

**BEAR VALLEY COMMUNITY HEALTHCARE DISTRICT
BUSINESS BOARD MEETING MINUTES
41870 Garstin Drive, Big Bear Lake, Ca. 92315
June 14, 2017**

PRESENT: Donna Nicely, President
Rob Robbins, 1st Vice President
Jack Roberts, 2nd Vice President
Barbara Willey, Treasurer
Gail McCarthy, Secretary
John Friel, CEO
Shelly Egerer, Admin. Assistant

ABSENT: Kerri Jex

STAFF: Garth Hamblin Mary Norman Erin Wilson
Sheri Mursick Steven Knapik, DO

OTHER: Ron Vigus w/QHR Helen Walsh, Foundation
Gail Dick, Auxiliary

COMMUNITY MEMBERS: None

OPEN SESSION

1. CALL TO ORDER:

President Nicely called the meeting to order at 1:00 p.m.

CLOSED SESSION

1. PUBLIC FORUM FOR CLOSED SESSION:

President Nicely opened the Hearing Section for Public Comment on Closed Session items at 1:00 p.m. Hearing no request to make public comment. President Nicely closed Public Forum for Closed Session at 1:00 p.m.

2. ADJOURNED TO CLOSED SESSION:

President Nicely called for a motion to adjourn to Closed Session at 1:00 p.m. Motion by Board Member Willey to adjourn to Closed Session. Second by Board Member Robbins to adjourn to Closed Session. President Nicely called for a vote. A vote in favor of the motion was 5/0.

- Board Member Robbins - yes
- Board Member Willey - yes
- President Nicely - yes
- Board Member McCarthy - yes
- Board Member Roberts - yes

RECONVENE TO OPEN SESSION

1. CALL TO ORDER:

President Nicely called the meeting to Open Session at 3:10 p.m.

2. ROLL CALL:

President Nicely, Rob Robbins, Jack Roberts, Barbara Willey and Gail McCarthy were present. Also present were John Friel, CEO, and Shelly Egerer, Administrative Assistant.

3. FLAG SALUTE:

Board Member Roberts led the flag salute all present participated.

4. ADOPTION OF AGENDA:

President Nicely called for a motion to adopt the agenda as presented. Motion by Board Member Willey to adopt the agenda as presented. Second by Board Member Roberts to adopt the agenda as presented. President Nicely called for the vote. A vote in favor of the motion was 5/0.

- Board Member Robbins - yes
- Board Member Willey - yes
- President Nicely - yes
- Board Member McCarthy - yes
- Board Member Roberts - yes

5. RESULTS OF CLOSED SESSION:

President Nicely reported that the following action was taken in Closed Session:

- Chief of Staff Report
 - Request for Initial Appointment:
 - Michelle Rossell, RDH- Center for Oral Health
 - Nogba Pawoo, DO- Pathology
 - Jeffrey Silverman, MD- Renaissance Radiology
 - Louis Golden, MD- Renaissance Radiology
 - Request for Reappointment-
 - Richard Leach, MD- Emergency Medicine
 - Request for Change of Status-
 - Matthew Pautz, DO- Orthopedic Surgeon (Active)
- Risk Management Report
- QI Management Report

President Nicely reported that the Board of Directors will be reconvening to Closed Session.

President Nicely called for the vote. A vote in favor of the motion was 5/0.

- Board Member Robbins - yes
- Board Member Willey - yes
- President Nicely - yes
- Board Member McCarthy - yes
- Board Member Roberts - yes

6. PUBLIC FORUM FOR OPEN SESSION:

President Nicely opened the Hearing Section for Public Comment on Open Session items at 3:12 p.m.

- President Nicely informed the Board of Directors and staff that Mr. Kelly sent her a message and stated that he applauds the Governing Board for providing their emails on the new website.

President Nicely closed Public Forum for Open Session at 3:12 p.m.

