an income of \$712,854
 - o YTD Income from Operations \$1,652,549
- Net Income from All Sources was an income of \$890,870
 - o YTD Income \$2,360,059
- Bond Covenants
 - o Days Cash On Hand is within the covenant at 48.38
 - o Debt Service Coverage Ratio is within covenant at 4.20
 - o Current Ratio is within covenant at 1.27

MOTION: To approve the Finance and Statistical Report for May 2016

- Bruning moved
- Glusker second
- Motion carried

30. ADJOURN:

Open Session adjourned at 9:00 p.m.

Reconvened Closed Session at 9:10 p.m.

A. Reporting out of Closed Session

1. ***INFORMATION/ACTION:*** Union Negotiation

- The Board received an update on the Union Negotiations.

Meeting adjourned at 9:50 p.m.

Peter Glusker, MD, Secretary
Board of Directors

Gayl Moon, Secretary to the
Board of Directors

**MENDOCINO COAST HEALTH CARE DISTRICT
BOARD OF DIRECTORS
SPECIAL SESSION
FORT BRAGG, CA
TUESDAY, JULY 12, 2016**

1. **CALL TO ORDER:**
OPEN Session of the Board of Directors of the Mendocino Coast Health Care District convened at 5:00 p.m. at 700 River Drive, Fort Bragg, CA 95437: President Tom Birdsell presiding
2. **ROLL CALL:** Bruning, Glusker, Hogan, Birdsell
ABSENT: None
3. **OPEN SESSION:**
 - A. **INFORMATION: MCDH. OB SERVICES POWER POINT: MR. BOB EDWARDS, CEO**
 - Mr. Edwards gave a power point presentation regarding the OB Department.
 - B. **COMMUNITY COMMENTS**
 - Several community members spoke about the need to keep the OB Department open at MCDH.
 - C. **BOARD COMMENTS**
 - Mr. Hogan thanked everyone for attending this meeting. He reminded everyone that on the November election ballot there will be three (3) MCDH Board Seats on that ballot. He encouraged anyone interested in the Hospital and its workings to run for the Board of Directors.
 - Ms. Bruning stated that she would like to see the OB Department stay open, but stated that the Hospital needs financial help from the community.
 - Dr. Glusker read from a prepared statement.
 - Mr. Birdsell thanked everyone for attending and stated that he does not want the OB Department to close, but stated the Hospital needs financial help from the community. He stated facts for other CAH Hospitals in Northern California and their income/support from local Parcel Taxes.
 - D. **ADJOURN:**
The meeting adjourned at 8:20 pm

**BOARD OF DIRECTORS MEETING
HOSPITAL REDWOODS ROOM
THURSDAY, JULY 28, 2016
MINUTES**

The Board of Directors of the Mendocino Coast Health Care District met in CLOSED session at 5:00 pm in the Hospital Redwoods Room, Tom Birdsell presiding.

PRESENT: Mr. Birdsell, Dr. Glusker, Mr. Hogan, Ms. Bruning (telephonically)

Mr. John Ruprecht, Legal Counsel
Bob Edwards, Chief Executive Officer
Mr. Wade Sturgeon, Chief Financial Officer
Gayl Moon, Executive Assistant

ABSENT: None

1. CALL TO ORDER:

OPEN Session of the Board of Directors of the Mendocino Coast Health Care District convened at 6:00 p.m. in the Redwoods Room, Mr. Tom Birdsell presiding.

2. ROLL CALL:

PRESENT: Mr. Tom Birdsell, Dr. Peter Glusker, Mr. Sean Hogan, Ms. Kathleen Bruning (telephonically)
Board Members

BOARD MEMBERS ABSENT: None

ALSO PRESENT:

Mr. John Ruprecht, Legal Counsel
Mr. Bob Edwards, Chief Executive Officer
Mr. Wade Sturgeon, Chief Financial Officer
Ms. Gayl Moon, Executive Assistant

3. CLOSED SESSION MATTERS:

The Board of Directors reviewed the following items in closed session:

1. ***Information/Action:*** Union Negotiations
 - The Board gave further instructions to the negotiating team.
2. ***Information/Action:*** July Quality Management and Improvement Council Report
 - This item will be discussed in Closed Session after Open Session adjourns.
3. ***Information/Action:*** Medical Staff Credentials and Privileges Report
 - This report will be given in Open Session.
4. ***Information/Action:*** Joint Management Personnel Session
 - This item will be discussed in Closed Session after Open Session adjourns.
5. ***INFORMATION/ACTION:*** Contract for Dr. Sandys
 - The contract for Dr. Sandys was approved.
6. ***INFORMATION/ACTION:*** Board Self Evaluation
 - This item will be discussed in Closed Session after Open Session adjourns.

The Board will reconvene Closed Session after Open Session to discuss items #2,4,& 6.

4. PUBLIC COMMENTS

- There were no Public Comments.

5. REVIEW OF THE AGENDA

- There were no changes to the agenda.

6. BOARD COMMENTS

- Mr. Birdsell stated the appointment of the Interim Board member will take place at 6:00 pm on August 10th in the Redwoods Room. The League of Women's Voters will moderate the process. The appointment will be made following policy #116. This Interim Board Seat will begin in August and will end in early December.

7. ACTION: APPROVAL OF CONSENT CALENDAR: MR. TOM BIRDSSELL, PRESIDENT

A. Minutes: Regular Session, June 30, 2016

B. Minutes: Special Session, July 12, 2016

C. Minutes: Special Session, June 21, 2016

MOTION: To approve the Consent Calendar

- Hogan moved
- Glusker second
- Roll call
 - Ayes: Hogan, Glusker, Bruning, Birdsell
 - Noes: None
 - Absent: None
 - Abstain: None
- Motion carried

8. INFORMATION/ACTION: DELETION OF BOARD POLICY #607: MR. TOM BIRDSSELL, CHAIR

MOTION: To table Board Policy #607 until the August meeting

- Birdsell moved
- Bruning second
- Roll call

Dr. Glusker stated that Mr. Edwards suggested this Board Policy be deleted and questioned why Administration has the right or ability to cancel a Board Policy, and wondered why this policy was brought into question at all.

Mr. Birdsell stated that Policy 607 is an administrative policy, is old as it is from 1997, and is not a Board of Directors governing policy. Discussion ensued.

Mr. Birdsell withdrew his motion to table.

MOTION: To instruct management to review Administrative Policy #607 and submit to the Board for approval at the next meeting; the policy to fit the current needs more appropriately

- Hogan moved
- Bruning second

Mr. Edwards stated there are three (3) other policies which referenced this policy. Mr. Edwards requested the motion be amended to have all the policies mentioned above to be brought back to the Board as one (1) policy. Mr. Hogan amended his motion.

- Ayes: Hogan, Bruning, Birdsell
- Noes: Glusker
- Absent: None

- Abstain: None
- Motion carried

9. INFORMATION/ACTION: RESOLUTION TO BID HVAC PROJECT: MS. ELLEN HARDIN

- Ms. Hardin has spoken with the architect, NMR and will be scheduling a Closed Session Board meeting to begin this process.
- No action was taken.

10. INFORMATION/ACTION: PETRAK & ASSOCIATES, INC. CONTRACT: MR. WADE STURGEON, CFO

- Petrak & Associates does the Hospital's Annual Cost Report and has for several years. The contact with Petrak & Associates is about to expire and Mr. Sturgeon asked that the Board agree to renew the contract. Mr. Ruprecht stated the following changes were made to the new contract:
 - ✓ Limitation of Liability: the consultant would be liable to the Hospital for negligence, errors and omissions, but only to the extent that his professional liability insurance or comprehensive general liability insurance. Mr. Ruprecht has received a Certificate of Insurance showing Petrak & Associates has \$1 million worth of commercial general liability insurance and a million dollars worth of liability insurance.
 - ✓ There was an issue that stated if MCDH were late in paying the monthly bill, then Petrak & Associates, Inc. would increase their hourly fee retroactively by \$50 per hour. This has been changed. The contract now states that if MCDH is late paying the bill after sixty (60) they can apply 7% interest.

MOTION: To approve contract with Petrak & Associates

- Bruning moved
- Hogan second
- Dr. Glusker would like to receive contracts a week or two prior to the Board meeting and not the day of the meeting. Discussion ensued.
- Roll call
 - Ayes: Bruning, Birdsell, Glusker, Hogan
 - Noes: None
 - Absent: None
 - Abstain: None
- Motion carried

11. INFORMATION/ACTION: DISCUSSION REGARDING FORMULATION AND ADOPTION OF DISTRICT MANAGEMENT INFORMATION SYSTEM

- Mr. Hogan stated that over the years he has been frustrated by the lack of financial information available to the Board to support the decision making process.
- Several years ago a computerized accounting & accounts receivable system was installed. There was no ESS (executive support system) module installed with the system. The ESS module generates reports and financial statements as well as having the ability to extract information from the accounting system and do analysis of the information. Currently, without an ESS module it is very difficult to obtain/extract information.
- Discussion ensued.

MOTION: To instruct management to bring forward an initiative to bring the Hospital's management information system into the 21st Century

- Hogan moved
- The options will be presented to the Finance Committee.

Mr. Hogan amended his motion that this go through the Finance Committee and that Finance

to report to the Board

- Hogan moved
- Glusker second
- Roll call
 - Ayes: Hogan, Glusker, Bruning, Birdsell
 - Noes: None
 - Absent: None
 - Abstain: None
- Motion carried

12. INFORMATION/ACTION: APPROVAL OF DINGUS, ZARECOR & ASSOCIATES (DZA) AUDITORS: MR. WADE STURGEON, CFO

- A request for proposal (rfp) was sent to four (4) firms. After review of the proposals, the Audit Committee unanimously recommended the firm of Dingus, Zarecor & Associates (DZA) to conduct MCDH's annual audit.

MOTION: To approve DZA as auditors, the contract to be in effect for three (3) years: year one (1) cost \$28,100; year two (2) cost \$29,150; year three (3) cost \$30,200

- Birdsell moved
- Hogan second
- Roll call
 - Ayes: Birdsell, Bruning, Hogan, Glusker
 - Noes: None
 - Absent: None
 - Abstain: None
- Motion carried

13. INFORMATION/ACTION: OB SUBCOMMITTEE FORMATION: MR. TOM BIRDSSELL, CHAIR

- Mr. Birdsell stated the OB subcommittee will be an ad hoc subcommittee of Planning.

MOTION: To form an OB Subcommittee as part of the Planning Committee

- Birdsell moved
- Bruning second
- Carol White, a community member, thanked the Board for putting together this subcommittee; she feels it is very critical.
- Roll Call
 - Ayes: Glusker, Hogan, Birdsell, Bruning
 - Noes: None
 - Absent: None
 - Abstain: None
- Motion carried

14. INFORMATION: HOSPITAL FEE/HOSPITAL STRUCTURE: MR. TOM BIRDSSELL, CHAIR

- Several community members have expressed an interest in forming a subcommittee to look into a potential Hospital Structure in order to increase revenues. Mr. Birdsell would like to begin this subcommittee very soon and asked that anyone interested in being part of this subcommittee to contact him.

15. INFORMATION: CEO REPORT: MR. BOB EDWARDS, CEO

- On July 12 approximately 150 people attended a Community Meeting regarding the OB Department. Several people spoke in favor of keeping the OB Department open including all of the Board members.
- Dr. Campos will join the Pain Alliance Group next week.

- Two (2) family practice physicians will be interviewed in August.
- A phone survey will be conducted within the next ninety (90) days by a company called EMC. They will contact 250 people regarding the possible Parcel Tax; the phone survey will last 15 minutes.
- All MCDH staff is readying/preparing for a Validation Survey to be conducted after August 1st by the Department of Public Health. This is an unannounced survey and will last approximately four (4) or five (5) days.
- In an effort to improve on the patient experience at MCDH, a new patient quiet time will begin every afternoon from 2:00 to 4:00 pm; the patient room lights will be dimmed so the patients can rest. Also, a “yacker tracker” is to be based in the patient care area in order to monitor noise and remind people to keep their voices down.
- Emcare, the new ED physician group, begins on August 1st.
- There have been a few departments who have had a 5% growth over budget. The departments are Emergency Department, Ambulance transports, North Coast Family Health Center and Home Health, Outpatient Surgery.

The Bond Refunding will close tomorrow, and Mr. Ruprecht thanked Mr. Sturgeon for all the hard work he put into accomplishing this. The bond refinancing will save MCDH \$1,256,000 over the next 13 years.

16. INFORMATION/ACTION: PLANNING COMMITTEE REPORT: DR. PETER GLUSKER

- The Planning Committee discussed the Parcel Tax and the upcoming phone survey. The need for the public to understand the only way the Hospital can continue giving services to the community is for the community to help support the Hospital financially. Discussion ensued.
- The Hospital Foundation will contribute \$95,000 toward room remodeling.
- The Nurse Call System upgrade is in progress.
- There was discussion regarding long range planning. The Planning Committee members will submit 5 to 7 long range goals to Ms. Bruning,

17. INFORMATION/ACTION: MEDICAL STAFF: DR. JOHN KERMEN

A. Appointment to Medical Staff-Provisional

1. Bradley Bettinger, MD –Department of Medicine-Radiology
2. Lucas Campos, MD –Department of Surgery-Interventional Pain Medicine
3. Phillip Hassan, MD –Department of Medicine-Emergency Department
4. Azhar Hossain, MD –Department of Medicine-Emergency Department
5. Onna Konicek, DO –Department of Medicine-Emergency Department
6. Juliet LaMers, MD –Department of Medicine-Emergency Department
7. Richard Leach, MD –Department of Medicine-Emergency Department
8. Le Thu, MD –Department of Medicine-Emergency Department
9. Daniel Ziegler, MD –Department of Medicine-Emergency Department

MOTION: After careful consideration recommend approval of Appointment to Medical Staff-Provisional for Bradley Bettinger, MD: Lucas Campos, MD: Phillip Hassan, MD: Azhar Hossain, MD: Onna Konicek, DO: Juliet LaMers, MD: Richard Leach, MD: Le Thu, MD: Daniel Ziegler, MD

- Birdsell moved
- Glusker second
- Roll call
 - Ayes: Hogan, Glusker, Birdsell, Bruning
 - Noes: None
 - Absent: None
 - Abstain: None

- Motion carried

B. Appointment of Allied Health Professionals Staff

1. Terri Drew, NP –Department of Medicine-Allied Health Professional-NCFHC

MOTION: After careful consideration recommend approval of Appointment of Allied Health Professionals Staff for Terri Drew, NP

- Hogan moved
- Glusker second
- Roll call
 - Ayes: Bruning, Birdsell, Glusker, Hogan
 - Noes: None
 - Absent: None
 - Abstain: None
- Motion carried

C. Temporary Privileges (AHP-Allied Health Professional)

1. Matthew Tomlin, NP-C –Department of Medicine-Allied Health Professional NCFHC (July 28-August 28, 2016)
2. Victoria Stadnyk, FNP-C –Department of Medicine-Allied Health Professional NCFHC (July 23-August 23, 2016)

MOTION: After careful consideration recommend approval of Locum Temporary Privileges (AHP-Allied Health Professional)

- Hogan moved
- Glusker second
- Roll call
 - Ayes: Hogan, Glusker, Bruning, Birdsell
 - Noes: None
 - Absent: None
 - Abstain: None
- Motion carried

D. Locum Tenens Coverage

1. Lynette Chevailier-Paris, MD –Department of Medicine-Pediatrics (August 27-September 6, 2016)
2. Cecilia Geralde, MD –Department of Medicine-Pediatrics (August 2-8 2016)

MOTION: After careful consideration recommend approval of Appointment of Locum Tenens Coverage for Lynette Chevailier-Paris, MD: Cecilia Geralde, MD

- Hogan moved
- Glusker second
- Roll call
 - Ayes: Birdsell, Bruning, Hogan, Glusker
 - Noes: None
 - Absent: None
 - Abstain: None
- Motion carried

18. **INFORMATION: CHIEF OF PATIENT CARE REPORT: MS. TERRY MURPHY**

- Refer to the attached report as part of these minutes.

19. **INFORMATION: JPA REPORT: MR. TOM BIRDSSELL, CHAIR**

- There was no report.

20. INFORMATION/ACTION: PLANT SERVICES REPORT: MS. ELLEN HARDIN

- All parties involved in the Nurse Call System will meet to discuss the construction phase.
- The temporary work on the ATS is in the final stages with construction beginning soon. In the final stages of the design process for the permanent ATS. In the final stages of the design process for the permanent ATS.
- Currently in the process of turning a room in the Hospital into a space where surgery patient's family members can wait and also where they can speak to the surgeon in a private setting.

21. INFORMATION/ACTION: ALYSOUN HUNTLEY FORD FUND DRAW

- The Alysoun Huntley Ford Fund is a Board designated fund left to the Hospital for purposes of funding some respite for caregivers of patients who are dying at home. Each draw request is for up to \$2,000.00.
- There were no requests.

22. ASSOCIATION AND COMMUNITY SERVICE REPORTS: BOARD MEMBERS

- There were no reports.

23. INFORMATION/ACTION: STATISTICAL/FINANCE REPORT, JUNE 2016: MR. SEAN HOGAN

June concludes the Fiscal Year. Please note that this is an interim financial report based on the current numbers that will change during the audit process. Due to reconciliations associated to the Cost Report as well as possible Accounts Receivable reconciliation adjustments along with any other operating cost identified that should be included in the FYE 2016, the final numbers are subject to change. As part of the year end process we do a more in depth analysis of all General Ledger accounts to ensure accurate reporting for the fiscal year end.

June Consolidated Highlights

- Net Income from Operations was a loss of \$325,263
 - YTD Income from Operations \$1,327,286
- Net Income from All Sources was a loss of \$291,216
 - YTD Income from All Sources \$2,068,843
- Bond Covenants
 - Days Cash On Hand is within the covenant at 50.26
 - Debt Service Coverage Ratio is within covenant at 4.09
 - Current Ratio is within covenant at 1.25

Mr. Birdsell thanked management and staff for the financial turn around in the past year.

MOTION: To approve the Finance and Statistical Report for June 2016

- Hogan moved
- Glusker second
- Roll call
 - Ayes: Hogan, Glusker, Bruning, Birdsell
 - Noes: None
 - Absent: None
 - Abstain: None
- Motion carried

24. PUBLIC COMMENTS

- Community members suggested having a Community Meeting regarding the Parcel Tax and using the email list of names of people who attended the Community Meeting in order to get the word out about the need for a Parcel Tax. Questioned why the Hospital doesn't go for a sales tax. Mr. Ruprecht explained that by law a district hospital is not allowed to levy a sales tax.
- Mr. Ruprecht suggested public education on what the O'Bama care act is doing to Medicare.

