



## **BOARD OF DIRECTORS MONTHLY MEETING MINUTES**

**Date:** August 20, 2015

**Attendance of Board Members:** Helen Shepherd, Chair; Stephen Swisher, M.D., Treasurer; Lynda Salcido, Member at Large.

**Absent:** Maria King, D.O., Vice Chair; Ryan Wood, Secretary.

**Attendance of Staff Members:** Gary Myers, CEO; Melanie Van Winkle, CFO; Kathleen Alo, CNO; David Baumwohl, Legal Counsel; Robin Connors, Recording Secretary.

### **I. CALL TO ORDER**

Chair Shepherd called the meeting to order at 8:10 a.m.

Stephen Swisher, M.D., was appointed by the Chair to serve as the Acting Secretary in the absence of Ryan Wood.

A quorum was maintained.

### **II. PUBLIC COMMENTS**

Edyth Irvine, Mammoth Hospital Auxiliary Vice President, reported the following:

1. The Cast off continues to thrive. The Furniture Room and Katie's Corner are doing very well.
2. The Hospital Orientation for the Auxiliary Volunteers will be held at Mammoth Hospital on September 9, 2015 in Conference Rooms A & B.

### **III. CHIEF OF STAFF REPORT**

There was no Chief of Staff report.

#### **IV. ADJOURN TO CLOSED SESSION**

The Board adjourned to closed session at 8:10 a.m.

Dr. Tomi Bortolazzo requested to attend the Closed Session as Chief of Staff. The request was granted.

Dr. Craig Burrows, CMO, attended and will continue to attend the Closed Session.

#### **V. REPORT ON CLOSED SESSION**

The Board reconvened to open session at 10:21 a.m.

**CONFERENCE WITH LEGAL COUNSEL – PENDING AND THREATENED LITIGATION** Existing Litigation and Significant exposure to litigation pursuant to Government Code §54956.9.

1. Inyo LAFCO and Northern Inyo Healthcare District v. Southern Mono Healthcare District, Inyo County Superior Court Case No. SICVPT 1558392.

Chair Shepherd reported discussion of **CONFERENCE WITH LEGAL COUNSEL on PENDING AND THREATENED LITIGATION** for the above item; no action taken.

2. Claim of Ashley A. Sciotto v. Southern Mono Healthcare District; threatened litigation.

Stephen Swisher, M.D., made a motion seconded by Lynda Salcido to reject the claim and give notice of rejection to the claimant. A roll call vote was taken; the motion passed unanimously. Yes 3, No 0.

3. Claim of newborn son of Ashley A. Sciotto (Name not provided by Claimant) by Ashley A. Sciotto v. Southern Mono Healthcare District; threatened litigation

Stephen Swisher, M.D., made a motion seconded by Lynda Salcido to reject the claim and give notice of rejection to the claimant. A roll call vote was taken; the motion passed unanimously. Yes 3, No 0.

**CONFERENCE WITH REAL PROPERTY NEGOTIATORS** (Government Code §54956.8)

1. Proposed sale of commercial property of SMHD located at 699 West Line Street, Bishop, County of Inyo, California; APN: 01-110-12 District Negotiators for SMHD: Gary Myers, CEO; Melanie Van Winkle, CFO; David Baumwohl, legal counsel; Negotiating Parties for Proposed Buyer: Cindy Freeman on behalf of a proposed buyer.

Chair Shepherd reported that **CONFERENCE WITH REAL PROPERTY NEGOTIATORS** regarding the item above was discussed; no action was taken.

**QUALITY ASSURANCE – (Health and Safety Code §32155)**

1. Chief of Staff Report.

Chair Shepherd reported that QUALITY ASSURANCE issues were discussed with Tomi Bortolazzo, MD., Chief of Staff; no action was taken.

2. CEO Report.

Chair Shepherd reported that QUALITY ASSURANCE issues were discussed with Gary Myers, CEO; no action was taken.

3. CNO Report.

Chair Shepherd reported that QUALITY ASSURANCE issues were discussed with Kathleen Alo, CNO; no action was taken.

QUALITY ASSURANCE QUARTERLY SUMMARIES - (Health and Safety Code §32155)

1. Annual Evaluation of Critical Access Hospital Quality Improvement Activities Fiscal Year 2014-2015.

Kathleen Alo, CNO, presented the Annual Evaluation of Critical Access Hospital Quality Improvement Activities Fiscal Year 2014-2015. Stephen Swisher, M.D., made a motion seconded by Lynda Salcido to accept the report as presented. A roll call vote was taken; the motion passed unanimously. Yes 3, No 0.

During Quality Assurance at 9:15 a.m. Dr. Teresa Bremner, California Department of Public Health (CDPH), who is on campus with a State Survey Team, asked to address the Board. She was admitted to the Closed Session; a brief discussion ensued. No action was taken

Dr. Bremner left the meeting at 9:33 a.m.