7. DIRECTORS COMMENTS

- Board Member Willey attended the AMGEN function; there were several employees who volunteered and was a successful event.
- Board Member Roberts wanted to acknowledge the one year anniversary of BVCHD staff saving a life of a peer; Sheri Mursick and Kerri Jex should be thanked from all staff and the Board of Directors, this act should not go unnoticed.

8. INFORMATION REPORTS:

A. Foundation Report:

- Ms. Walsh provided the following information:
 - Foundation conducted a Meet & Greet and thanked the Board Members and Mr. & Mrs. Friel for attending the function.
 - Foundation has six new members that signed up from the Meet & Greet.
 - Bylaws are being reviewed by Foundation and will be provided to the Board of Directors once they are completed.
 - Next Foundation Meeting is scheduled for June 19.

B. Auxiliary Report:

- Ms. Dick provided the following information:
 - July 19 fundraiser has been canceled.
 - Golf Tournament is scheduled for August 18, 9:00 a.m. tee off; 85.00 per person.

9. CONSENT AGENDA:

A. May 10, 2017 Board of Directors Meeting Minutes: Shelly Egerer, Admin. Assistant

B. April/May 2017 Planning & Facilities Report: Michael Mursick, Plant Manager

C. May 2017 Human Resource Report: Erin Wilson, Human Resource Director

D. May 2017 Infection Control Report: Heather Loose, Infection Preventionist

E. Policies and Procedures

(1) Depression Screening

(2) Complaint and Grievance

F. Board of Directors; Committee Meeting Minutes:

(1) April 27, 2017 Planning & Facilities Committee Meeting Minutes

(2) May 01, 2017 Policy and Procedure & District Bylaw Committee Meeting Minutes

(3) May 01, 2017 Finance Committee Meeting Minutes

(4) May 30, 2017 Special Finance Committee Meeting Minutes

President Nicely motioned to approve the Consent Calendar as presented. Second by Board Member McCarthy to approve the Consent Calendar as presented. President Nicely called for the vote. A vote in favor of the motion was 5/0.

- Board Member Robbins - yes
- Board Member Willey- yes
- President Nicely - yes
- Board Member McCarthy - yes
- Board Member Roberts - yes

10. OLD BUSINESS:

- None

11. NEW BUSINESS*

A. Discussion and Potential Approval of 2017/2018 District Budget:

- Board Member Willey stated that the Finance Committee met on two occasions to review the FY 2017/2018 Budget and the Capital Expense Budget; the Finance Committee is in support of what Mr. Hamblin presented.
- Board Member Robbins stated that this is the third version of the budget; clarifications were made at the Finance Committee and feels comfortable with the budget being presented to the full Board and recommends the budget be approved by the Board. Board Member Robbins stated that he has confidence in John Friel and Garth Hamblin to make good business decisions for the District.
- President Nicely stated that she has some comments and questions on the budget:
 - Pharmacy – is in purchased service and shows .2 additional employee.
 - Physical Therapy has requested increase in staff.
 - QHR – CEO & CFO are in Other Expenses and that there is a \$200,000 increase.
 - Dues & Subscriptions went up approximately 16%.
 - Purchased Services was 11% increase and asked for clarification on what is causing the increase.
 - Other expenses went up 18% and would like to know what the items are in this line item to justify why the increase.
 - HR Department is asking for another FTE and feels that there is no reason to have additional HR staff; the HR Manager needs to be here 40 hours per week. President Nicely stated that she has contacted several hospitals and the standard is one HR person per 100 employees.
- Mr. Hamblin provided the following information:
 - Physical Therapy is running over budget; increase in visits over 50%; assuming that the volume will stay the same will need appropriate staff; PT is over budget year to date and maintaining 20,000 patients per year. Part time staff is working additional hours due to being short on staff at this time.
 - Purchased service is Center for Oral Health.
 - Quorum fees are in the Purchased Service line item.
 - Dues & subscriptions HASC, AHA, and membership fees for various managers.
- Board Member Roberts requests that if there are changes in staff (additional hires, increase in staff in departments) then the Board needs to be informed and the Board should approve that/those positions, if there is a budget adjustment needed this item needs to come to the full Board for approval since the approved budget changed.
- Further discussion took place on having the workload looked at throughout the departments and why Administration needs to increase staff. The increase in staff is

due to the projections on the budget, such as Surgery, Mom & Dad Project, HR Department. Administration will monitor the staffing and ensure that we are not staffing departments that do not need additional employees.