ADJOURN:

Open Session adjourned at 7:46 p.m.

Reconvened Closed Session at 7:55 p.m.

A. Reporting out of Closed Session

1. **INFORMATION/ACTION:** July Quality Management and Improvement Council Report
 - The Board passed the July Quality Management and Improvement Council Report.
2. **INFORMATION/ACTION:** Joint Management Personnel Session
 - The Board had a discussion with legal counsel regarding Board behavior and conduct.
3. **INFORMATION/ACTION:** Board Self Evaluation
 - The Board will complete their annual self-evaluation on line through Association of California Healthcare Districts.

Meeting adjourned at 9:30 p.m.

Peter Glusker, MD, Secretary
Board of Directors

Gayl Moon, Secretary to the
Board of Directors

**MENDOCINO COAST HEALTH CARE DISTRICT
BOARD OF DIRECTORS
SPECIAL SESSION
FORT BRAGG, CA
WEDNESDAY, AUGUST 10, 2016**

1. CALL TO ORDER:

OPEN Session of the Board of Directors of the Mendocino Coast Health Care District convened at 6:00 p.m. at 700 River Drive, Fort Bragg, CA 95437: President Tom Birdsell presiding

2. ROLL CALL: Bruning, Glusker, Hogan, Birdsell

ABSENT: None

3. OPEN SESSION:

A. INFORMATION: INTERIM BOARD APPOINTMENT PROCESS, MR. TOM BIRDSELL, CHAIR

- Mr. Birdsell explained this purpose of the Special Board Meeting was for the Board to interview and select an Interim Board Member from the candidates who applied to fill the vacancy created when Dr. Kate Rohr resigned in June 2106.
- Mr. Birdsell outlined how the process would take place:
 - The League of Women's Voters will be the moderator and timekeeper at tonight's meeting.
 - Each candidate will be allowed two (2) minutes for an opening statement.
 - Following the opening statements, each candidate will be asked, in sequence, a series of five (5) questions which will be read out loud by a moderator. Each question will have a time limit of two (2) minutes per answer. The questions to be asked will not be communicated to the candidates prior to the questioning process.
 - At the conclusion of the five (5) questions, each candidate will be given an additional two (2) minutes for a closing statement.
 - The candidates will not be questioned by the community audience.
 - Each of the sitting Board members, will vote for their top three (3) candidates as their first, second and third choice on a ballot for provided to them. The ballots will be collected by the MCDH CEO who will, with two (2) community witnesses, take the ballots into a separate room for tabulation. A weighted system will be used assigning a weight of six (6) to the first choice, three (3) to the second choice and one (1) to the third choice. The candidate with the highest score will be the new Board Member.

B. INFORMATION/ACTION: APPOINT SCORECARD AUDITORS: MR. TOM BIRDSELL, CHAIR

MOTION: To appoint Roberta Brockschmidt and John Funderburk as Scorecard Auditors

- Hogan moved
- Bruning second
- Roll call
 - Ayes: Bruning, Hogan, Birdsell, Glusker
 - Noes: None
 - Absent: None
 - Abstain: None
- Motion carried

C. INFORMATION: BOARD OF DIRECTORS CANDIDATE SESSION: LEAGUE OF WOMEN VOTERS

Following are the candidates seeking the Interim Board seat:

- 1) Donovan Spencer, M.D.
 - 2) Tanya Smart
 - 3) Phillip Ross
 - 4) Steve Lund
 - 5) Eric Frey
- Each candidate gave an introductory statement.
 - All candidates were asked, and answered the same five (5) questions. The questions are attached to these minutes.
 - Each candidate gave a closing statement.

Mr. Birdsell thanked all of the candidates for their participation this evening and for expressing their interest in serving on the Hospital Board of Directors. Mr. Birdsell read the following very important needs that were spoken of by the candidates tonight:

- ✓ Public outreach
- ✓ Goal setting & accountability
- ✓ Look after the employee's welfare
- ✓ Recruitment of physicians & nurses
- ✓ Facility planning

D. ACTION: BOARD OF DIRECTORS APPOINTMENT: MR. TOM BIRDSELL, CHAIR

The votes were tallied and Steve Lund received the highest score.

MOTION: To appoint Steve Lund as the Board of Directors' Interim Board Member

- Hogan moved
- Glusker second
- Roll call
 - Ayes: Hogan, Birdsell, Bruning, Glusker
 - Noes: None
 - Absent: None
 - Abstain: None
- Motion carried

B. COMMUNITY COMMENTS

- Patti Jauregui-Darland thanked all the candidates and expressed that she has been in their position in the past and knows how difficult it is. Patti announced that she will be running for the Board.
- Mr. Ruprecht thanked all the candidates and stated that if anyone is interested in running for the election, August 12th is the end date to register with the County Clerk at the Elections Department in Ukiah. If an incumbent does not file, then the deadline is extended until August 17 at 5:00 pm.

C. BOARD COMMENTS

- There were no comments.

D. ADJOURN:

The meeting adjourned at 7:15 pm

Mr. Tom Birdsell, President
Board of Directors

ATTEST:

Ms. Kitty Bruning, Vice-President
Board of Directors

These minutes constitute a portion of the official record of the Board and are the written record of the proceedings. Documents distributed to the Board of Directors at the meeting are available for public review except legally privileged or confidential documents.

**BOARD OF DIRECTORS MEETING
HOSPITAL REDWOODS ROOM
THURSDAY, AUGUST 25, 2016
MINUTES**

The Board of Directors of the Mendocino Coast Health Care District met in CLOSED session at 5:00 pm in the Hospital Redwoods Room, Tom Birdsell presiding.

PRESENT: Mr. Birdsell, Dr. Glusker, Ms. Bruning, Mr. Lund

Mr. John Ruprecht, Legal Counsel
Mr. Wade Sturgeon, Chief Financial Officer
Gayl Moon, Executive Assistant

ABSENT: Hogan

1. CALL TO ORDER:

OPEN Session of the Board of Directors of the Mendocino Coast Health Care District convened at 6:00 p.m. in the Redwoods Room, Mr. Tom Birdsell presiding.

2. ROLL CALL:

PRESENT: Mr. Steve Lund, Mr. Tom Birdsell, Dr. Peter Glusker, Ms. Kathleen Bruning
Board Members

BOARD MEMBERS ABSENT: Mr. Sean Hogan

ALSO PRESENT:

Mr. John Ruprecht, Legal Counsel
Mr. Wade Sturgeon, Chief Financial Officer
Ms. Gayl Moon, Executive Assistant

Mr. Birdsell welcomed Steve Lund to the Board as an Interim Board Member.

Mr. Birdsell stated that at the Special Board meeting Steve Lund received 21 points and the person who came in second had 15 points, not 18 points as had been reported at the meeting.

3. CLOSED SESSION MATTERS:

The Board of Directors reviewed the following items in closed session:

1. INFORMATION/ACTION: Union Negotiations

- The Board approved a tentative agreement with the Union on a two year contract subject to approval by the Union Membership

2. INFORMATION/ACTION: August Quality Management and Improvement Council Report

- There was no report.

3. INFORMATION/ACTION: Medical Staff Credentials and Privileges Report

- The Board received an update from Dr. Kermen on Medical Executive Committee and some issues they are dealing with

4. INFORMATION/ACTION: Contract and/or extension for Dr. Brecheen

- The Board approved a two (2) month extension for the OB On-call Contract for Dr. Brecheen

4. PUBLIC COMMENTS

- There were no Public Comments.

5. REVIEW OF THE AGENDA

- There were no changes to the agenda.

6. BOARD COMMENTS

- There were no Board Comments.

7. ACTION: APPROVAL OF CONSENT CALENDAR: MR. TOM BIRDELL, PRESIDENT

- A. Minutes: Regular Session, July 28, 2016
- B. Minutes: Special Session, August 10, 2016

MOTION: To approve the Consent Calendar

- Bruning moved
- Glusker second
- Lund abstained
- Motion carried

8. ACTION: PIPELINE CONTRACT: MR. WADE STURGEON, CFO

- Mr. Ruprecht has reviewed this contract and agrees with the language.
- The state has come up with a plan called the Medication Error Reduction Plan. This plan has several requirements. One of them relates to review of prescriptions in the facility and if the plan was implemented as required with the current staff, the Pharmacists would have to be on call and it would be very demanding on the staff.
- Pipeline has remote review and pharmacists available at night.
- This contract gives the Hospital the ability to follow the state requirements and save their staff. The estimated cost is \$72,000.

MOTION: To approve the Pipeline Contract

- Lund moved
- Bruning second

Dr. Glusker asked why this is necessary, since there is already staff that can do this. Mr. Sturgeon explained that this is a new state requirement and that every prescription written has to be reviewed within a specified period of time, which means the Hospital would have to have staff 24 hours a day in order to comply with the new state law. The Hospital will only be billed when the service is utilized.

- Roll call
 - Ayes: Birdsell, Bruning, Lund, Glusker
 - Noes: None
 - Absent: Hogan
 - Abstain: None
- Motion carried

9. ACTION: TOSHIBA LEASES: MR. WADE STURGEON, CFO

- These are 4 service agreement contracts. All 4 contracts are related to the Hospital's DI Center.
 - Quote 502800 is for the MRI
 - Quote 501782 is for the CT
 - Quote 501783 is for the Digital X-Ray unit
 - Quote 503774 is for the RF unit
- Each proposed contract is a renewal of an identical expired agreement, which we have had in place since 2011.
- Each proposed contract is included in the FYE 2017 budget.
- Mr. Sturgeon requested the Board approve the service agreements to be paid on a monthly basis.

MOTION: To approve the Toshiba maintenance contracts

- Glusker moved
- Bruning second
- Roll call

- Ayes: Glusker, Birdsell, Bruning, Lund
- Noes: None
- Absent: Hogan
- Abstain: None
- Motion carried

10. ACTION: PROPOSED NEW MONEY BOND: MR. WADE STURGEON, CFO

- Mr. Sturgeon explained MCDH has some very large capital projects due in FYE 2017 and FYE 2018 that can no longer be avoided. The Hospital will have to finance these projects either with cash reserves, debt or a combination of the two.

Following are the Capital Projects and estimated costs:

▪ ATS Installation	\$ 500,000
▪ HVAC	\$ 500,000
▪ OR/Central Sterile Separation Wall	\$ 500,000
▪ MediTech Upgrade for MU-2	\$2,000,000

MCDH currently has cash reserves well below minimum national benchmarks (120 days). The Hospital's debt is low for the size of the organization. Mr. Sturgeon proposed incurring new debt while continuing to fix financial challenges and seek other long term financial solutions vs. using the cash reserves. Following are things to consider related to financing options:

- Due to the Hospital's recent Bond refinance, the cost for Bond Counsel as well as Underwriter will be significantly discounted.
- The market is at historically low interest rates.
- According to William Blair, the current market will purchase the bonds without Cal-Mortgage insurance.
- The Hospital is allowed to issue new Revenue Bonds.
- Cal-Mortgage has given a verbal ok for the new debt.
- The interest savings associated with Cal-Mortgage Insurance is not enough to offset the time and added costs associated to requirements of getting Cal-Mortgage approval, which is not guaranteed. Cal-Mortgage would minimally require a financial feasibility study done which could take up to two months to complete and cost a minimum of \$60,000.
- Mr. Sturgeon believes the new financing will close by the end of November.

Following are things to consider as to how to pay for the debt:

- Refinancing of the current Bonds has given the Hospital approximately \$120,000 per year to use towards new debt payments.
- Half of the costs for non EHR projects will be reimbursed on the Cost Report through depreciation, increasing the Hospital's payments over the next 10 years from Medicare.
- Interest expense paid on debt is cost reimbursable, effectively reducing the interest in half
- HER has enhanced reimbursement timeframe on the cost Report, estimating half of the total cost of the project would be reimbursed within 2 years of installation.
- Operational improvements will increase available cash such as the PRIME project, which is estimated to bring in a net \$500,000 annually over the next 5 years.
- In 2020, the balance of the 1996 Bonds will be paid off.
- In 2019 the last Bankruptcy payment will be made.
- In 2018 the balance of CMS fines will be paid off.
- If the Hospital does not obtain MU-2 status once its Financial Hardship Exemption is over, they will be subject to a 1% reduction in their Medicare reimbursement. Estimated \$300,000 annually.
- If the Hospital is forced to close the OR department for any extended period of time, it would be hard for the organization to financially recover.
- The Finance Committee recommended proposing to the Board a \$3.5 million ten year Bond term.
- Mr. Sturgeon asked approval from the Board to go to William Blair and bring a full proposal back to the Board which will include all of the details of the offer. Mr. Sturgeon feels that this can close by the end of November.

- Mr. Ruprecht stated that Mr. Sturgeon has worked hard on this and on the refinancing; there are some significant differences on this between the refinancing:
 - The statutory authority that would be used here is a different statutory authority than what was used for the refinancing, and that is, on the refinancing it was simpler because the Hospital was refinancing existing debt that Cal Mortgage had already insured. There was a special statute when Cal Mortgage insures the debt, that there can be a simpler refinancing procedure. You can also get a much higher rating on the bonds, and since Cal Mortgage insures them, we get Cal Mortgage's rating rather than our own ratings. For the new money here Cal Mortgage is not going to insure it. We have to go under Chapter 5 of the Health and Safety Code for revenue bonds. There are some financial ratios that we have to make sure that we meet in order to have the underwriting under Chapter 5. Mr. Ruprecht doesn't know what those are; they need to be figured out. The rating on the bonds will be for the Hospital as a stand alone entity not from Cal Mortgage. The Hospital does have to get Cal Mortgage's approval to do this even though they don't insure the bonds. The underwriter on the refinancing, Blair and Company was very good to work with.

MOTION: To approve Administration going forward and obtaining additional information, financial ratios and bring back a proposal to the Board to go forward with the bond financing for \$3.5 million for ten years at a later date

- Bruning moved
- Lund second
- Following are a number of points that Dr. Glusker is very concerned about:
 1. Judging by the financial indicators that FLEX and others have for Critical Access Hospitals, he doesn't think the Hospital is in a good position to take on new debt.
 2. The CFO's proposal does not indicate how the Hospital can pay for additional debt, within a budget. No detailed projection for payment has been provided.
 3. The Hospital's over all income is shrinking. For example, the discussion at the Finance Committee of the reduction of the 304B monies, hospital patients and so forth. So if or when the Hospital goes Bankrupt again, how will the bond holders be paid and by whom.
 4. The projected amount of the bond does not include the MediCal debt.
 5. If the so called fee restructuring plan is pursued, the estimated cost of that would be about \$2 million and where will that come from? Note also that it would take about 2 years.
 6. Kaye Handley, who is a member of the Hospital's Finance Committee voted no on the Finance Committees motion and made some comments. I want to indicate that I agree with her no vote and I agree with her comments about the bond issue. I suggest we obtain analysis and insurance from Cal Mortgage for the bonds if possible, or consider another approach and explore a potential affiliation or some other ways than to float junk bonds.
- Mr. Sturgeon stated that when he brings the proposal back to the Board, that would suggest how the Hospital will pay for it. There is a lot of information on how we are going to pay for it in the information that was already given to the Board.
- Mr. Sturgeon also pointed out that Kaye voted no because she wasn't able to have conversation about her concerns, not that she absolutely disagreed with it. As far as the other issues go, that is why something needs to be brought forward to the Board so you can make an informed decision with all of the information in front of you.
- Mr. Lund stated the vote was the majority of the Finance Committee voted to approve the recommendation to the Board to move forward, to develop a proposal and incur this debt to get the work done necessary to the proposed projects.
- Mr. Birdsell stated that he has been concerned about the Hospital's financial structure for a long period of time, and this does kind of blend in with prior Parcel Tax discussions that have take place. The Hospital is reimbursed less than their costs and that includes depreciation, so from a cash point of view the Hospital is cash flow positive; however it is a very expensive proposition maintaining a Hospital and hospital standards keep on increasing. There is not sufficient cash flow for this facility, or any rural hospital with MCDH's demographics to sustain continued capital improvements and maintaining and repairing the facility. Mr. Birdsell has been very concerned about the Hospital's near term ability to do the projects that are listed because when they are added up it is several million dollars. It feels right now that one interim gap solution is to do this bond financing that raises money. It will help the Hospital do the repairs that are necessary in order to keep the Hospital license and remain open, but it also creates more of a financial

burden down the road. He is looking forward to Mr. Sturgeon coming back to the Board with more information in regards to future cash flows, how can we afford it, when do we need the public's assistance. We need to be really straight forward with the community on the financial position of the Hospital.