- Mr. Hamblin will provide an update on the questions President Nicely had.

Board Member Roberts motioned to approve 2017/2018 Budget as presented. Second by Board Member Robbins to approve the 2017/2018 Budget as presented. President Nicely called for the vote. A vote in favor of the motion was 3/2.

- Board Member Robbins - yes
- Board Member Willey- yes
- President Nicely - no
- Board Member McCarthy - no
- Board Member Roberts - yes

B. Discussion and Potential Approval of 2016/2019 Capital Expense Budget:

- Mr. Hamblin reported that this is the manager requests for their departments, updated CT Scanner & Mammo expenditure and this cost will not carry into next year, has \$250,000 budgeted for the ER for improvements on appearance and facilities is continuing to upgrade the facility.

Board Member Roberts motioned to approve 2016/2019 Capital Expense Budget as presented. Second by Board Member Willey to approve the 2016/2019 Capital Expense Budget as presented. President Nicely called for the vote. A vote in favor of the motion was 5/0.

- Board Member Robbins - yes
- Board Member Willey- yes
- President Nicely - yes
- Board Member McCarthy - yes
- Board Member Roberts - yes

C. Discussion and Potential Approval of the Following Contracts:

- (1) Matthew Pautz, D.O. Surgery Department Director Agreement:

President Nicely called for a motion to approve Matthew Pautz, D.O. Surgery Department Director Agreement Contract as presented. Motion by Board Member Roberts to approve Matthew Pautz, D.O. Surgery Department Director Agreement Contract as presented. Second by Board Member Willey to approve Matthew Pautz, D.O. Surgery Department Director Agreement Contract as presented. President Nicely called for the vote. A vote in favor of the motion was 5/0.

- Board Member Robbins - yes
- Barbara Willey – yes
- President Nicely - yes
- Board Member McCarthy - yes
- Board Member Roberts - yes

- (2) BE Smith Service Agreement (Recruitment for Interim Laboratory Manager):

- Mr. Friel stated that the Interim Laboratory Director will be on site Monday.

President Nicely motioned to approve the BE Smith Service Agreement as presented. Second by Board Member Willey to approve the BE Smith Service Agreement as presented. President Nicely called for the vote. A vote in favor of the motion was 5/0.

- Board Member Robbins - yes
- Barbara Willey - yes
- President Nicely - yes
- Board Member McCarthy - yes
- Board Member Roberts - yes

12. ACTION ITEMS*

A. Quorum Health Resource Report:

(1) May 2017 QHR Report:

- Mr. Vigus reported the following:
 - Plans & needs for the District are as follows:
 - Revenue Cycle & implementation; help improve the process and bring in more cash. Follow up on recommendations from previous visit.
 - Compliance implementation and Compliance Program to be reviewed.
 - Risk Assessment in October.
 - Evaluating facility needs – new facility or upgrading and how to obtain the funds for the District.
 - Cost report analysis's on contractual and bad debit .
 - GPO – materials management function – 2nd year review.
 - Infection Control assessment – look for improvements.

President Nicely called for a motion to approve the QHR Report as presented. Motion by Board Member Robbins to approve the QHR Report as presented. Second by Board Member Roberts to approve the QHR Report as presented. President Nicely called for the vote. A vote in favor of the motion was 5/0.