- Mr. Ruprecht stated he has been representing the Hospital as Legal Counsel for 13 years, and one of the first meetings he ever went to the discussion was the Parcel Tax. The problem sees, is the Parcel Tax has been discussion many many times, and has never occurred.
- Mr. Birdsell stated it is time for the public to weigh in.
- Carole White, community member stated that from her point of view she has lived on the coast from 34 years and the hospital has always been in some sort of turmoil. She feels it is in institutional bodies where this happens. On one hand to be seeking a Parcel Tax and at the same time taking out a bond for \$3.5 million and knowing that the Hospital is no where near to close to the fact that a new facility has to rebuild most of the Hospital in the next few years. Willits managed to pull off their new hospital. I don't know enough about the history of finance in the Hospital to assign any blame, but I'm looking at it from the point of view of whether we are going to put \$3.5 million into a hospital that will be basically rebuilt. Are we putting money falsely towards something that we should be thinking about farther down the road?
- Mr. Sturgeon stated that OSHPD is actually looking at the requirements related to our building replacement and it is not an absolute at this point that in 2030 it has to be replaced, as there have been some very new developments regarding that. It is 2016 and in order to get to 2030 the HVAC unit will not last until 2020, let alone 2030. The ATS failed a year and a half ago and that has to be replaced or they will close the Hospital. He stated that he understands the concern about putting money into a building that we are going to end up potentially getting rid of. He pointed out that the new Patient Registration building is fine, but it is the old original side of the Hospital that would need to be replaced. The software goes anywhere and that is a mandate and the Hospital does not have any choice in that decision.
- Carole White stated that it is really important for the Hospital to communicate with the public so people understand and don't feel as if they are having the wool pulled over their eyes. She feels the Hospital needs improvement in public relations.
- Mr. Lund stated that these things have to be done, and it is important that they are done now in relation to the transfer switch and the HVAC system. It is incumbent on Administration and the Board to develop a comprehensive plan in terms as to how we are going to move forward in the future, and the contents of that plan; present it to the community to basically get their support or concerns so we can move forward. There are plans between the fee restructuring and the continued effort on analyzing the Parcel Tax that are being pursued in order to gather more information in order to put together a more comprehensive proposal to the community in order to get them fully engaged on the challenges the Hospital faces.
- Mr. Ruprecht stated that we are a local healthcare district that is governed by the health and safety code and there are a number of California District Healthcare Hospitals that are going broke and that are closing and he doesn't know of one new one. Part of the reason is the Hospital's funding is set by statutes, for example, the Hospital can't go for a sales tax like the city does. The Hospital is regulated by those statutes, and unfortunately the legislature has not treated district hospitals well at all. As Mr. Sturgeon alluded to, some private hospitals are eligible for types of funding that we as a district hospital are not allowed to engage in at all. The form of our hospital is really become a problem for this Board and the community. There have been a number of proposals for the Hospital to try and affiliate with somebody else, and some of the other hospitals didn't feel MCDH's finances were good enough. If the hospital was to convert to a non-profit hospital, which is a possibility, but it takes a lot of work, it is very expensive and it takes an election to do it. The Hospital is very handicapped by the form of entity that it operates under. The trend in hospitals is to merge and eliminate district hospitals. That is what the government is doing to us and it is unfortunate especially where we are.
- Dr. Glusker stated the request for these bonds is based on the operation of the hospital as it has historically operated. That was one of the questions put before QHR who came and did a strategic plan here. One of the key questions was "Will you be able to survive as a stand alone on your own?", or as they included, you will very likely have to go the way that most other hospitals in our situation have, namely merging in some form or another. There is another element to that. Modern medicine has changed quite a lot. Thirty years ago the things that we were able to do here very very well, are no longer possible to be done here at all let alone well. What does it mean for us to have a hospital here? What kind of things can we take care of? How do we design that kind of institution instead of just going on down the road and then changing what we have with the proposal for these new bonds; I'm saying that this issue needs to be part of a much larger discussion about what kind of institution do we have? For example,

affiliation in combination with a larger organization like Adventist who already has a foot hold here, who already has deep pockets, who already has possible transfers and sub-dividing. A lot of medicine has things going different places that we can't do here anymore, so do we need to maintain all the things that we are used to having? Those issues need to be examined and considered before we go out and float some junk bonds in my view.

- Mr. Birdsell stated the term “Junk Bonds” is interpreted as negative and has not been used in the financial market for a while now.
- Roll call
 - Ayes: Bruning, Lund, Birdsell
 - Noes: Glusker
 - Absent: Hogan
 - Abstain: None
- Motion carried

11. INFORMATION: BOARD EMAIL ACCOUNTS: MR. WADE STURGEON, CFO

- Mr. Sturgeon stated the Board recently voted to approve a policy to create emails for the Board under the Hospital's new email system. They will be encrypted & protected. Jeff Fox will create email addresses under the mcdh.net for each Board member, and this will be the new means of communication for Hospital business.

12. INFORMATION/ACTION: PLANNING COMMITTEE REPORT: MS. KITTY BRUNING

- The August 16th Planning Committee meeting focused on setting and prioritizing strategic objectives with management for recommendation to the Board. Prior to the meeting committee members were asked to view a whole list of initiatives and select their 5 priorities; these priorities were presented for discussion at the meeting. Following was the end result:
 - Improve the Financial Viability of the Mendocino Healthcare District
 - Studying and potentially implementing a Hospital Fee Hospital Structure change
 - Exploring a District Parcel Tax
 - Positioning the District to achieve a 1% Revenue over Expenses financial outcome
 - Achieving the Capital and Deferred Maintenance requirement of the facility to include: HVAC, ATS, Nurse Call, Surgery Decontamination, 6 patient rooms
 - Improve the Operational performance functions of the Mendocino Coast Healthcare District, to include:
 - Patient Experience scores, to the average of the 75th percentile
 - Sustain and Improving OB Services
 - Improving Quality metrics, to the 75th percentile
 - Develop a Public Relations, Marketing, and Communications Program
 - Metrics to be Determined
- Upgrade MCDH Electronic Health Record to achieve meaningful use objectives, upon an established deadline.
- This will be presented to the Board and management will work on some type of metrics to measure the objectives.

13. INFORMATION/ACTION: MEDICAL STAFF PROVISIONAL: DR. JOHN KERMEN

- A. Appointment to Medical Staff-Provisional
1. Gregory Higgins, MD –Department of Medicine- Emergency Department
 2. David Posner, MD –Department of Medicine- Emergency Department

MOTION: After careful consideration recommend approval of Appointment to Medical Staff-Provisional for Gregory Higgins, MD: David Posner, MD

- Lund moved
- Glusker second
- Motion carried

B. Temporary Privileges

1. Gregory Higgins, MD –Department of Medicine- Emergency Department (Aug 11-25, 2016)
2. David Posner, MD –Department of Medicine- Emergency Department (August 8-25, 2016)

MOTION: After careful consideration recommend approval of Temporary Privileges for Gregory Higgins, MD: David Posner, MD

- Birdsell moved
- Lund second
- Motion carried

C. Re-Appointments to Medical Staff

1. Jack Bellah, MD –Department of Surgery- Orthopedics
 2. Daniel Conlin, MD –Department of Surgery- Gastroenterology
 3. Linda James, MD –Department of Surgery- General Surgery
 4. Douglas Lister, DPM –Department of Surgery- Podiatry
 5. James Mattson –Department of Surgery- Dentistry
 6. Donald Sheffel, MD –Department of Surgery – Surgical Assist
 7. Kenneth Susman, MD –Department of Surgery- General Surgery
- Re-Appointment to Allied Health Professional Staff
1. Jessica Grinberg- Department of Surgery -Orthotics

MOTION: After careful consideration recommend approval of Re-Appointment to Medical Staff for Jack Bellah, MD: Daniel Conlin, MD: Linda James, MD: Douglas Lister, DPM: James Mattson: Donald Sheffel, MD: Kenneth Susman, MD Re-Appointment to Allied Health Professional Staff for Jessica Grinberg

- Glusker moved
- Lund second
- Motion carried

14. **INFORMATION: CHIEF OF PATIENT CARE REPORT: MS. TERRY MURPHY**

- Refer to the attached report as part of these minutes.

15. **INFORMATION/ACTION: PLANT SERVICES REPORT: MS. ELLEN HARDIN**

- Ellen Hardin stated that in order for the Hospital to continue serving this community, the projects talked about earlier in this meeting have to be done.
- The architects are in the final stages of preparing the bid package for the HVAC. This will be brought before the Board after Mr. Ruprecht reviews the bid package.
- The tentative start date for the Nurse Call System is approximately October 15. It will take 60 working days to complete. The entire project is completely permitted. It will be a phased implementation. A plan will be developed to minimize patient disruption.
- ATS continues to move forward.
- A space in the old DI area of the Hospital is being turned into a quiet room where patient's family members can sit and wait while they are in surgery. It will also be a private area where the physicians can meet with the family members.

21. **INFORMATION/ACTION: ALYSOUN HUNTLEY FORD FUND DRAW**

- The Alysoun Huntley Ford Fund is a Board designated fund left to the Hospital for purposes of funding some respite for caregivers of patients who are dying at home. Each draw request is for up to \$2,000.00.
- There was one request for \$228.05

MOTION: To approve one (1) Alysoun Ford Fund Draw for \$228.05

- Birdsell moved
- Glusker second
- Motion carried

22. ASSOCIATION AND COMMUNITY SERVICE REPORTS: BOARD MEMBERS

- There were no reports.

23. INFORMATION/ACTION: STATISTICAL/FINANCE REPORT, JULY 2016: MR. SEAN HOGAN

Mr. Sturgeon, CFO reported in Mr. Hogan's absence:

This begins the fiscal year 2017. Mr. Sturgeon stated that this month reflects a change in the Financial Statement presentation. He will make some adjustments/changes as suggested by committee members.

Mr. Sturgeon stated there will be a few variances between the balance sheet; any balances in June and July because Mr. Sturgeon won't report June numbers that are different than what was reported at the last Board Meeting. Entries have been done after the last report preparing for the audit. Once the audit is complete there will be a definitive end of fiscal year balance sheet.

July Consolidated Highlights

- Net Income from Operations was an income of \$57,081
 - YTD Income from Operations \$57,081
- Net Income from All Sources was an income of \$85,162
 - YTD Income from All Sources \$85,162
- Bond Covenants
 - Days Cash On Hand is within the covenant at
 - Debt Service Coverage Ratio is within covenant at
 - Current Ratio is within covenant at

MOTION: To approve the Finance and Statistical Report for July 2016

- Glusker moved
- Bruning second
- Motion carried

24. PUBLIC COMMENTS

- Michelle Roberts stated that the 37th annual Winesong! will take place on September 9 & 10. There will be a Pinot celebration at the Little River Inn on Friday September 9 and Winesong! will take place on September 10th.
- Carole White noticed there was an increase in OB visits last month.

ADJOURN:

Open Session adjourned at 7:20 p.m.

Peter Glusker, MD, Secretary
Board of Directors

Gayl Moon, Secretary to the
Board of Directors

**BOARD OF DIRECTORS MEETING
HOSPITAL REDWOODS ROOM
THURSDAY, SEPTEMBER 29, 2016
MINUTES**

The Board of Directors of the Mendocino Coast Health Care District met in CLOSED session at 5:00 pm in the Hospital Redwoods Room, Tom Birdsell presiding.

PRESENT: Mr. Birdsell, Dr. Glusker, Ms. Bruning, Mr. Lund, Mr. Hogan

Mr. John Ruprecht, Legal Counsel (telephonically)
Mr. Bob Edwards, CEO
Gayl Moon, Executive Assistant

ABSENT: None

1. CALL TO ORDER:

OPEN Session of the Board of Directors of the Mendocino Coast Health Care District convened at 6:00 p.m. in the Redwoods Room, Mr. Tom Birdsell presiding.

2. ROLL CALL:

PRESENT: Mr. Steve Lund, Mr. Tom Birdsell, Dr. Peter Glusker, Ms. Kathleen Bruning, Mr. Sean Hogan
Board Members

BOARD MEMBERS ABSENT: None

ALSO PRESENT:

Mr. John Ruprecht, Legal Counsel (telephonically)
Mr. Bob Edwards, Chief Executive Officer
Ms. Gayl Moon, Executive Assistant

3. CLOSED SESSION MATTERS:

The Board of Directors reviewed the following items in closed session:

1. INFORMATION/ACTION: Bob Edwards Contract

- The Board voted 4 to 1 to extend Mr. Edwards' contract for one additional year, for a total four year contract. Other points in Mr. Edwards' contract will be discussed after Open Session adjourns.

2. INFORMATION/ACTION: Potential violation of Self Referral Laws

- The Board had a conference with legal counsel on potential physician self referral laws and potential violations pertaining to immediate family members. No action was taken.

3. INFORMATION/ACTION: Medical Staff Credentials and Privileges Report

- There was no report.

4. INFORMATION/ACTION: September Quality Management and Improvement Council Report

- The Board unanimously approved the September Quality Management and Improvement Council Report

5. INFORMATION/ACTION: Union negotiations

- The vote was ratified and accepted; the Hospital is awaiting the signed contract.

6. INFORMATION/ACTION: Contract extension for Dr. Russell Perry

- The Board approved the contract extension for Dr. Russell Perry

7. 340B Prescription Pharmacy Program

- The Board received information on the 340B Pharmacy Prescription Program. The 340B Program will be re-registered for the NCFHC.

4. **PUBLIC COMMENTS**

- Malcom MacDonald stated at last month's meeting, there was a Planning Committee report which was started by Ms. Bruning who chairs that committee, and then after she gave some of the details and at some point Mr. Lund, who used to be on the Planning Committee as a civilian member and then once he was appointed to fill Dr. Rohr's position on the Board he absented himself correctly from the Planning Committee because there were already 2 Board members on that committee, but at the Board meeting Mr. Lund gave a very detailed explanation of what happened at the Planning Committee meeting about a week before the Board meeting. I'm just wondering in the right transparency situation, how someone who wasn't at the meeting would have the most complete report of a meeting that he was not at. I think the public needs to know where potential influence lies, etc. I would appreciate finding out if not now because I know this is not agendized, but how someone who wasn't at the committee meeting could give a very detailed account of the committee meeting and what happened at it.
- Mr. Lund stated that while Ms. Bruning was describing strategic initiatives and there is an item on the agenda today that addresses those. I had been asked previously before I recused myself from the committee to submit information concerning what the priorities were at the time as a representative of the Foundation on the Planning Committee. I was just to frankly trying to assist Ms. Bruning in providing the audience and the world at large with accurate information about what the Planning Committee has actually been discussing for a couple of months concerning stipulating some strategic initiatives, and it is on the agenda today for the Board to consider the recommendation from the Planning Committee. That's how I was aware of some of that information.
- Ms. Bruning stated that it was her who froze. It was written down and it was on the agenda, and I just had a senior moment and could not read. That is really what happened Malcom, and I apologize to everyone.

5. **REVIEW OF THE AGENDA**

- Mr. Ruprecht requested adding 2 contracts to the agenda regarding the 340B Program. Macro Helix is the Hospital's administrator for 340B prescription and drugs, which is a federal program where patients can get a reduced rate for their prescriptions if they qualify for the 340B Program. The Hospital is required to have an administrator that administrates the program, and the administrator then contracts with one or more pharmacies to fill the orders. The Hospital recently learned that Macro Helix will not contract with Rite Aid and that Rite Aid Pharmacy has an exclusive agreement with a third party administrator separate from Macro Helix called Capture RX. The time frame in which to sign up a new administrator and a new pharmacy is October 1st through October 15th. MCDH had to obtain a waiver from Macro Helix allowing them to contract with another third party administrator for prescriptions which were filled at Rite Aid Pharmacy, as well as any other pharmacies that Capture RX contracts with. MCDH did not receive the waiver until this week. MCDH did not have the contracts or the waiver until this week and this is something that can increase revenues to the Hospital District. Mr. Ruprecht requested the Board by no less than a 4/5th vote move to add this to the agenda as an emergency item.

MOTION: To add as an emergency item to the agenda 340B Program Capture RX contract and the Pharmacy 340B services agreement that would cover Rite Aid

- Hogan moved
- Glusker second
- Roll call
 - Ayes: Lund, Bruning, Hogan, Birdsell, Glusker
 - Noes: None
 - Abstain: None
 - Absent: None
- Motion carried

This item will be added under #8 of New Business.

6. BOARD COMMENTS

- There were no Board Comments.

7. ACTION: APPROVAL OF CONSENT CALENDAR: MR. TOM BIRDSELL, PRESIDENT

- A. Minutes: Regular Session, August 25, 2016
- B. Policies & Procedures

Policy Titles

- Patient Classification
- Mandatory Flu Vaccination

MOTION: To approve the Consent Calendar

- Glusker moved
- Bruning second
- Motion carried

8. INFORMATION: CDPH RELICENSE SURVEY UPDATE: MR. BOB EDWARDS, CEO

- CDPH stands for California Department of Public Health. They came to survey MCDH the first week of August. Once their report was received, the Hospital had 10 days to reply with their plan of corrections.
- There were no adverse patient outcomes. The document is not for public disclosure yet as it has not been responded to by CDPH.

9. ACTION/INFORMATION: SPECIAL BOARD MEETING DATE FOR EMC REPORT: MR. TOM BIRDSELL CHAIR

- EMC is the company who conducted the Parcel Tax Phone Survey. A Special Board Meeting was scheduled to take place several days ago, but had to be cancelled due to a lack of quorum.
- This will be a joint Planning Committee, Finance Committee and Board meeting.

MOTION: To have a Special joint Board, Finance and Planning meeting on October 12 at 6:00 pm in the Redwoods Room

- Birdsell moved
- Bruning second
- Motion carried

10. ACTION/INFORMATION: MCDH FACILITY LICENSE BEDS IN SUSPENSION: MS. TERRY MURPHY

- Ms. Murphy stated that during the recent survey, the CDPH was looking into cleaning up paperwork. One point they kept mentioning was that the Hospital has had beds in suspense for a period of time which coincided with MCDH going through the CAH process. This issue has come up with previous CEOs and no decision was made. Ms. Murphy questioned whether it is appropriate to still have all those beds in suspense, paying for the use of those spaces, when there is little expectation that all those beds will be filled on a consistent basis. Also, the Nurse Call System would be affected. The facility will be wired for all the rooms currently in suspense as well as those beds on the license. MCDH will have to pay for extra equipment that will most likely never be used. Ms. Murphy feels it is time to look at the size of the community and the utilization of the Hospital and recognize there is probably not going to be a need for those extra beds. This would result in a savings of approximately \$37,000 for the Nurse Call System.
- Mr. Birdsell recapped by stating 10 years ago when the Hospital went to Critical Access the number of beds in the facility were reduced from 50 to 25. If the Hospital continues to suspend, the license will have to have another call button for a second bed in each room that is not in the room. Beds were in suspense at that period of time it was not known if there would be another business opportunity that might come up to service the health care needs of the community.

MOTION: To approve the reduction of beds in this facility from 50 to 25

- Hogan moved
- Glusker second
- If there are more than 25 patients in an emergency situation everyone can be accommodated. The state will be contacted and informed that the Hospital is in the midst of a disaster and the patients will be taken

care of. The state will then be notified when the disaster is over. If in the future MCDH wanted to relicense those beds the Hospital would have to show that the community really had a need.

- Roll call
 - Ayes: Birdsell, Glusker, Lund, Bruning, Hogan
 - Noes: None
 - Absent: None
 - Abstain: None
- Motion carried

11. INFORMATION/MOTION: NEW DEBT-REVENUE BOND: MR. BOB EDWARDS, CEO

- Mr. Edwards stated the Hospital has some very large capital projects due in FYE 2017 as well as FYE 2018 that can no longer be avoided. These projects can be financed either with cash reserves, debt, or a combination of the two.
- Known Capital Projects and estimated costs:
 - ATS Installation \$ 575,000
 - HVAC Installation \$ 500,000
 - OR/Central Sterile Separation Wall \$ 665,000
 - MediTech Upgrade for MU-2 \$2,000,000
 - PACS Replacement \$ 375,000
- Mr. Edwards stated MCDH currently has cash reserves well below a position Mr. Sturgeon is comfortable with. According to the Hospital's auditors, the most current data related to benchmarks is from 2014 and based on those numbers, the average Critical Access Hospital in the Western Region had 138 Days Cash On Hand, and are well below that number today. Last month both the Finance Committee and Board approved moving forward with a proposal to incur new debt in lieu of depleting the Hospital's cash reserves.
- Things to consider related to financing options:
 - Due to the Hospital's recent bond refinance, the cost for Bond Counsel as well as Underwriter will be significantly discounted.
 - The market is at historically low interest rates.
 - The current market will purchase the Hospital's bonds without Cal-Mortgage insurance.
 - The Hospital is allowed to issue new Revenue Bonds.
 - Cal-Mortgage has given a verbal ok for the Hospital obtaining new debt, and will receive written approval prior to issuing the debt. The letter of approval will be issued upon completion of the current audit. The audit must be approved by the Board before the Hospital issues new debt.
 - The interest savings associated with Cal-Mortgage approval, which is not guaranteed. Cal-Mortgage would minimally require a financial feasibility study done which could take up to two months to complete and cost a minimum of \$60,000.
 - The new debt will be subordinate to the Cal-Mortgage backed debt.
 - The new financing will most likely close by the end of November.
- Things to consider as to how the Hospital will pay for it:
 - Based on how the Hospital is currently cost reimbursed, Mr. Sturgeon estimates cost reimbursement through the Cost Report over the 10 year period to assist in paying back the debt around \$2,342,000; roughly 45% of the total debt.
 - The 3 capital projects are not optional. They must be completed in order to keep the hospital license as it is today.
 - If the OR Department is closed for any extended period of time, it would be hard for the organization to financially recover.
 - The EHR being upgraded to be Meaningful Use Stage 2 is mandated, but the penalty is only monetary and reduction in future reimbursement is more than the cost of implementing the new system over time.
 - If the Hospital does not obtain MU-2 status once the Financial Hardship Exemption is over, it will be subject to a 1% reduction in their total Medicare reimbursement, which is estimated to peak around \$300,000 annually.
 - Refinancing of the current Revenue Bonds has given us over \$1 million to use towards new debt payments over the next 10 years.
 - In 2019 the last Bankruptcy payment will be made.

- In 2018 the balance of CMS fines will be paid off.

Mr. Edwards requested that the Board give approval to move forward with the issuance of new Revenue Bond debt with estimated Net proceeds of \$3,500,000 and a 10 year term.

Mr. Ruprecht stated under the current agreement the Hospital has with Russ Trice & his law firm, which is the Hospital's bond counsel who recently handled the refinancing of the old bonds recently. The contract that MCDH has with them states that if the new bond issue closes within 120 days of the close of the refinancing, then the Hospital gets very favorable attorneys fees. If the bonds don't close by the end of November then there would be increased attorneys fees. This bond issue has to be approved by Cal Mortgage, but will not be insured by Cal Mortgage. The current Audited Financial Statements have to be given to Cal Mortgage before they will approve the bond issue. The Audit will be presented to the Board in early November and will then be sent to Cal Mortgage.

Mr. Hogan stated that the Finance Committee did recommend Board approval for these new bonds. Mr. Hogan did receive a letter from a community member who used to be a member of the Finance Committee who objected to financing in order to make these improvements. They felt these projects could wait and be paid for out of a Parcel Tax or restructuring of the district. The reason Mr. Hogan does not support that concept is that these things need to be done now, and restructuring the district could take 2 years and so could a Parcel Tax. Mr. Hogan also stated that he has watched the HVAC and Central Sterile issue go on for about 7 years when it was first brought up. Changes need to be made for patient safety and for infection control.

MOTION: To approve the issuance of \$4,150,000 of bonds to pay for these five (5) listed capital budget projects

- Hogan moved
- Lund second

Dr. Glusker stated that he does not feel the way to pay for these capital budget projects is with junk bonds or uninsured bonds. The hospital has less income than 2 years ago, and overall the income from the clinic and the Hospital is less and less, and the Hospital is not in a position to increase debt. There has been no opportunity for the public to hear about these bonds. Kaye Handley who recently resigned from the Finance Committee gave Dr. Glusker permission to ask that her letter regarding this matter be a part of the minutes of this meeting. Dr. Glusker formally requested that Kaye Handley's letter be added as part of the minutes. The CFO has not produced a revised budget that would account for the payments for these bonds, and the bonds should be insured by Cal Mortgage.

Mr. Lund commended staff for bringing a feasible approach to provide the revenue that is needed for projects that have too long been neglected. He stated that he will vote for the bond issuance reluctantly, but these projects are absolutely essential. If anyone in the audience or watching on TV thinks that the Hospital is going to be able to continue borrowing to pay for operational and deferred maintenance needs they're wrong. It would be very dangerous to issue any additional debt beyond this bond issuance without developing a more comprehensive plan for the future.

Ms. Bruning stated that she is also reluctant to support new debt, but feels it is absolutely essential in order for the Hospital to maintain an OR which is essential to our community. Without replacing the HVAC the state will not continue going for the contingency plans. We do need a Parcel Tax or an entirely new way of funding this Hospital.

Mr. Birdsell stated he sees no way to continue as the Hospital that we are without approving this bond measure. There is simply not much cash in the operating account to pay for these improvements. Without some of these improvements the Hospital will no longer have a license to provide services, and that is not acceptable. This bond measure is on very favorable terms given interest rates. If this bond is approved, the next Board that is seated here is going to have to take some action as it puts more debt on the shoulders of the Hospital.

Dr. Glusker stated that he feels it is a mistake to conflate the urgency of a need for work with an urgency floating uninsured bonds. There has not been an adequate review, discussion or examination of alternate ways of paying for the work that is needed. There has not been an adequate view of the budget that would be altered by selling these bonds.

Mr. Birdsell feels the information provided to the Board wasn't a revised budget; it was taking the incremental and debt repayment and laying that out year by year and laying out other cost savings that are flowing through the Hospital. Doing this \$4.15 million bond measure has made a cash impact over a ten (10) year period, it is only \$925,000, and it also ends up avoiding penalties for non-compliance of electronic health records and that is \$2.5 million.

Mr. Hogan stated that if the \$2 million of upgrades to the electronic medical records system are not done, then over a ten (10) year period Medicare will penalize MCDH approximately \$2.4 million. Mr. Hogan also stated that he does not like the idea of borrowing money; however, he hasn't seen a workable alternative for the time frame that this needs to be done. It would cost money to have Cal Mortgage insure the bonds. The Hospital could at a later date, ask Cal Mortgage to insure the bonds; that is an option. Mr. Hogan doesn't have a problem with it being an uninsured issuance, and he takes acceptance to the term junk bonds, as junk bonds are associated with having no credit worthiness at all and paying a premium on the interest rate to raise the funds.

Mr. Joe Crowley with William Blair & Company serving as the underwriter for the proposed issuance stated his firm also served as the underwriter for the recent GO Bond refinancing. They have been able to market the district through the GO Bond refinancing that took place in the summer, so their investor clients are familiar with the name and the story. This is an opportunity to take advantage of current disclosure as well as bond counsel having some very current documents. There would be a time and cost issue with having Cal Mortgage insure the bonds. The likelihood of the Federal Reserve increasing interest rates in December is high. There is a very strong, rational reason for moving forward for time, efficiency at a cost that seems reasonable for not having a Cal Mortgage insured transaction. A Cal Mortgage insured transaction would include a 3% premium which would be added to the interest rate cost for ten (10) years would be approximately 2.5%, which would be some advantage, but not a significant one.

Malcom MacDonald said obviously as it has been stated the list of HVAC, ATS, etc. these are all important things that have had to be fixed for years. One of the things that struck me, I appreciated getting the field trip during the Finance Committee meeting. One of the things that, and maybe it's my college professors fault or a parents fault, or teaching civics for about a decade in which our civics textbook decides what I taught. It was a whole category of propaganda, and under propaganda, which we're in an election year so I'm sure everybody says oh I just heard a bunch of that. The kind of base line category of propaganda is fear, that's the one that gets people most often. My reaction to the field trip was, this is fear propaganda, not that I didn't respect getting to see all those things. I kind of object to this under that logo, and it goes along with everything that Dr. Glusker said. The timing thing, we seem to be in this, oh at the last minute interest rate is a timing issue, etc., and that ties into the lack of public notice about this. In don't mean that in a legal sense for a certain number of days, but just sort of letting the public know. There are only a small number of people here who are not Hospital, clinic or foundation affiliated. I can see at least two, three others besides myself, and that's about it at any of these meetings. As Mr. Lund said, this is a big thing and it should be the last thing. I will agree with Mr. Lund's assessment almost 100%, except I'm not sure that this could be one too many, you know, slowing down the Lusitania so that the torpedo ship has a chance, which is what happened to the Lusitania. In springtime, and Dr. Glusker alluded to Kaye Handley's letter that he wants in the record. In springtime the chair of the Board and sorta kinda the CEO, well the CEO was part of committees that promised to have a mutual Board meeting and Planning and Finance Committee meeting together. When that meeting date came up the chair of the Board ignored the Planning and Finance Committee members present, and one of those people was greatly insulted because she raised her hand trying to be recognized, public comment on important matters, and walked out, I know because I went out in the parking lot and followed her. That was Kaye Handley. She kind of got snubbed again in a recent Planning Committee meeting because of time causing the meeting or that portion of the meeting to be cut off. So the bottom line of this you've been cutting off important influence and voices from the public, the civilians on the committee. You're not taking this to the general public. This should have a special Board meeting. It doesn't fly.

Following is the letter from Kaye Handley:

- Dear MCDH Board Member,
I am writing to each of you to express my concern about the new \$4 million bond issue proposed to fund equipment purchases. Although this proposal was recommended to the Board by the Finance Committee in August, there was

no discussion of the issue and given its significance, I'd like the opportunity to express my thoughts directly to the board.

While it is clear the new equipment is critical, I am concerned about the business-as-usual approach to funding it with new debt. The proposed additional bonds will bring the hospital's long-term debt up to \$18 million, barely a year out of bankruptcy. Annual debt service is currently about \$2 million and will increase to \$2.5 million assuming the proposed terms are achievable. That is roughly equal to all budgeted cash flow from operations for this fiscal year, leaving no cushion or funds for capital investment. Furthermore, operations have fallen short by over \$100K to-date, due in part to the unexpected decline in 340B revenue, which could miss budget by as much as \$300K for the year if current trends continue. Yes, the hospital will have new funds from the PRIME project but these will likely be offset by \$2 million in anticipated payments to reimburse Medi-Cal over the next four years.

The problem is, simply, that the hospital is already spending nearly all its free cash flow on debt service with little left for equipment and capital investment. This has apparently been the case for many years--with predictable results. Capital investment needs presented by management for the next three fiscal years total \$17 million, at least \$3 million of which is deemed urgent. And this does not address the new facility required by 2030.

Now we find ourselves with critical needs and no available cash. While borrowing may be the only immediate solution it is not a sustainable strategy. This debt proposal is an opportunity for the Board to show leadership in taking the difficult steps necessary to bring the hospital's cash flow up to a level that will maintain equipment and infrastructure. This is essential to restoring the hospital's competitive position and attracting/retaining quality physicians. Given the level of deferred expenditures in recent years an annual improvement of at least \$3-4 million will likely be needed to maintain a viable independent facility.

A number of cash flow improvement opportunities have been raised, specifically:

Pass a Parcel Tax

While there has been considerable effort to build community support for a parcel tax it has never been presented as part of a comprehensive plan that would truly fix the hospital's financial problems. Such a tax alone is not sufficient and voters may be reluctant to "throw good money after bad."

Close/Significantly Modify OB Services

Demographic changes have resulted in significant losses and potential safety risks in this department and both Committees have recommended that the Board obtain info on how other rural hospitals have managed this issue. An ad hoc committee was supposed to research it, yet this effort has not moved forward. While the public has expressed strong resistance to any change they, too, need more info to develop an informed view.

Change Ownership Structure to Qualify for more State Reimbursement

This is potentially the single biggest opportunity to improve cash flow but it has sat in limbo since January, despite several volunteers willing to explore the issue.

Other potential areas for significant savings should also be explored. These could include ways to improve employee retention in an effort to stop the dramatic rise in Registry costs, as well as working with employees to initiate some level of contributions to health and pension plans. Although this is a particularly sensitive issue we can no longer ignore the \$ millions in costs incurred by MCDH which are not borne by other local hospitals (or other businesses in general.)

Each of these initiatives could potentially improve cash flow by \$1 million and some have more than double that potential. Each one is clearly controversial but the easy savings have been done and these types of actions will be necessary to reform the hospital's operations in keeping with its current payor mix. Voters, employees, and community members may be more receptive to necessary changes if they are proposed as part of an overall plan that shares the sacrifices over all groups and demonstrates a total impact that will make the hospital viable.

There seems to be a perception by the public that difficult changes are not really necessary. I often hear comments that the hospital will "muddle through" or that "someone will bail it out". Approving this new debt with no further actions will only reinforce such perceptions. This is an opportunity to make it clear that failing to invest in capital needs or continuing to fund them through debt is *not* an option if MCDH is to become truly competitive and remain an independent entity.

I urge the board to make these cash flow initiatives, along with continuing to rebuild quality of care, its highest priorities for this fiscal year.

Sincerely,
Kaye Handley

- Roll call
 - Ayes: Bruning, Hogan, Birdsell, Lund
 - Noes: Glusker
 - Abstain: None
 - Absent: None
- Motion carried

Mr. Ruprecht stated there is a Resolution associated with this bond issuance which was part of the bond packet. The resolution needs to be added to the agenda to be voted on separately. This is a technicality. The resolution number will be 2016-4.

MOTION: To add Resolution 2016-4 to the agenda

- Hogan moved
- Bruning second
- Roll call
 - Ayes: Hogan, Birdsell, Bruning, Lund
 - Noes: Glusker
 - Absent: None
 - Abstain: None
- Motion carried

MOTION: To adopt Mendocino Coast Healthcare District Resolution 2016-4 approving the execution and delivery of indenture a preliminary limited offering memorandum and certain other actions related thereto

- Hogan moved
- Bruning second
- Roll call
 - Ayes: Lund, Bruning, Hogan, Birdsell
 - Noes: Glusker
 - Abstain: None
 - Absent: None
- Motion carried

12. INFORMATION/ACTION: GO BOND, PERMISSION TO EXPLORE: MR. MICHAEL REIMENSCHNEIDER/MR. SHIN GREEN

- Mr. Edwards stated the Hospital has an obligation to look at ways to raise money and save the district money. This is an opportunity to save the district taxpayers some money.
- Michael Riemenschneider and Shin Green gave the following presentation:
 - ❖ In November of 2000, Mendocino Coast District Hospital voters authorized \$5.5 million in General Obligation (GO) Bonds, which were issued in a single series in April of 2001.
 - ❖ Today, MCDH can 'refund' (or refinance) the 2001 GO Bonds to take advantage of the reduced duration of the bonds and produce more than \$500,000 in savings for taxpayers.
 - ❖ Under California law, all financial benefits from the refunding of GO Bonds must be passed to local taxpayers.
 - ❖ Refinancing the Hospital's 2001 GO Bonds will demonstrate good stewardship of the community's prior investment in the Hospital by taking advantage of opportunities to reduce the taxes already required for bond repayment.
 - ❖ After a period of 10 years, the bonds can be repaid prior to their final maturity through the issuance of 'Refunding Bonds'.
 - ❖ The issuance of Refunding Bonds should allow for the reduction of repayment requirements by virtue of having a shorter duration than the originally issued bonds.
 - ❖ While current market interest rates will likely enhance the level of savings that can be generated by a refunding, the primary reason for savings being attainable is the reduced term of the Refunding Bonds
 - ❖ Refundings are achieved through the issuance of new bonds to replace previous bonds, and the process is similar to any other bond issuance.
 - ❖ The fundamental steps for a bond issuance are:
 - Obtaining legal authorization to refund bonds through Board action
 - Preparation of legal issuance documentation
 - Setting of interest rates through negotiations
 - Completion of legal documents, and receipt and transfer of proceeds required to redeem prior bonds
 - ❖ Eastshore Consulting recommends that the Hospital seek to issue the Refunding Bonds through a negotiated or privately placed transaction. They will take the lead in each step of the process and serve as the guide for the entire GO Bond refunding process including:

- selection of the Financing Team; review of all legal documentation; preparation of information for delivery to underwriters and investors; pricing and placement of the Hospital's bonds
- ❖ The Hospital has the ability to generate in excess of \$500,000 in total taxpayer savings through the refunding of the 2001 GO Bonds. The savings could be realized by taxpayers from 2017 to 2030. The cost of issuance will be borne by bond proceeds and the Financing Team is only paid once the transaction is completed.
- ❖ It is anticipated that the refunding could be completed this year, in time to allow savings to be realized by taxpayers in the 2017-18 fiscal year.

MOTION: To authorize Eastshore Consulting to continue exploring the refinancing option with the GO Bonds

- Lund moved

- Glusker second

This will be complete by the November 3rd Board Meeting.

- Roll call
 - Ayes: Glusker, Hogan, Birdsell, Bruning, Lund
 - Noes: None
 - Abstain: None
 - Absent: None
- Motion carried

13. INFORMATION/ACTION: MEDICAL MANAGED CARE INPATIENT AGREEMENT: MR. BOB EDWARDS, CEO

- Mr. Edwards reported that MCDH has been approached by Adventist Health to partner with them in the management of our InPatient Medi-Cal Managed Care population covered by Partnership Health Plan (PHP). Ukiah Valley Medical Center (UVMC) was one of the very select hospitals chosen to participate in the InPatient Risk Pool with PHP to improve the quality of care delivered to the patient lives assigned to them through PHP. UVMC has the opportunity, through this program, to receive incentive payments annually based on their quality measures. MCDH does not have the option to receive these quality payments, but we a reporting the quality measures.
- By re-assigning with PHP, the lives currently associated to MCDH over to UVMC, the Hospital would be able to qualify for the quality incentives bonus through their agreement with UVMC. The Hospital currently have roughly 6,400 lives assigned to them for InPatient services through PHP. Based upon the most recent reported quality measures and the amount per live UVMC received on their quality measures, it is anticipated that MCDH could qualify for a bonus payment between \$550,000 and \$650,000 annually. This estimate is based on the Hospital's measures remaining at or higher than numbers reported by UVMC going forward.
- The patient should have no noticeable effect; they will continue to be treated at MCDH as they are today.
- MCDH staff will need to coordinate with UVMC staff for E-Tar submissions, which UVMC staff will now do. MCDH staff will coordinate with UNMC staff accessing patient charts and working with them for purposes of case management and utilization review. It is MCDH's expectation that MCDH Ambulance service will have the first option to transport any patient needing transferred to a higher level of care.
- MCDH is currently being paid less by PHP than the rates being offered. UVMC also added an OB add-on payment of &750 per baby above what PHP was willing to pay us. Based on the previous 6 months of volumes, the Hospital could see an annual increase in reimbursement over \$50,000 plus \$750 per PHP insured baby born at MCDH.
- MCDH will receive 100% of the quality bonus earned for each fiscal year of this agreement. If approved, the Hospital would qualify for bonus funds starting January 1, 2017. Quality Bonus payments are made after the end of the Fiscal Year which ends in June, but has no specified payment date.
- Administration recommended the Board approve this agreement.