- Board Member Robbins - yes
- Board Member Willey- yes
- President Nicely - yes
- Board Member McCarthy - yes
- Board Member Roberts - yes

B. CNO Report:

(1) May 2017 CNO Report:

- Ms. Jex was not present to provide information.
- Mr. Friel provided a briefing to the CNO Report:
 - ER Director – interviewing candidates and hopeful to make an offer early next week, internal candidates submitted after ROKOS agreement was executed. The best candidate for the job will be hired.
 - Workplace Violence Workshop is for internal issues, patient to staff issues and staff-to-staff.

President Nicely motioned to approve the CNO Report as presented. Second by Board Member McCarthy to approve the CNO Report as presented. Board Member Robbins called for the vote. A vote in favor of the motion was 5/0.

- Board Member Robbins - yes
- Board Member Willey - yes
- President Nicely - yes

- Board Member McCarthy - yes
- Board Member Roberts - yes

C. Acceptance of the CEO Report:

(1) May 2017 CEO Report:

- Mr. Friel reported the following information:
 - District is on target for the completion of the Mammo & CT Project.
 - ER Director Position: conducting interviews on qualified candidates.

(2) Strategic plan

- President Nicely stated that the priorities did not change on the Strategic Plan; this was asked by the Board at a previous meeting.
- Mr. Friel informed the Board of Directors that an update with items being addressed and completed will be presented to the Board at the July Board Meeting.

President Nicely motioned to approve the CEO Report and Strategic Plan Update as presented. Second by Board Member Robbins to approve CEO Report and Strategic Plan Update as presented. President Nicely called for the vote. A vote in favor was unanimously approved 5/0.

- Board Member Robbins - yes
- Board Member Willey - yes
- President Nicely - yes
- Board Member Roberts - yes
- Board Member McCarthy - yes

D. Acceptance of the Finance Report:

(1) April 2017 Financials

- Mr. Hamblin reported the following information:
 - Negative / loss due to settlement being recorded for April
 - YTD surplus is \$2.7 million.
 - Days cash on hand, 218 days.
 - Patient days, ER visits are increasing.

(2) CFO Report:

- Mr. Hamblin reported the following:
 - Affordable Care Act is now becoming American Health Care Act and is still unknown. Consideration of AHCA has passed to the United States Senate. Recent reports are saying that the Senate intends to start from scratch on healthcare reform.
 - Ballot Measure F and compliance with requirement has been reviewed. Verbiage on the ballot that is questionable from the public. There is an annual audit on the money and the “no money for administrators” wording is not real common but has been used more often recently to placate voters’ concerns that the tax will go to admin salary increases.

President Nicely motioned to approve the April 2017 Finance Report and CFO Report as presented. Second by Board Member Robbins to approve the April 2017 Finance Report and CFO Report as presented. President Nicely called for the vote. A vote in favor was unanimously approved 5/0.

- Board Member Robbins - yes
- Board Member Willey- yes
- President Nicely - yes
- Board Member McCarthy - yes
- Board Member Roberts - yes

CLOSED SESSION

1. RECONVENE TO CLOSED SESSION:

President Nicely motioned to reconvene to Closed Session at 4:24 p.m. Second by Board Member Willey to reconvene to Closed Session. President Nicely called for the vote. A vote in favor was unanimously approved 5/0.

- Board Member Robbins - yes
- Board Member Willey - yes
- President Nicely - yes
- Board Member McCarthy - yes
- Board Member Roberts - yes

President Nicely excused herself from the meeting at 4:25 p.m.

OPEN SESSION

1. CALL TO ORDER

Board Member Robbins called the meeting to order at 4:50 p.m.

2. RESULTS OF CLOSED SESSION

Board Member Robbins stated there was no reportable action taken in Closed Session.

3. ADJOURNMENT:

Board Member Roberts motioned to adjourn the meeting at 4:51 p.m. Second by Board Member Robbins to adjourn. Board Member Robbins called for the vote. A vote in favor of the motion was unanimously approved 4/0.

- Board Member Robbins - yes
- Board Member Willey - yes
- Board Member McCarthy - yes
- Board Member Roberts - yes