MOTION: To authorize Coast Healthcare District to participate in the Managed Care Inpatient Agreement with Partnership Health Plan and Ukiah Valley Medical Center

- Lund moved
- Glusker second

- Mr. Ruprecht stated there are parts of the contract that aren't clear. The contract does not state that MCDH's ambulance will take the call; it assumes that to be the case, but it doesn't bind that. The contract as proposed is quite loose. He is concerned that MCDH will get out of this what it purports to be. Several people questioned what Adventist is getting out of this agreement; what is the incentive for them to help MCDH? Discussion ensued.
- Roll call
 - Ayes: Glusker, Bruning, Hogan, Birdsell, Lund
 - Noes: None
 - Abstain: None
 - Absent: None
- Motion carried

14. ACTION/INFORMATION: AUTHORIZE MCDH TO PARTICIPATE IN MEDICAL AND PRIME INTERGOVERNMENTAL TRANSFER AGREEMENTS: MR. BOB EDWARDS, CEO

- There are two IGT requests:
 1. Rate Range IGT- this request would require \$689,863 be taken from the LAIF Account. This will be sent to the state; the state will charge an Administrative Fee of \$114,977. The Hospital will net an additional \$459,909.
 2. Prime IGT- MCDH will send \$562,000 to the state that will double that amount and send it to MCDH.
- Mr. Ruprecht stated that a resolution is needed for this item. He stated that the Board can pass this with a motion subject to a formal resolution in which will be ratified at the next meeting.

MOTION: To make a Rate Range Intergovernmental Transfer in the amount of \$689,863 from the LAIF Fund subject to the ratification of Resolution 2016-5 at the next regular Board Meeting

- Hogan moved
 - Glusker second
- The timeline from the funds being sent to the state and the Hospital receiving the funds is approximately 1 to 3 months.
- Roll call
 - Ayes: Hogan, Birdsell, Bruning, Lund, Glusker
 - Noes: None
 - Abstain: None
 - Absent: None
 - Motion carried

MOTION: To make a Prime Intergovernmental Transfer in the amount of \$562,000 from the LAIF Fund subject to Resolution 2016-6 to be ratified at the next regular Board Meeting

- Hogan moved
- Glusker second
- Roll call
 - Ayes: Bruning, Lund, Glusker, Hogan, Birdsell
 - Noes: None
 - Abstain: None
 - Absent: None
- Motion carried

15. INFORMATION/ACTION: 340B PROGRAM CONTRACTS: MR. BOB EDWARDS, CEO

- Mr. Ruprecht stated that he has read the contracts, and stated that both contracts are non-negotiable. Mr. Ruprecht would not like Texas as the venue for jurisdiction if there was ever a dispute, but feels that the Hospital is unable to change that.
- Mr. Ruprecht recommended that the Board approve both the Capture RX and the Rite Aid Pharmacy 340B Services Contract. The Hospital has received a waiver from Macro Helix to contract with Capture RX and a second third party administrator because Macro Helix does not contract with Rite Aid and Mendocino Coast Pharmacy no longer does business through Macro Helix and they are exclusive with Capture RX.

MOTION: To enter into the agreement with Capture RX with respect to Rite Aid Services Contract and any other pharmacy that is able to participate

- Hogan moved
- Glusker second
- Roll call
 - Ayes: Lund, Bruning, Hogan, Birdsell, Glusker
 - Noes: None
 - Abstain: None
 - Absent: None
- Motion carried

16. INFORMATION: CEO REPORT: MR. BOB EDWARDS, CEO

- Emcare started in the ER on August 1st.
- On August 12 a family practice physician was interviewed
- On November 1 a part-time female OB/GYN will start at NCFHC & an NP is starting on Oct. 10
- The Health Festival will take place on Saturday October 15
- A community health needs assessment needs to be done in coordination with a number of agencies in the community
- NCFHC had an assessment by Wipfli a group of accounts that specialize in rural health clinics
- Get your flu shots!
- Hospice had a volunteer celebration – thank you to our Volunteers!
- The Governor signed a bill allowing CAHs to be able to employ physicians beginning Jan. 1, 2017

17. ACTION/INFORMATION: WINESONG! UPDATE: MS. MICHELLE ROBERTS

- The final accounting is not yet finished.
- Michelle thanked everyone for their help, and especially Bob Edwards & Terry Murphy.
- Bob Edwards, Shelley Ware & Dr. Rochat gave Mr. & Mrs. Grace, the owners of the honored winery, a tour of the Hospital.
- The fund-a-need raised \$210,000 for the telemetry system in ER and ICU.
- The auction proceeds was approximately \$340,000

18. ACTION: PLANNING COMMITTEE REPORT: MS. KITTY BRUNING

- Planning Committee did not meet in September.
- **Strategic Planning Initiatives: Ms. Kitty Bruning/Mr. Bob Edwards, CEO**
 - Following is a Strategic Planning Initiatives the Planning Committee has approved and is asking for Board approval:

Improve the Financial Viability of the Mendocino Healthcare District

- Studying and potentially implementing a Hospital Fee Hospital Structure change
- Exploring a District Parcel Tax
- Positioning the District to achieve a 1% Revenue over Expenses financial outcome
- Achieving the Capital and Deferred Maintenance requirement of the facility to include: HVAC, ATS, Nurse Call, Surgery Decontamination, 6 patient rooms

Improve the Operational performance functions of the Mendocino Coast Healthcare District, to include:

- Patient Experience scores, to the average of the 75th percentile
- Sustain and Improving OB Services
- Improving Quality metrics, to the 75th percentile

Develop a Public Relations, Marketing, and Communications Program

- Metrics to be Determined

Upgrade MCDH Electronic Health Record to achieve meaningful use objectives, upon an established deadline.

MOTION: To approve the Strategic Planning Initiatives for 2016/2017

- Bruning moved
- Glusker second
- Motion carried

19. ACTION/INFORMATION: MEDICAL STAFF REPORT: DR. JACK BELLAH

A. Locum Tenens Coverage

1. Lynette Chevalier-Paris, MD

MOTION: After careful consideration recommendation approval of Locum Tenens Coverage for Lynette Chevalier-Paris, MD

- Glusker moved
- Hogan second
- Motion carried

20. INFORMATION: CHIEF OF PATIENT CARE REPORT: MS. TERRY MURPHY

- Refer to attached report as part of these minutes.

21. ACTION/INFORMATION: JPA REPORT: MR. BOB EDWARDS, CEO

- There will be a meeting on November 9th at MCDH.

22. ACTION/INFORMATION: PLANT SERVICES REPORT: MS. ELLEN HARDIN

- The ATS trailer is currently being braced, then the permanent installation of the new ATS.
- The HVAC is in the public bid preparation phase. Once the documentation is in place, a special Board meeting will be scheduled in order for the Board to review the bid package.
- The Nurse Call System construction start date is October 17.
- The Central Sterile remodel will soon have a project number with OSHPD.
- The telemetry project will soon have a project number with OSHPD.

23. INFORMATION/ACTION: ALYSOUN HUNTLEY FORD FUND DRAW

- The Alysoun Huntley Ford Fund is a Board designated fund left to the Hospital for purposes of funding some respite for caregivers of patients who are dying at home. Each draw request is for up to \$2,000.00.
- There were not requests.

24. ASSOCIATION AND COMMUNITY SERVICE REPORTS: BOARD MEMBERS

- There were no reports.

25. INFORMATION/ACTION: STATISTICAL/FINANCE REPORT, AUGUST 2016: MR. SEAN HOGAN

August Highlights:

- Net Income from Operations was an income of \$35,773
 - o YTD Income from Operations \$92,854
- Net Income from All Sources was an income of \$64,124
 - o YTD Income from All Sources \$149,286
- Bond Covenants are now being reported on the bottom right corner of the Executive Summary
 - o Debt Service Coverage Ratio is within covenant at 4.04
 - o Current Ratio is within covenant at 1.26
 - o Days Cash On Hand is within the covenant at 52.61

MOTION: To approve the Finance and Statistical Report for August 2016

- Glusker moved
- Bruning second
- Motion carried

26. PUBLIC COMMENTS

- Malcom MacDonald said I just want to state this hopefully a little more clearly, succinctly. The Board and the Administration have made little or no attempt to outreach to the community before

this new bond action was adopted by the Finance Committee on Tuesday and the Board today. Part of this problem is evident in the treatment of one or more Finance and or Planning Committee members; one of them has tendered her resignation. In my assessment, based on some of this being ignored behavior by the Board Chair and by the Committee Chair and perhaps by the Administration itself. I do hope her letter is put into the public record.

27. ADJOURN:

Open Session adjourned at 8:50 p.m.

Reconvened Closed Session at 9:00 p.m.

A. Reporting our of Closed Session

1. **Information/Action:** Bob Edwards contract

- The Board authorized the Compensation Committee to take a look at the Performance Incentive Program as it applies to the CEO. Mr. Birdsell will meet with Ellen Hardin to look for an independent industry study in order to measure and compare.

Meeting adjourned at 9:09 p.m.

Peter Glusker, MD, Secretary
Board of Directors

Gayl Moon, Secretary to the
Board of Directors

**MENDOCINO COAST HEALTH CARE DISTRICT
BOARD OF DIRECTORS, PLANNING COMMITTEE & FINANCE COMMITTEE
SPECIAL JOINT SESSION
FORT BRAGG, CA
TUESDAY, OCTOBER 12, 2016**

1. CALL TO ORDER:

OPEN Session of the Board of Directors, Planning Committee & Finance Committee of the Mendocino Coast Health Care District convened at 6:00 p.m. at 700 River Drive, Fort Bragg, CA 95437: President Tom Birdsell presiding

2. ROLL CALL: Bruning, Glusker, Birdsell, Lund, Dell’Ara, O’Day, Edwards
ABSENT: Hogan, Bellah, Katzel, Scott, Allison, MacLaren

3. OPEN SESSION:

A. INFORMATION: PHONE SURVEY EXECUTIVE SUMMARY REPORT: MR. BOB EDWARDS, CEO

Mr. Edwards stated that in order to continue seeking feedback about options to provide the Hospital with greater fiscal sustainability, we commissioned a voter opinion 15 minute phone survey of 250 community members with EMC Research, which was conducted late in August. The results match the sentiment communicated to us at the town hall meeting about the OB department in July, and provide some additional clarity on the direction residents would like us to pursue. Jessica Polsky with EMC gave a power point presentation of the results of the phone survey. Following are particular highlights:

- *Maintaining local healthcare –especially local emergency room care and OB –is **extremely** important to Mendocino Coast voters.*
- *Two-thirds strongly oppose closing the OB department.*
- *Most voters rely on and have positive opinions of MCDH; however, responses suggest that many would also like to see improvements to the quality of healthcare.*
- *To increase residents’ awareness of the Hospital, additional information could be provided to the community on an ongoing basis.*
- *Over two-thirds of respondents supported either a parcel tax OR a bond measure to maintain local healthcare; however, neither option on its own garners the necessary two-thirds support.*
- *Support for a \$200 parcel tax remains well below the two-thirds required for approval, even after voters hear reasons why the measure is needed.*
- *A strong majority support modifying the hospital governance structure to generate additional revenue.*
- *The cost of a measure is an issue for many voters, and there are some concerns about the hospital’s financial management.*

The Planning Committee will review this input, discuss how to best incorporate it into everything that is already underway as well as develop new ideas, and make strategic recommendations to the Board about how to best proceed on a number of important issues. We invite all community members to be a part of these discussions in the weeks and months to come.

Ultimately, we will continue working to earn the community’s support, find the right path to sustain our finances and make our Hospital what the community deserves.

B. COMMUNITY COMMENTS

- Community, Board and Committee members engaged in discussion.

- ✓ A comprehensive plan needs to be put in place for short term, midterm and long term in order to convince/engage the community in the discussion/decision to go for a bond or a parcel tax if necessary.
- ✓ The public needs to know how these monies will be applied.
- ✓ The questions that were asked to community members during the survey were developed by a committee which consisted of Bob Edwards, Steve Lund and Michael Reimenschneider. The cost of the survey was \$18,700.
- ✓ There has to be more targeted information provided to the community with regards to what is going on at MCDH on a regular basis, as well as the planning efforts.

C. **BOARD COMMENTS**

- The Board and Community Comments were intermingled.

D. **ADJOURN:**

The meeting adjourned at 7:00 pm

Mr. Tom Birdsell, President
Board of Directors

ATTEST:

Ms. Kitty Bruning, Vice-President
Board of Directors

These minutes constitute a portion of the official record of the Board and are the written record of the proceedings. Documents distributed to the Board of Directors at the meeting are available for public review except legally privileged or confidential documents.

**BOARD OF DIRECTORS MEETING
HOSPITAL REDWOODS ROOM
THURSDAY, NOVEMBER 3, 2016
MINUTES**

The Board of Directors of the Mendocino Coast Health Care District met in CLOSED session at 5:00 pm in the Hospital Redwoods Room, Tom Birdsell presiding.

PRESENT: Mr. Birdsell, Dr. Glusker, Ms. Bruning, Mr. Lund, Mr. Hogan

Mr. John Ruprecht, Legal Counsel
Mr. Bob Edwards, CEO
Mr. Wade Sturgeon, CFO
Gayl Moon, Executive Assistant

ABSENT: None

1. CALL TO ORDER:

OPEN Session of the Board of Directors of the Mendocino Coast Health Care District convened at 6:00 p.m. in the Redwoods Room, Mr. Tom Birdsell presiding.

2. ROLL CALL:

PRESENT: Mr. Steve Lund, Mr. Tom Birdsell, Dr. Peter Glusker, Ms. Kathleen Bruning, Mr. Sean Hogan
Board Members

BOARD MEMBERS ABSENT: None

ALSO PRESENT:

Mr. John Ruprecht, Legal Counsel
Mr. Bob Edwards, Chief Executive Officer
Mr. Wade Sturgeon, Chief Financial Officer
Ms. Gayl Moon, Executive Assistant

3. CLOSED SESSION MATTERS:

The Board of Directors reviewed the following items in closed session:

- **INFORMATION/ACTION:** Medical Staff Credentials and Privileges Report
 - There was no report.
- **INFORMATION/ACTION:** October Quality Management and Improvement Council Report
 - The Board unanimously approved the October Quality Management and Improvement Council Report.
- **INFORMATION/ACTION:** Consideration of Government Claim by J. Hammarback and R Peurrung
 - The Board denied two (2) claims by J. Hammarback and R Peurrung.
- **INFORMATION/ACTION:** Contract extension for Dr. Jack Bellah
 - The Board approved the contract extension for Dr. Jack Bellah
- **INFORMATION/ACTION:** Contract extension for Dr. John Cottle
 - The Board approved the contract extension for Dr. John Cottle
- **INFORMATION/ACTION:** Contract extension for Dr. Linda James
 - The Board approved the contract extension for Dr. Linda James
- **INFORMATION/ACTION:** Contract extension for Dr. Jennifer Kreger
 - The Board approved the contract extension for Dr. Jennifer Kreger

- **INFORMATION/ACTION:** Contract extension for Douglas Lister, PDM
 - The Board approved the contract extension for Douglas Lister, PDM

- 9. **INFORMATION/ACTION:** Board Self Evaluation
 - This item will be discussed in Closed Session after Open Session adjourns.

- 10. **INFORMATION/ACTION:** Professional Services Agreement for John Ruprecht
 - This item will be discussed in Closed Session after Open Session adjourns.

4. **PUBLIC COMMENTS**

- Myra Beals stated there was a huge announcement about Dr. Campos in the Fort Bragg Advocate news last week regarding Dr. Campos' employment; however it was right beside all the other candidate's answers to the newspaper's questions. She felt this looked like an MCDH endorsement of his candidacy for one of the MCDH Board of Directors seats even though the ad didn't say it was an endorsement. She felt the other candidates might demand equal space. She felt this would influence voters who are not familiar with the candidates. She filed a report with the FPPC about this matter; she feels it is illegal.
- Mr. Edwards stated that it has never been the Hospital's intention to endorse Dr. Campos or any other candidate running for the Hospital Board. He called the newspaper and had the ad pulled immediately.
- She questioned that if both physicians currently running for the Hospital Board get elected; would that be a conflict of interest?
- Mr. Ruprecht stated there is a special section in the Health and Safety Code which covers district hospitals that addresses the issue of physicians on a district hospital board. It states that just being a member of the medical staff is not a disqualifying factor for being a member of the board of directors. It also states that a physician who is a member of the board has to recuse him/herself from any discussion regarding their own compensation or their own contract. Dr. Glusker stated that he is not an active member of the medical staff; he has no contracts and he is not involved medically with the hospital.

5. **REVIEW OF THE AGENDA**

- Mr. Ruprecht requested adding a contract for Norton Rose Fulbright for the General Obligation Bonds.

MOTION: To add as an item to the agenda the contract for Norton Rose Fulbright

- Glusker moved
 - Bruning second
 - Roll call
 - Ayes: Lund, Bruning, Hogan, Birdsell, Glusker
 - Noes: None
 - Abstain: None
 - Absent: None
 - Motion carried
- This item will be added under #7 as item 7.5 in New Business.

6. **BOARD COMMENTS**

- There were no Board Comments.

7. **ACTION: APPROVAL OF CONSENT CALENDAR: MR. TOM BIRDELL, PRESIDENT**

- A. Minutes: Regular Session, September 29, 2016
- B. Minutes: Special Joint Meeting, October 12, 2016

MOTION: To approve the Consent Calendar

- Bruning moved
- Hogan second
- Motion carried

8. ACTION/INFORMATION: APPROVAL OF AUDIT REPORT FOR FYE 2015/2016: MR. WADE STURGEON, CFO

- Kami Matzek, CPA with Dingus Zarecor & Associates Accounting Firm presented the Audit Report for FYE 2015/2016.
 - ✓ The Hospital received an unmodified audit opinion.
 - ✓ During the documenting of internal control and the testing of the balances and internal controls, there were no noted material weaknesses or significant deficiencies.
 - ✓ There were no reportable conditions.
 - ✓ In all material respects, the financial position of the District as of June 30, 2016, and the changes in its financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

MOTION: To approve the Audit Report for FYE 2015/2016

- Hogan moved
- Bruning second
- Roll call
 - Ayes: Birdsell, Glusker, Lund, Bruning, Hogan
 - Noes: None
 - Absent: None
 - Abstain: None
- Motion carried

9. ACTION/INFORMATION: RESOLUTION #2016-5: A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MENDOCINO COAST HEALTH CARE DISTRICT APPROVING THE ISSUANCE AND SALE OF GENERAL OBLIGATION REFUNDING BONDS FOR THE DISTRICT IN AN AMOUNT NOT TO EXCEED \$4,500,000

- Mr. Shin Greene with Eastshore Consulting, and Jonathan Gus (telephonically) with Norton Rose Fulbright, stated refunding of the 2001 General Obligation Bonds will produce more than \$500,000 in savings for taxpayers. The issuance of Refunding Bonds should allow for the reduction of repayment requirements by virtue of having a shorter duration than the originally issued bonds.
 - Tabs 4, 5, 6 & 7 along with specific legal documentation prepared by Norton Rose Fulbright. These documents have been reviewed by the entirety of the finance team; including the Underwriting Team, Eastshore Consulting as financial advisors and the Hospital's legal counsel. The only item that is actionable at this meeting is Resolution 2016-5, which calls for the other documentation. The resolution is constructed to authorize this transaction and makes reference to the documents covered under Tabs 5 (the Purchase Agreement), 6 (Escrow Deposit & Trust Agreement), 7 (Preliminary Official Statement), 7.5 (Norton Rose Fulbright as Bond Counsel).

MOTION: To adopt Resolution #2016-5, a Resolution of the Board of Directors of Mendocino Coast Healthcare District approving the issuance and sale of General Obligation Bonds refunding Bonds for the District in the amount not to exceed \$4.5 million

- Hogan moved
- Glusker second
- Roll call
 - Ayes: Glusker, Bruning, Hogan, Birdsell, Lund
 - Noes: None
 - Abstain: None
 - Absent: None
- Motion carried

10. ACTION/INFORMATION: PURCHASE AGREEMENT REGARDING GENERAL OBLIGATION BONDS: MR. JOHN RUPRECHT

- This item was approved with the approval of Resolution 2016-5.

11. INFORMATION/MOTION: ESCROW DEPOSIT AND TRUST AGREEMENT REGARDING GENERAL OBLIGATION BONDS: MR. JOHN RUPRECHT

- This item was approved with the approval of Resolution 2016-5.

12. INFORMATION/ACTION: PRELIMINARY OFFICIAL STATEMENT REGARDING GENERAL OBLIGATION BONDS: MR. WADE STURGEON, CFO

- This item was approved with the approval of Resolution 2016-5.

13. INFORMATION/ACTION: CONTRACT FOR NORTON ROSE FULBRIGHT FOR THE GO BOND: MR. JOHN RUPRECHT

- This contract is for Bond Counsel and has been reviewed by Mr. Ruprecht. The amount of their fees is \$60,000 plus \$2,000 for expenses. These fees and expenses are contingent on the successful issuance and sale of the bonds.

MOTION: To approve the Contract for the refinancing of General Obligation Bonds with Norton Rose Fulbright

- Hogan moved
- Kitty second
- Roll call
 - Ayes: Hogan, Birdsell, Bruning, Lund, Glusker
 - Noes: None
 - Absent: None
 - Abstain: None
- Motion carried

14. INFORMATION/ACTION: AGREEMENT FOR FINANCIAL ADVISORY SERVICES OF EASTSHORE CONSULTING, LLC PERTAINING TO THE REFINANCING OF THE DISTRICT'S GENERAL OBLIGATION BONDS: MR. BOB EDWARDS, CEO

- Mr. Ruprecht stated that the contract in the Board packet is not the final contract. There is a major change to Liability paragraph which the Board received a copy of. The Hospital received the Liability Certificate. Mr. Ruprecht recommended approval of the Contract with Eastshore Consulting in the amount of \$40,000 plus \$2,000 for expenses.

MOTION: To approve the Financial Advisory Services Contract with Eastshore Consulting for the GO Bonds

- Hogan moved
- Bruning second
- Roll call
 - Ayes: Bruning, Lund, Glusker, Hogan, Birdsell
 - Noes: None
 - Abstain: None
 - Absent: None
- Motion carried

14. ACTION/INFORMATION: CORPORATE MEMBER OF ASSOCIATION OF CA. HEALTHCARE DISTRICTS: MR. BOB EDWARDS, CEO

- Mr. Edwards stated MCDH is still a member of the Association of California Healthcare Districts (ACHD). They offer several educational opportunities throughout the year as well as Board required training. The next training will be February 2nd at \$150.00 per attendee; Mr. Edwards would like the new Board and himself to attend this training session in February in Sacramento.

15. INFORMATION/ACTION: EXECUTIVE INFORMATION SYSTEM PROPOSAL: MR. WADE STURGEON, CFO

- Mr. Sturgeon provided the Board a proposal as well as two (2) separate agreements associated to the implementation of an information system that attaches to Meditech. When Meditech was originally implemented there were many options that were not chosen including a Data Repository System which gives us the ability to run complex reports with much better and timely information that we are able to gather today. The Data Repository System will be required in order to implement the Hospital eventually upgrades the HER to be MU-2 compliant. Choosing to install this system now would eliminate that need in the future. The Data Repository System is required in order to implement any reporting system with Meditech.

- Medisolv is the vendor of choice with Meditech for Executive Information Reporting related to Business and Clinical information. This system will provide the Hospital with real time data.

COSTS:

	Implementation Fee	License Fee	Annual Maintenance Fee
Data Repository System	\$24,786	\$47,940	\$5,748
Medisolv RAPID	\$52,500	\$0	\$9,650

- Mr. Sturgeon requested that the Board give approval to move forward with implementing the Data Repository System within Meditech and adding the Medisolv RAPID solution to Meditech.

MOTION: To approve the Data Repository System and Medisolv RAPID acquisition

- Bruning moved
- Hogan second
- Mr. Birdsell wants the record to reflect that this adds up to approximately \$125,000 of total expense along with \$15,000 in annual fees. This software won't pull contractual allowances by department.
- Roll call
 - Ayes: Lund, Bruning, Hogan, Birdsell, Glusker
 - Noes: None
 - Abstain: None
 - Absent: None
- Motion carried

16. ACTION/INFORMATION: REVENUE BOND APPROVAL: MR. WADE STURGEON, CFO

- Mr. Sturgeon stated there is not yet a buyer for this bond. Mr. Ruprecht stated this is the new money Revenue Bond issue, is authorized specifically by the Health and Safety Code for district hospitals. The Board passed the resolution to proceed with this at the last Board. By law that resolution had to be published twice in a newspaper of general circulation, informing the public that the Board was proceeding with this matter; it was published twice. What was on the agenda tonight was passage of an Ordinance approving the formal agreement for the private sale of the bonds. Since there is no buyer the Hospital can't go forward with the Ordinance and can't go forward with the purchase agreement. If the Ordinance is passed, it will have to be published twice in a newspaper of general circulation within the district, which is the Advocate News, and MCDH will try to get the print bigger (more legible) in the newspaper publishing. After the last publication there is a thirty (30) day period which is required by law, where if someone objects to the Revenue Bond proposal, they can file a petition for referendum to get put on the ballot to stop the Revenue Bond issue.
- This item will go on the agenda of the next regularly scheduled Board Meeting, December 8, 2016.
- Discussion ensued regarding the need for public outreach. Bob Edwards, CEO should write an article to the Advocate News to explain/educate the public on exactly why these funds are necessary and what they will buy.
- This item was tabled.
- No action was taken.

17. ACTION/INFORMATION: MENDOCINO COAST HEALTH CARE DISTRICT ORDINANCE #16-1; APPROVING A FORMAL AGREEMENT FOR THE PRIVATE SALE OF THE MENDOCINO COAST HEALTH CARE DISTRICT REVENUE BONDS, SERIES 2016 AND BOND PURCHASE AGREEMENT: MR. WADE STURGEON, CFO

- This item was tabled.
- No action was taken.

18. ACTION/INFORMATION: RESOLUTION 2016-6; A RESOLUTION OF THE DIRECTORS OF THE MENDOCINO COAST HEALTH CARE DISTRICT DBA MENDOCINO COAST DISTRICT HOSPITAL RATIFYING WITHDRAWAL OF LAIF FUNDS TO THE GENERAL FUND OF THE DISTRICT TO PAY FOR THE RATE RANGE (MEDI-CAL) INTERGOVERNMENTAL TRANSFER (IGT): MR. WADE STURGEON, CFO

- This Resolution authorizes Mr. Sturgeon or Mr. Edwards to release, if needed, funds from the LAIF Account to fund the Intergovernmental Transfer (IGT). The funds will be reimbursed and doubled from the state to MCDH.
- When the money is received it will be put back into the LAIF Fund within thirty (30) days.

MOTION: To approve Mendocino Coast Healthcare District Resolution 2016-6 Ratifying the Withdrawal of LAIF Funds to the General Fund of the District to Pay for the Rate Range (Medi-Cal) Intergovernmental Transfer

- Hogan moved
- Bruning second
- Roll call
 - Ayes: Glusker, Hogan, Birdsell, Bruning, Lund
 - Noes: None
 - Absent: None
 - Abstain: None
- Motion carried

19. ACTION/INFORMATION: HIRING ARCHITECT FOR FACILITY REPLACEMENT PLANNING: MR. BOB EDWARDS, CEO

- Mr. Edwards stated there are several steps toward meeting the California Seismic regulations for 2030. Bringing an architect on board could help with a couple of things. Those being:
 1. The regulations have changed, and it appears that part of the existing facility could remain intact. An architect could clarify what part of the building can stay and what part can't.
 2. The architect would be able to instruct Management on whether the Hospital is in the best location regarding the soil, etc.
- Mr. Edwards stated the Planning Committee would like to propose hiring an architect to look at the Hospital for seismic capacity for existing structures, or seismic deficiencies for existing structures. The purpose of the architect coming to MCDH would be:
 - ✓ What would the future hospital look like?
 - ✓ Retrofit or replace the facility?
 - ✓ What major steps need to be undertaken to arrive at a future facility: the engineering, capital campaign, construction, and licensure?
 - ✓ What do Critical Access Hospitals being built today for future use look like?
 - ✓ What will be the cost incentives for building or retrofitting a new hospital?
 - ✓ What would be the timeline?
- Mr. Edwards asked the Board for permission to go out and collect bids & bring those bids back to the Board for approval, so they can then have a planning session with the Planning Committee about the future needs for a replacement or retrofit hospital. The cost would hopefully be modest and within Mr. Edward's \$25,000 signature authority.

MOTION: To approve the hire of an architect for a facility replacement plan, and that the Board empowers Mr. Bob Edwards to come up with some suggestions of which architect is to be chosen

- Bruning moved
- Hogan second
- Dr. Glusker stated that architects are expensive. He feels an Ad Hoc Committee is necessary whose task would be to plan what is it that the community/region need in the way of a hospital. After the needs are assessed, then ask an architect to come and let them know what size/type of facility is needed.
- Mr. Birdsell feels that engaging an architect early in the process, creating 3D models makes something closer to a reality, and sharing it with the community will really help.
- The architect would fulfill a needs assessment process and engage the community, then report back to the Planning Committee and the Board.
- Discussion ensued.
- Roll call
 - Ayes: Birdsell, Glusker, Lund, Bruning, Hogan
 - Noes: None
 - Absent: None

- Abstain: None
- Motion carried

20. INFORMATION: CDPH RELICENSE SURVEY UPDATE: MR. BOB EDWARDS, CEO

- Heard from the State and there were a few corrections needed to be made. The next submission of the plan to be back to the state by November 9th.

21. ACTION/INFORMATION: CEO REPORT: MR. BOB EDWARDS, CEO

- The Hospital is 95% compliant for staff flu shots.
- Submitted the change in beds to the California Department of Health, which will save MCDH approximately \$11,000.
- The Knights of Columbus have a benefactor who offered to provide wheelchairs for the community, and next week 20 wheelchairs will be delivered to the community.
- On the Board agenda next month will be a request for a T-System for the ER. This would help with the documentation.
- There was a quality meeting with Partnership Health Plan which has oversight of the Hospital's payment for MediCal patients. They stated there is a new 340b Program that they have been piloting at 6 other facilities where they are doing 340b for Oncology Programs and those other facilities have been able to net \$1 million per facility per year. We will be turning in an application for this new 340b Program in a couple of months.
- Wade Sturgeon, CFO is now in charge of Facilities. Steve Kobert was introduced as the Interim Facilities Manager.

22. ACTION/INFORMATION: PLANNING COMMITTEE REPORT: MS. KITTY BRUNING

- Ilona Horton reported on the Prime Project: The report for the first demonstration year was submitted in September, and it has been accepted; they sent their request for the remainder of the IGT. Wade has received their letter for the IGT request for \$562,500 to be coming to MCDH.
- Mr. Edwards presented results from the recent Phone Survey that was conducted.
- Mr. Edwards continues to work on a Strategic Plan.
 - Discussed forming an OB Ad Hoc Committee. A decision was made to table this committee until after the November election in order to know who the new Board Members will be.
 - A number of committee members expressed their disappointment in the Board tabling the Ad Hoc Committee until the November Planning Committee Meeting. Ms. Bruning stated that she has not been given the name of a Medical Staff member or members to be on the committee, such as an ER Physician and an Anesthesiologist as they are intertwined with OB. After this upcoming election all the Board assignments will change. The Chairman of the Board will change and the Chairman of the Board certifies the committees.
 - A decision was made for the Planning Committee to establish an OB Committee with the members to be decided at a later date, appoint Kitty as its current chair, appoint the members of the audience who want to be on that committee and instruct them to put together the format/structure and what the membership would look and bring it to the December meeting with recommendations for who should fill out that committee and develop a charter and scope. The Committee would be in place with a charter, scope and structure so the new Chairman of the Board can appoint the committee chairperson.

MOTION: The Board to instruct the Planning Committee to develop a mission and scope of work to be achieved by this Ad Hoc Committee as expeditiously as possible at the next scheduled meeting; it can then be brought to the Board for Ratification

- Lund moved
- Hogan second
- Motion carried

23. ACTION/INFORMATION: MEDICAL STAFF: DR. JOHN KERMEN

- A. Appointments to Medical Staff Provisional
 1. Tareg Ali, MD –Department of Medicine-Emergency Department
 2. Debra Bowker, MD –Department of Medicine-Emergency Department
 3. Mandaar Gokhale, MD –Department of Medicine-Emergency Department
 4. David Irvine, MD –Department of Medicine-Emergency Department

5. Irais Leon, MD –Department of Medicine-Emergency Department
6. Boungkhong David Vansomphone, MD –Department of Medicine-Hospitalist Service

MOTION: After careful consideration recommend Appointments to Medical Staff Provisional for Tareq Ali, MD: Debra Bowker, MD: Mandaar Gokhale, MD: David Irvine, MD: Irais Leon, MD: Boungkhong David Vansomphone, MD

- Glusker moved
- Hogan second
- Motion carried

B. Appointment to Allied Health Professionals Staff

1. Jennifer Pierce, PA-C

MOTION: After careful consideration recommend Appointment to Allied Health Professionals Staff for Jennifer Pierce, PA-C

- Glusker moved
- Hogan second
- Motion carried

C. Release from Provisional Status & Proctoring/Advance to Active Status

1. Vivian Belmusto, MD –Department of Medicine-Pediatrics
2. Atilla Mady, MD –Department of Medicine-Hospitalist Service
3. Camelia Wogu, MD –Department of Medicine-Hospitalist Service

MOTION: After careful consideration recommend Release from Provisional Status & Proctoring/Advance to Active Status for Vivian Belmusto, MD: Atilla Mady, MD: Camelia Wogu, MD

- Hogan moved
- Lund second
- Bruning, Glusker Noes
- Motion carried

1.

D. Release from Provisional Status & Proctoring/Allied Health Professional

1. Suzanne Hewitt, FNP-C –Department of Medicine-Allied Health Professional-NCFHC
2. Joseph Martin, PA-C –Department of Medicine-Allied Health Professional-Hematology/Oncology/Infusion

MOTION: After Careful consideration recommend approval for Release from Provisional Status & Proctoring/Allied Health Professional for Suzanne Hewitt, FNP-C: Joseph Martin, PA-C

- Glusker moved
- Hogan second
- Motion carried

E. Temporary Privileges

1. Tareq Ali, MD –Department of Medicine-Emergency Department (October 20-November 4, 2016)
2. Debra Bowker, MD –Department of Medicine-Emergency Department (October 20-November 4, 2016)
3. Mandaar Gokhale, MD – Department of Medicine-Emergency Department (October 31-November 4, 2016)
4. David Irvine, MD –Department of Medicine-Emergency Department (October 20-November 4, 2016)
5. Irais Leon, MD –Department of Medicine-Emergency Department (October 14-28, 2016)
6. Ragu Nathan, MD –Department of Medicine-Radiology (October 3-21, 2016)
7. Sasidharan Ponthenkandath, MD –Department of Medicine-Pediatrics (November 9-16, 2016 and December 16-29, 2016)
8. Boungkhong David Vansomphone, MD –Department of Medicine-Hospitalist Service (November 3, 2016)

MOTION: After careful consideration recommend Temporary Privileges for Tareq Ali, MD: Debra Bowker, MD: Mandaar Gokhale, MD: David Irvine, MD: Irais Leon, MD: Ragu Nathan, MD: Sasidharan Ponthenkandath, MD: Boungkhong David Vansomphone, MD

- Glusker moved
- Lund second
- Motion carried

F. Temporary Privileges (AHP-Allied Health Professional)

1. Jennifer Pierce, PA-C –Department of Medicine-Allied Health Professional-NCFHC (October 10-November 10, 2016)

MOTION: After careful consideration recommend approval of Temporary Privileges (ASP-Allied Health Professional)

- Glusker moved
- Lund second
- Motion carried

G. Locum Tenens Coverage

1. Lynette Chevalier-Paris, MD –Department of Medicine-Pediatrics (October 24-31 and November 23-28, 2016)

MOTION: After careful consideration recommend approval of Locum Tenens Coverage for Lynette Chevalier-Paris, MD

- Birdsell moved
- Glusker
- Motion carried

24. INFORMATION: CHIEF OF PATIENT CARE SERVICES REPORT: MS. TERRY MURPHY

- Refer to the attached report as part of these minutes.

25. ACTION/INFORMATION: JPA REPORT: MR. BOB EDWARDS, CEO

- The CEO's of the JPA will come to Fort Bragg on November 18 to have their meeting.
- Mr. Edwards will attend a meeting in Healdsburg on December 6.

26. ACTION/INFORMATION: PLANT SERVICES REPORT: MR. WADE STURGEON, CFO

- Mr. Sturgeon introduced Steve Kobert as the new Interim Plant Services Manager.
- Mr. Sturgeon thanked Ellen Hardin for handling the Plant Services for the last year.
- The Telemetry System stopped working a couple of weeks ago. A replacement system was found that was plug and play with the current equipment. Working with the state and the architect, within a week the equipment was back up and functional. Are working on the permanent solution to replace the Telemetry System.
- The Nurse Call System went down in the last week. This enhanced the effort to complete the project in the ICU. The temporary Nurse Call System was installed in the acute care area which was approved today, and will have thirty (30) days to get the permanent structure in place.
- The ATS is still ongoing.
- Temporary work will be done on the Central Sterile System.

27. INFORMATION/ACTION: ALYSOUN HUNTLEY FORD FUND DRAW

- The Alysoun Huntley Ford Fund is a Board designated fund left to the Hospital for purposes of funding some respite for caregivers of patients who are dying at home. Each draw request is for up to \$2,000.00.
- There were no requests.

28. ASSOCIATION AND COMMUNITY SERVICE REPORTS: BOARD MEMBERS

- There were no reports.

29. INFORMATION/ACTION: STATISTICAL/FINANCE REPORT, AUGUST 2016: MR. SEAN HOGAN

September Highlights:

- Net Income from Operations was a loss of (\$260,644)
 - o YTD Loss from Operations (\$167,790)
- Net Income from All Sources was a loss of (\$227,844)
 - o YTD Loss from All Sources (\$78,558)

- Bond Covenants reported on the bottom right corner of the Executive Summary
 - o Debt Service Coverage Ratio is within covenant at 4.04
 - o Current Ratio is within covenant at 1.31
 - o Days Cash On Hand is within the covenant at 49.66

Mr. Sturgeon stated:

Unfortunately MCDH is still dealing with some transition pains associated to the switch to EmCare in the ER. The end of September was 60 days post implementation. We anticipate this challenge to be neutralized by the beginning of November, but unfortunately it has taken the Hospital about 90 days to get their processes in place working alongside of EmCare. The unbilled AR increased by nearly \$2 million in August and the Hospital not been able to reduce it much through September. The estimated contractual allowances dramatically increased due to the volume of unbilled as well as the spike in total AR. Mr. Sturgeon expects the AR to drop back to normal levels as well as the contractual allowances reducing by November.

These minutes were not approved due to the above stated issue.

30. PUBLIC COMMENTS

- The Board thanked Sean Hogan for his 8 years of service on the Board of Directors. Tom Birdsell and Steve Lund were also thanked for their service to the Board, as their seats are up for re-election.
- Malcom MacDonald thanked Tom Birdsell for chairing the Board this year. What gains or losses did the Hospital District get as a result of this year's union negotiation? He hopes these questions will be answered at the next Finance or Board meeting.

31. ADJOURN:

Open Session adjourned at 9:10 p.m.

Reconvened Closed Session at 9:20 p.m.

A. Reporting our of Closed Session

1. **Information/Action: Board Self-Evaluation**

- The Board reviewed the results of the Board Self Evaluation.

2. **Information/Action: Professional Services Agreement for Mr. John Ruprecht**

- The Board approved the Professional Services Agreement for Mr. John Ruprecht

Meeting adjourned at 10:00

Peter Glusker, MD, Secretary
Board of Directors

Gayl Moon, Secretary to the
Board of Directors

**BOARD OF DIRECTORS MEETING
HOSPITAL REDWOODS ROOM
THURSDAY, DECEMBER 15, 2016
MINUTES**

The Board of Directors of the Mendocino Coast Health Care District met in CLOSED session at 5:00 pm in the Hospital Redwoods Room, Kitty Bruning, Vice Chair presiding

PRESENT: Mr. Lund, Dr. Glusker, Ms. Bruning, Dr. Campos, Dr. Miller

Mr. John Ruprecht, Legal Counsel
Mr. Bob Edwards, CEO
Mr. Wade Sturgeon, CFO
Gayl Moon, Executive Assistant

ABSENT: None

1. CALL TO ORDER:

OPEN Session of the Board of Directors of the Mendocino Coast Health Care District convened at 6:00 p.m. in the Redwoods Room, Mr. Steve Lund presiding.

2. ROLL CALL:

PRESENT: Mr. Steve Lund, Dr. Peter Glusker, Ms. Kathleen Bruning, Dr. Lucas Campos, Dr. Kevin Miller
Board Members

BOARD MEMBERS ABSENT: None

ALSO PRESENT:

Mr. John Ruprecht, Legal Counsel
Mr. Bob Edwards, Chief Executive Officer
Mr. Wade Sturgeon, Chief Financial Officer
Ms. Gayl Moon, Executive Assistant

Mr. Edwards thanked the two outgoing Board Members Mr. Sean Hogan for his 8 years of service on the Board of Directors and Mr. Tom Birdsell for his 9 years of service on the Board of Directors. Michelle Roberts with the Hospital Foundation thanked both Mr. Hogan and Mr. Birdsell for their many years of service to the Hospital.

3. CLOSED SESSION MATTERS:

The Board of Directors reviewed the following items in closed session:

1. **INFORMATION/ACTION:** November Quality Management and Improvement Council Report
 - The Board approved the November Quality Management and Improvement Council Report
2. **INFORMATION/ACTION:** Medical Staff Credentials and Privileges Report
 - The Board approved stating the physician's names instead of the numbers as listed on the agenda.
3. **INFORMATION/ACTION:** Public Employee Performance Review Chief of Human Resources, Ellen Hardin; Government Code §§54957, 54954.5
 - This item will be discussed when Closed Session reconvenes after Open Session.
4. **INFORMATION/ACTION:** Claim of Swithenbank, General Building Contractor; Government Code §§54956.9(d)(2), (e)(3)
 - This item will be discussed when Closed Session reconvenes after Open Session.

5. **INFORMATION/ACTION:** Potential Litigation involving the Nurse Call Renovation Project; Government Code §§54956.9(d)(2), (e)(2) & (3)
 - This item will be discussed when Closed Session reconvenes after Open Session.
6. **INFORMATION/ACTION:** Review and approve Addendum No.1 to Hospitalist Services Agreement between MCDH and Rural Physicians Group; Government Code §§54957, 54954.5
 - This item will be discussed when Closed Session reconvenes after Open Session.
7. **INFORMATION/ACTION:** Review and approve Second Amendment to MCDH Professional and Administrative Services Agreement with Summit Pain Alliance, Inc.; Government Code §§54957, 54954.5
 - This item will be discussed when Closed Session reconvenes after Open Session.
8. **INFORMATION/ACTION:** Review and approve First Amendment to Physician Recruitment and Credit Agreement between MCDH and Zoe Berna, M.D.; Government Code §§54957, 54954.5
 - This item will be discussed when Closed Session reconvenes after Open Session.
9. **INFORMATION/ACTION:** Review of the California Department of Public Health's General Acute Care Hospital Relicensing Survey and Plan of Correction. Health & Safety Code §32155; Evidence Code §§1157(a); 950, et seq.
 - This item will be discussed when Closed Session reconvenes after Open Session.
10. **INFORMATION/ACTION:** Review and approve Stephen Pinsk Pathology Services Agreement; Government Code §§54957, 54954.5
 - This item will be discussed when Closed Session reconvenes after Open Session.
4. **PUBLIC COMMENTS**
 - Michelle Roberts, Foundation CEO stated the fund-a-need raised \$211,850. The goal was at least \$250,000 for the fund-a-need, so the Foundation did an end of the year appeal for this cause and to date they have raised around \$10,000 additional for the project as well as an anonymous donor who has pledged \$25,000. This will bring the total pledges to \$246,000.
5. **REVIEW OF THE AGENDA**
 - There were no changes to the agenda.
6. **BOARD COMMENTS**
 - Ms. Bruning welcomed the 3 new Board Members: Mr. Steve Lund, Dr. Kevin Miller and Dr. Lucas Campos.
7. **ACTION: APPROVAL OF CONSENT CALENDAR: MR. TOM BIRDSSELL, PRESIDENT**
 - A. Minutes: Regular Session, November 3, 2016
 - B. Policies & Procedures
 - Policy Titles**
 - Mandatory Flu Policy

Dr. Glusker requested pulling the Board Minutes as the Finance Report was not approved by the Board because it was incorrect. He requested having a corrected version of the last Finance Report in preparation for the Finance Report to be presented tonight. The Board minutes will be placed on the agenda under New Business.

MOTION: To approve the Consent Calendar with the removal of the Board Minutes which will be put on the agenda under New Business

 - Glusker moved
 - Lund second
 - Motion carried
8. **ACTION: ELECTION OF BOARD PRESIDENT: MS. KITTY BRUNING**

MOTION: To nominate Steve Lund as Board President

- Bruning moved
- Miller second

Dr. Glusker stated that he feels that Mr. Lund would make a good president, but not at this time. He feels Mr. Lund does not have enough independence from Administration. He said “My vote will be no, but I don’t want it misunderstood”.

There were no other nominations for Board President.

- Roll call
- Ayes: Miller, Bruning, Lund, Campos
- Noes: Glusker
- Absent: None
- Abstain: None
- Motion carried

Mr. Lund thanked everyone for their support. He stated that he will do his very best with every issue that comes before the Board. He hopes the new Board will work together and be productive with the goal always being to continue to support the Hospital any way they can and do the best job they can. The role of the Board is to hire the CEO and hold him/her accountable to ensure that the proper fiduciary, patient safety and health issues are being properly addressed at all times.

9. ACTION: SPECIAL BOARD MEETING DATE: NEW BOARD PRESIDENT TO NAME COMMITTEE CHAIRS, BOARD MEMBERS ON COMMITTEES & JPA REPRESENTATIVE

- The Board will have a Special Board Meeting on Thursday December 22 at 6:00 pm, at which time the Board President will name Committee Chairs, Board members and a JPA Representative.

10. ACTION/INFORMATION: GO BOND UPDATE: MR. SHIN GREENE

- Mr. Greene reported at the December 15, 2016 the Mendocino Coast District Hospital successfully completed the issuance of the 2016 General Obligation (GO) Refunding Bonds, saving taxpayers \$579,368 in aggregate through 2030.
- Based upon an average single family residential assessed value of \$296,193, the typical household is expected to save \$45.86 through 2030 (averaging \$3.27 per year).

11. INFORMATION/MOTION: ACHD TRAINING, FEB 2ND & 3RD FOR ALL BOARD MEMBERS: MR. BOB EDWARDS, CEO

- ACHD will offer training for Board Members on Feb 2nd & 3rd this training will cover the required Ethics Training for the Board Members and will take place in Sacramento.

12. INFORMATION/ACTION: WORKMAN’S COMP. DISCUSSION: MR. BOB EDWARDS, CEO

- Mr. Edwards stated “Any employer that participates with Workers Compensation plan can directly send their employee to our Emergency Department. The Emergency Department will accept all Workers Compensation patients. In the event the patient receiving Workers Compensation plan treatment needs follow-up, then the Emergency Department will forward the patient to Workers Compensation. The Worker’s Compensation group will send the patient on to the next participating provider (if needed). In the case of orthopedic referrals, it is left up to the individual orthopedic provider to participate in workers compensation.”

13. INFORMATION/ACTION: PHP QUALITY BONUS \$166,535: MR. BOB EDWARDS, CEO

- The NCFHC received a Quality Bonus from Partnership Health Plan in the amount of \$166,535. The Hospital received a Quality Bonus of \$47,427.

14. INFORMATION/ACTION: NCFHC PAYMENT INCREASE: MR. WADE STURGEON, CFO

- Mr. Sturgeon stated that in fiscal year 2016 NCFHC added Pain Management. When a Rural Health Clinic changes the scope of their practice, which is an opportunity to request a change of reimbursement from the State of California. The request has been filed with the state and it has been accepted. The anticipated change in the per visit rate is an increase of \$100.00.
- When the final approval is granted by the state the anticipated annual increase will be between \$700,000 and \$1,000,000 in reimbursement through NCFHC for the Medicaid services. The range will depend on volume.

14. **ACTION/INFORMATION: NEW MONEY REVENUE BOND ISSUANCE UPDATE: MR. WADE STURGEON, CFO**

- Mr. Sturgeon after the election, the Bond Market drastically changed and MCDH has had a difficult time getting interest from a buyer due to the size of the debt issuance. Bond market interest rates have increased over 50%.
- MCDH received an offer from a buyer for \$2 million vs the initial \$3.5 million. The new offer is a 5 year term at 7.75%. The annual debt service would be higher than the original estimates for the 10 year \$3.5 million issue.
- Mr. Sturgeon recommended the Board hold on a decision to move forward with issuing new revenue bond debt until he is able to explore the loan opportunity he will present from the California Health Facilities Authority. Mr. Sturgeon will prepare an analysis of funding options to provide the monies necessary for necessary facility projects at the lowest cost possible. The analysis to outline each area of funding to be used to cover the needed costs of these projects.

MOTION: To put on hold the current search for Bonds until Mr. Sturgeon has a chance to come back to the Board with an update on the capital projects

- Bruning moved
- Miller second
- Motion carried

15. **INFORMATION/ACTION: REQUEST FOR APPROVAL TO APPLY FOR HELP II LOAN THROUGH CALIFORNIA HEALTH FACILITIES FINAL AUTHORITY: MR. WADE STURGEON, CFO**

- Mr. Sturgeon stated due to the new circumstances with the potential new money revenue bond debt issuance, he has been exploring other opportunities for new debt.
- He has identified a potential loan through the California Health Facilities Financing Authority (CHFFA) called the HELP II Loan.
- The cap on loans is \$1.5 million with a repayment period of 5 years at 2% interest.
- The total amount is less than the Hospital was hoping for, but given the circumstances he believes this is the best option for MCDH.
- He requested Board approval to submit an application to CHFFA for \$1.5 million in lieu of moving forward with the new money revenue bonds.

MOTION: To authorize Mr. Sturgeon to proceed with the application for the HELP II Loan through CHFFA for \$1.5 million

- Bruning moved
- Campos second
- Roll call
 - Ayes: Bruning, Miller, Lund, Campos
 - Noes: Glusker
 - Abstain: None
 - Absent: None
- Motion carried

16. **ACTION/INFORMATION: RESOLUTION 7-2016 TO TRANSFER BANK OF AMERICA ACCOUNTS TO TRI COUNTIES BANK: MR. WADE STURGEON, CFO**

- This Resolution 7-2016 is to transfer Hospital funds from Bank of America to Tri Counties Bank.
- Cal Mortgage requires MCDH is required to have a Deposit Account Control Agreement. Cal Mortgage is a division of OSHPD and has a lot to say regarding the Hospital's finances. About a year ago Bank of America proposed that they wanted a new Deposit Account Control Agreement: Cal Mortgage didn't approve of this agreement. The Hospital had to find a bank that Cal Mortgage approved of. Mr. Sturgeon found Tri Counties Bank which has an office in Willits and is approved of by Cal Mortgage. This is the need to transfer the Hospital's funds from Bank of America to Tri Counties Bank. The estimate of savings for the monthly banking fees and potential savings of using their credit card processing system is somewhere between \$25,000 & \$50,000 annually.

MOTION: To approve Resolution 7-2016

- Glusker moved
- Bruning second
- Roll call
 - Ayes: Lund, Campos, Glusker, Bruning, Miller
 - Noes: None
 - Absent: None
 - Abstain: None
- Motion carried

17. ACTION/INFORMATION: GE MAINTENANCE CONTRACT: MR. WADE STURGEON, CFO

- In September the Hospital purchased a new GE Elite MiniView C-Arm to be used in the OR. The purchase included one (1) year of service. GE has offered the Hospital a service contract at a 5% discount if agreed to by December 16. GE offers discounted service contracts only within the first 3-4 months of a new purchase, after that time service will not be discounted.
- This piece of equipment will be used for up to 10 years before it will need to be replaced. The Hospital was given a 5 to 7 year option as well as an option without glass. The cost to replace the panel of glass currently costs \$34,000 and the Tube is \$12,300 plus labor and travel without this agreement.
 - Following are highlights of the agreement.
 - a. 5 year **with glass coverage** at a cost of \$9,238 per year
 - b. 7 year **with glass coverage** at a cost of \$8,694 per year
 - c. A reduced price on parts when needed
 - d. Call-back within 30 minutes
 - e. Three hour to on-site for repairs
 - f. Overnight parts from Salt Lake, UT
 - g. Guaranteed 99% uptime
 - h. 1 PM per annual year included. Equivalent to a cost of 8 hours round trip at 369.00 plus 3 hours to perform the PM for a total value of \$4,059.00
- Mr. Sturgeon recommended Board approval of the GE Service & Support Contract for 7 years with glass coverage.

MOTION: To approve the GE Maintenance Contract for 7 years with glass coverage at a cost of \$8,694 with the effective date of December 9, 2016

- Glusker moved
- Bruning second
- Motion carried

18. ACTION/INFORMATION: APPROVAL FOR NCFHC LOCUMS PHYSICIAN(S): MR. WADE STURGEON, CFO

- Mr. Sturgeon asked for approval for a Locums Physician while the search continues for a full time physician at NCFHC.
- Following are guardrails for the costs:
 - ✓ Get a Locums for up to, but not to exceed 6 months
 - ✓ Total cost to provide the service not to exceed \$225,000
- The contract will be reviewed/approved by Mr. Ruprecht.

MOTION: To approve authorizing staff to employ one or two Locums Physician(s) for a period not to exceed 6 months at a cost not to exceed \$225,000 per Locum Physician

- Campos moved
- Bruning second
- Dr. Glusker stated different locum companies have different policies about what they charge for a person converts from being a locum to moving to the Hospital. Dr. Glusker asked what companies the Hospital will be using and wanted to know how much more that would cost the Hospital than just waiting for a new local physician.
- Mr. Sturgeon stated that some companies try to charge a percentage of the physician's first year's salary which could be as high 30%. The Hospital will not agree to a contract that is egregious in cost.

Dr. Glusker mentioned that Mr. Sturgeon should contact Dr. Jennings who has a company that does this and does not have additional costs.

- Discussion ensued. Mr. Lund stated that the Board is authorizing Administration to utilize the strategy which would be the most beneficial while being the most cost effective in terms of making the decision as far as exploring a company that does not have additional charges, and that these should be used as the other guiderails.
- Mr. Ruprecht stated the Board is delegating to Administration the authority to enter a contract with a locums tenens with the amount not to exceed \$225,000 per physician for a 6 month period.
- Roll call
 - Ayes: Bruning, Lund, Campos
 - Noes: Glusker, Miller
 - Absent: None
 - Abstain: None
- Motion carried

19. ACTION/INFORMATION: APPROVAL OF RESIGNATIONS FROM FINANCE COMMITTEE FOR KAYE HANDLEY, CHARLIE HAINES, SKIP MACLAREN: MR. BOB EDWARDS, CEO

- Mr. Edwards stated there Finance Committee members have resigned and he asked the Board approve their resignations.
 1. Ms. Bruning stated that Kaye Handley would like to rejoin the Finance Committee after she resigned. Mr. Lund will contact Kaye regarding her status on the Finance Committee.

MOTION: To approve the resignations of Skip MacLaren and Charlie Haines from the Finance Committee

- Bruning moved
- Glusker second
- Motion carried

20. INFORMATION: CEO REPORT: MR. BOB EDWARDS, CEO

- The impact of the Union Agreement; the net cost to the Hospital over the 2 year agreement is at a cost of \$768,384.80.
- ER patients at the end of their stay will be given a tablet (Qualtic) for them to take a satisfaction survey. The data will go directly to a database and the Hospital can see immediately what the patient's experience was.
- Amy Tomlinson, MD will extend through September.
- Mr. Edwards attended a meeting held at Ukiah Valley Medical Center. Ukiah Valley Medical Center is trying to have a family practice residency. They have 4 students and it would be a 3 year program. The cost is \$375,000 per year to fund the program. There will be a concert in April to help fund this project.
- The Knights of Columbus will donate 20 wheelchairs to MCDH, Home Health, Veterans and other community members who need them. A ceremony will take place on Saturday December 17 in the morning.
- The Staff Holiday Party took place yesterday and was enjoyed by everyone.
- The Light up a Life ceremony took place on December 10th and to date has raised \$32,750.
- Mr. Edwards is in contact with a marketing firm.
- Working on RFPs for and architect to help with future facility replacement planning.
- Recruiting for an OB Manager.

21. ACTION/INFORMATION: PLANNING COMMITTEE REPORT: MS. KITTY BRUNING

- I2i Population Health Software implementation has begun at NCFHC. The IT component was completed ahead of schedule and is now in the data verification phase. Onsite training of staff will occur on January 18-20.
- The Planning Committee wanted to convey to the Board how anxious they are to get started on the OB Ad Hoc Committee.
- Dr. Glusker submitted a motion in writing prior to the Planning Committee meeting and his intent was that it go to the Board as a whole, independent of the Planning Committee. He stated that it has been many months since the OB issue surfaced and the relevant question is how to solve the problem. An ad hoc committee was to be formed some time ago, and in accordance with the bylaws, the Board

Chair names the chairperson of the ad hoc committee, defines its purpose and timelines, etc. This has yet to happen.

- Following is Dr. Glusker's motion:
"I propose the motion that OB Services are medically critical to this community and the public has confirmed their perception of this fact. We have been advised, we the Board, have been advised that the Department costs about \$1,000,000 a year to operate, but we do not know what that figure is based on or what other options may exist. As planned, but not executed about eight (8) months ago, we need an ad hoc committee, members and chair appointed by the Board and/or chairperson for the purpose of finding cost effective solutions within a reasonable time frame. The committee should include critical stakeholders but be small enough to function effectively. These should include the CFO (to provide background information about annual department financial information and to help brainstorm potential alternate solutions), a representative from Mendocino Coast Clinics (which shares costs of OB and Pediatric call), a local MCDH OB medical and nurse/midwife view points, a member of the public such as Kaye Handley (who is also a member of both Planning and Finance Committees and has offered to liaison with other hospitals for their solution to this common problem). I propose Tanya Smart to chair this committee because of her skills at coordinating and problem solving as well as her background in this issue. The committee should be given a timeline, for example three months to report their findings and suggestions to the Board as a whole with interim monthly updates." Dr. Glusker apologized for the length of the motion, but expressed his frustration with the situation.
- Mr. Lund stated that he is also frustrated with the time this has taken. He proposed that at the December 22nd Special Board Meeting, a specific path forward will be developed and a group will be put together. This group will be advisory to the Board and will not compel the Board to take a specific action.

22. ACTION/INFORMATION: MEDICAL STAFF: MR. WILL LEE

A. Temporary Privileges:

1. Sonja Sanga, MD- Department of Medicine-Pediatrics (Nov 20-Dec 9, 2016 & Dec 9-Dec 31, 2016)

MOTION: After careful consideration I recommend approval of Temporary Privileges for Sonja Sanga, MD

- Bruning moved
- Glusker second
- Motion carried

B. Temporary Privileges of Locum Tenens Coverage

1. Lynette Chevalier-Paris, MD - Department of Medicine-Pediatrics (Dec 28, 2016-Jan 3, 2017)
2. Amy Tomlinson, MD –Department of Surgery-Obstetrics/Gynecology (Dec 5-20, 2016: Jan 2-17, 2017: Feb 6-21, 2017: March 6-21, 2017: April 3-18, 2017)

MOTION: After careful consideration recommend approval of Temporary Privileges of Locum Tenens Coverage for Lynette Chevalier-Paris, MD & Amy Tomlinson, MD

- Glusker moved
- Bruning second
- Motion carried

C. Release from Proctoring and Advance to Active Staff

1. Praveen Reddy, MD Department of Surgery-Orthopedics

MOTION: After careful consideration recommend approval of Release from Proctoring and Advance to Active Status for Praveen Reddy, MD

- Bruning moved
- Glusker second
- Motion carried

D. Appointments of V-Rad TeleRadiology Physicians

1. Steven Davis, MD
2. Adam Hecht, MD
3. Franklin Nwoke, MD
4. Alison Robinette, MD

5. Thomas Vreeland, MD

MOTION: After careful consideration recommend approval of Appointments of V-Rad TeleRadiology Physicians Steven Davis, MD: Adam Hecht, MD: Franklin Nwoke, MD: Alison Robinette, Thomas Vreeland, MD

- Bruning moved
- Campos second
- Motion carried

23. INFORMATION: CHIEF OF PATIENT CARE SERVICES REPORT: MS. TERRY MURPHY

- Refer to the attached report as part of these minutes.

24. ACTION/INFORMATION: JPA REPORT: MR. BOB EDWARDS, CEO

- The JPA met last week in Healdsburg.
- The CEOs are making recommendations to the JPA Board about certain efficiencies.

25. ACTION/INFORMATION: PLANT SERVICES REPORT: MR. WADE STURGEON, CFO

- On Dec. 6th staff met with Bob Hoyas, the Regional Representative for OSHPD. They discussed the current facility projects.
- The next steps with the ATS are at the submission phase to submit the next project period; this will be done in January.
- The OR HVAC Project bid packet is being worked on and will be brought before the Board in January.
- A plan will be submitted to OSHPD regarding the temporary wall in the Central Sterile area.
- Mr. Sturgeon is working on updating the estimated cost for all the on going projects.

26. INFORMATION/ACTION: ALYSOUN HUNTLEY FORD FUND DRAW

- The Alysoun Huntley Ford Fund is a Board designated fund left to the Hospital for purposes of funding some respite for caregivers of patients who are dying at home. Each draw request is for up to \$2,000.00.
- There were no requests.

27. ASSOCIATION AND COMMUNITY SERVICE REPORTS: BOARD MEMBERS

- There were no reports.

28. INFORMATION/ACTION: STATISTICAL/FINANCE REPORT, OCTOBER 2016: MR. SEAN HOGAN

- The Board minutes were pulled from the Consent Calendar earlier in this meeting by Dr. Glusker. He stated that he pulled the minutes because the Finance Report was not approved by the Board because it was incorrect.
- Mr. Sturgeon stated that these are interim statements that are done monthly as that is what the organization chooses to do, but there is no requirement or mandate for it. As the month was reported, it was accurate based on what was in the system at the time.
- The biggest issue was that there were outpatient revenues pointing to the inpatient side. In July \$230,000; \$270,000 in August; \$250,000 in September; \$146,000 in October for a total of just over \$900,000 being posted to the inpatients GL codes vs. the outpatients GL codes; a journal entry will be done to the November Financial Statements. The inpatient and the outpatient revenues will be reported accurately on those statements. The Accounts Receivables and the total revenues were accurate.
- Mr. Sturgeon believes the report as submitted is accurate to the bottom line. It is the line by line detail that will be corrected.
- January's Finance Committee meeting will have these changes represented.

MOTION: To approve the Finance and Statistical Report for October 2016 as presented

- Bruning moved
- Campos second
- Glusker No
- Motion carried

MOTION: To approve the minutes of November 3, 2016

- Glusker moved
- Bruning second
- Motion carried

29. PUBLIC COMMENTS

- Regarding the Financial Statement issue; any patient that was in the ER transitioning to the inpatient floor, every single charge associated with that patient ended up getting posted to the general ledger for the inpatient side, whereas before it was separated. This mistake wasn't caught until September, it took a month to fix it, it then took another month to identify all the revenues that had incorrectly been posted.
- Tanya Smart thanked both Hospice and the Radiology Department for their excellent patient care .

MOTION: To adjourn back into Closed Session

- Bruning moved

30. ADJOURN:

Open Session adjourned at 8:20 p.m.

Reconvened Closed Session at 8:30 p.m.

A. Reporting our of Closed Session

1. **Information/Action: Performance Review Chief of Human Resources**

- The Board discussed a personnel matter.

2. **Information/Action: Claim of Swithenbank, General Building Contractor**

- The Board gave direction to Legal Counsel.

3. **Information/Action: Nurse Call System**

- The Board approved a budget increase to the Nurse Call System.

4. **Information/Action: Addendum No. 1 to Hospitalist Services Agreement**

- The Board approved Addendum No. 1 to the Hospitalist Services Agreement

5. **Information/Action: Second Amendment with Summit Pain Alliance, Inc.**

- The Board approved the Second Amendment with Summit Pain Alliance, Inc. Dr. Campos recused himself.

6. **Information/Action: First Amendment for Zoe Berna, MD Agreement**

- The Board approved the First Amendment for Zoe Berna, MD Agreement

7. **Information/Action: General Acute Care Hospital Survey & Plan of Correction**

- The General Acute Care Hospital Survey & Plan of Correction has been approved.

8. **Information/Action: Stephen Pinsk Pathology Services Agreement**

- The Board approved the Services Agreement for Stephen Pinsk Pathology

Meeting adjourned at 10:10

Peter Glusker, MD, Secretary
Board of Directors

Gayl Moon, Secretary to the
Board of Directors

**MENDOCINO COAST HEALTH CARE DISTRICT
BOARD OF DIRECTORS
SPECIAL SESSION
FORT BRAGG, CA
THURSDAY, DECEMBER 22, 2016**

1. CALL TO ORDER:

CLOSED Session of the Board of Directors of the Mendocino Coast Health Care District convened at 6:00 p.m. at 700 River Drive, Fort Bragg, CA 95437: President Steve Lund presiding

2. ROLL CALL: Bruning, Glusker, Lund, Miller

ABSENT: Campos

3. OPEN SESSION:

1. **ACTION:** Appointment of Board Officers: Mr. Steve Lund, Chair

MOTION: To nominate Kitty Bruning as Vice Chair

- Miller moved
- Lund second
- Roll call
 - Ayes: Bruning, Miller, Lund
 - Noes: None
 - Abstain: Glusker
 - Absent: Campos
- Motion carried

Dr. Campos arrived at 6:05 pm

MOTION: To nominate Luke Campos as Treasurer

- Bruning moved
- Glusker second
- Roll call
 - Ayes: Bruning, Lund, Campos, Miller, Glusker
 - Noes: None
 - Abstain: None
 - Absent: None
- Motion carried

MOTION: To nominate Peter Glusker as Secretary

- Lund moved
- Bruning second
- Roll call
 - Ayes: Bruning, Miller, Glusker, Campos, Lund
 - Noes: None
 - Abstain: None
 - Absent: None
- Motion carried

2. **ACTION:** Appointment of Standing Committee Chairs and Vice Chair Persons, JPA Representative: Mr. Steve Lund, Chair

- **Planning Committee**
 - ✓ Kevin Miller – Chair
 - ✓ Kitty Bruning – Vice Chair

- **Finance Committee**
 - ✓ Luke Campos – Chair
 - ✓ Peter Glusker – Vice Chair
- **Compensation Committee**
 - ✓ Steve Lund – Chair; Mr. Lund will appoint members to this committee at the appropriate time.
- **Bylaws Committee**
 - ✓ Steve Lund – Chair; Mr. Lund will organize this committee as necessary.
- **JPA Representatives**
 - ✓ Steve Lund
 - ✓ Kitty Bruning

3. **ACTION/INFORMATION:** Ad Hoc Committees: Mr. Steve Lund, Chair

a. **Restructure Committee**

This committee will look into the possibility of restructuring the Hospital District which could potentially result in improved funding for the district. This is a complex issue and will take some time to research. This issue will be brought to the Board when the committee is ready with a recommendation. This committee reports to the Finance Committee. Mr. Lund would like the committee to comprise the following members:

Steve Lund – Chair
Bob Edwards
Wade Sturgeon
Tom Birdsell
Kaye Handley
Luke Campos
Bill Scott
John Allison
Kirk O’Day

b. **OB Committee**

This ad hoc committee is an advisory body and will share information and recommendations for further review if necessary with the Planning Committee for consideration. To identify and examine all pertinent factors related to the challenges and opportunities associated with providing hospital based obstetrical -0services to the Mendocino Coast Health Care District community. The goal is have a report ready to go to the Board by March 31, 2017. This committee will have the following members:

Kevin Miller – Chair
Lechresha Renteria
Kitty Bruning
John Allison
Carol White
Wade Sturgeon
Jack Bellah
Tanya Smart
Keevan Abramson

Discussion ensued regarding whether these ad hoc meetings should be open to the public or closed and if these committees can go into a closed session. Discussion ensued. Mr. Ruprecht will research this issue and report back to the Board.

4. **ACTION/INFORMATION:** MCHCD Resolution #2016-8 District Personnel Authorized to Disburse Funds from District Bank Accounts held at the Bank of America: Mr. Wade Sturgeon, CFO

MOTION: To approve MCHCD Resolution #2016-8 District Personnel Authorized to Disburse Funds from District Bank Accounts held at the Bank of America

- Bruning moved
- Glusker second

Mr. Sturgeon stated with the formation of the new Board, all the Hospital's bank accounts need resolutions stating who has the authority to do what at what level. People given the authority to disburse or withdraw funds for District business from the District's bank accounts with Bank of America, Bob Edwards, CEO and/or Wade Sturgeon, CFO and/or Steven Lund President of the Board of Directors or in the President's absence, Kitty Bruning, Vice Chairperson, and/or Lucas Campos, MS, PhD, Treasurer of the Board of Director. With the exception of authorized routing payroll, approved personnel contracts and routine District accounts payable, disbursement or withdrawals of District funds in excess of \$25,000 require the authorization of at least two (2) of the Officers/Directors identified in this resolution.

- Ms. Bruning amended her motion to include the limit of \$25,000; Dr. Glusker amended his second
- Roll call
 - Ayes: Bruning, Lund, Glusker, Miller, Campos
 - Noes: None
 - Absent: None
 - Abstain: None
- Motion carried

5. **ACTION/INFORMATION:** MCHCD Resolution 2016-9 District Personnel Authorized to Disburse Funds from the District Bank Accounts held at the Savings Bank of Mendocino County: Mr. Wade Sturgeon, CFO

MOTION: To approve MCHCD Resolution 2016-9 District Personnel Authorized to Disburse Funds from the District Bank Accounts held at the Savings Bank of Mendocino County with the limit of \$25,000

- Bruning moved
- Glusker second
- Roll call
 - Ayes: Miller, Bruning, Lund, Campos, Glusker
 - Noes: None
 - Absent: None
 - Abstain: None
- Motion carried

6. **ACTION/INFORMATION:** MCHCD Resolution 2016-10 District Personnel Authorized to Disburse Funds from the District Bank Accounts held at the Tri-Counties Bank: Mr. Wade Sturgeon, CFO

MOTION: To approve MCHCD Resolution 2016-10 District Personnel Authorized to Disburse Funds from the District Bank Accounts held at the Tri-Counties Bank with the limit of \$25,000

- Bruning moved
- Glusker second
- Roll call
 - Ayes: Glusker, Bruning, Miller, Lund, Campos
 - Noes: None
 - Absent: None
 - Abstain: None

- Motion carried

7. **ACTION/INFORMATION:** MCHCD Resolution 2016-11 District Personnel Authorized to Disburse Funds from the District Bank Accounts held in the LAIF Account Mr. Wade Sturgeon, CFO

MOTION: To approve MCHCD Resolution 2016-11 District Personnel Authorized to Disburse Funds from the District Bank Accounts held in the LAIF Accounts

- Bruning moved
- Glusker second
- Roll call
 - Ayes: Lund, Campos, Glusker, Bruning, Miller
 - Noes: None
 - Absent: None
 - Abstain: None
- Motion carried

8. **ACTION/INFORMATION:** ACHD Education February 2nd & 3rd: Mr. Bob Edwards, CEO

- People interested in attending this year are Bob Edwards, Kitty Bruning, Kevin Miller, Luke Campos, John Ruprecht

9. **ACTION/INFORMATION:** Date & Time of Committee Meetings: Mr. Steve Lund, Chair

- The Planning Committee will meet Tuesday the week prior to the last Thursday of the month at 4:30.
- The Finance Committee will meet Tuesday the week of the Board meeting at 3:00.

10. **ACTION/INFORMATION:** Re-approve and Consider Standing Committee Members: Mr. Steve Lund, Chair

- Mr. Lund Appointed Tom Birdsell, Skip MacLaren & Kaye Handley to the Finance Committee.

4. **CLOSED SESSION:**

1. **ACTION/INFORMATION:** Public Employment: to review and approve 2nd Amendment to TeleMed2U Agreement (Javeed Siddiqui, M.H.P. P.C.) Government Code §§54954.5 & 54957

5. **RECONVENTION OF OPEN SESSION:**

Report out of Closed Session

1. **ACTION/INFORMATION:** Public Employment: to review and approve 2nd Amendment to TeleMed2U Agreement (Javeed Siddiqui, M.H.P. P.C.) Government Code §§54954.5 & 54957

- The Board approved the 2nd Amendment to TeleMed2U Agreement

2. **COMMENTS FROM THE COMMUNITY**

- There were no comments.

3. **COMMENTS FROM THE BOARD OF DIRECTORS**

- There were no comments.

6. **ADJOURN:**

The meeting adjourned at 7:10 p.m.

Mr. Steve Lund, President
Board of Directors

ATTEST:

Ms. Kitty Bruning, Vice-President
Board of Directors

These minutes constitute a portion of the official record of the Board and are the written record of the proceedings. Documents distributed to the Board of Directors at the meeting are available for public review except legally privileged or confidential documents.