HEALTHCARE FACILITY TRADE SECRETS (Health and Safety Code §32106)

1. Sierra Park Clinics/Mammoth Hospital.

Chair Shepherd reported HEALTH CARE FACILITY TRADE SECRETS were discussed regarding Sierra Park Clinics/Mammoth Hospital; no action was taken.

PERSONNEL MATTERS (Government Code §54957)

1. CEO Evaluation.

Chair Shepherd reported that the CEO annual evaluation plans were discussed; all staff left the meeting at 10:00 a.m. It was decided by the Board to change the committee members. The new CEO Evaluation Committee members are now Lynda Salcido and Helen Shepherd.

**CREDENTIALING**

Reappointments

David Bassler, M.D.	Emergency Medicine	Active Staff
Amy Conrad, M.D.	Pediatrics	Active Staff
Kyle Howell, M.D.	Emergency Medicine	Active Staff
Michael Karch, M.D.	Orthopedics	Active Staff
Audrey Pauly, M.D.	OB/GYN	Active Staff
Marianne Cuttic, DPM	Podiatry	Courtesy Staff

Appointment to Provisional Staff

Craig Burrows, M.D.	Hospitalist
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Temporary Privileges

Jonathan Sales, P.A.	Assist Dr. Thunder	August 13, 2015
Noah Levit, M.D.	Emergency Department	08/27 - 09/01/2015
Chi Truong, M.D.	Emergency Department	08/27 - 09/01/2015
Sierra Bourne, M.D.	Emergency Department	08/14 - 16/2015
Victoria Paterno, M.D.	Pediatrics	08/21 - 23/2015
Carolyn Korfiatis, N.P.	Family Medicine	07/17 - 09/24/2015
Craig Burrows, M.D.	Hospitalist	07/19 - 08/21/2015

Chair Shepherd reported the foregoing physician CREDENTIALING was discussed; no action was taken.

The Closed Session ended at 10:10 a.m.

David Baumwohl, Legal Counsel, left the meeting at 10:26 a.m.

**VI. PUBLIC COMMENTS**

There were no additional Public Comments.

**VII. CONSENT AGENDA**

(All matters on the consent agenda to be approved on one motion unless a Board Member requests separate action on a specific item)

1. Previous Minutes to be approved:  
July 16, 2015 Regular Board Meeting
2. Chief Financial Officer Report
3. Chief Nursing Report
4. Information Technology Report
5. Human Resources Report
6. Facilities Report
7. ACHD Updates
8. Eide Bailly Letter Regarding Annual Audit
9. Beta Announcement

Lynda Salcido made a motion seconded by Stephen Swisher, M.D., to approve all items on the consent agenda as presented in the packet. Chair Shepherd asked for comments; a brief discussion ensued including the request to add Dr. Craig Burrows' attendance at the Closed Session to the Minutes. A vote was taken; the motion passed unanimously. Yes 3, No 0.

## VIII. COMMITTEE REPORTS

1. Finance Committee Stephen Swisher, M.D., Helen Shepherd

Details from the Finance Committee Meeting will be covered in the Financial Report.

Helen congratulated staff on the Standard & Poors rating increase to A-.

2. Physician Compensation Helen Shepherd, Ryan Wood

There was no Physician Compensation meeting; no report.

3. Employee Relations Committee Helen Shepherd

There was no report.

4. Quality Committee Stephen Swisher, M.D., Lynda Salcido

There was no report.

5. CEO Annual Review Committee Lynda Salcido, Maria King, D.O.

It was reported that the committee members are now Lynda Salcido and Helen Shepherd.

6. IT Steering Committee Stephen Swisher, M.D., Ryan Wood

There was an Information Technology (IT) Steering Committee meeting this month. Gary reported that the Committee decided unanimously to pursue a new Electronic Medical Record solution this year.

7. Facilities Committee Maria King, D.O., Ryan Wood

There was no report.

8. Ad Hoc, Special, or Other (as needed) Committees

There are no Ad Hoc, Special, or Other (as needed) Committees at this time.

## IX. CHIEF EXECUTIVE OFFICER REPORT

Gary Myers, CEO, had no additions to his report.

**X. FINANCE REPORT**

1. June 2015 Pre-Audit Financial Statements.

Melanie Van Winkle, CFO, reviewed and presented the updated Financial Statements for June 2015. The year ended with a \$6,423,000 net gain, about an 11% margin. The Auditors were on campus last week and did not find any other changes. Financial Statements for FY2015 are being finalized.

2. July 2015 Financial Statements.

3. Investment Report.

Melanie Van Winkle, CFO, reviewed and presented the Financial Statements, included in the packet via PowerPoint presentation. Ms. Van Winkle reported the July Net Gain was \$589,000 which resulted in a favorable budget variance of \$96,000. The favorable variance is a result of higher ancillary and clinic volume and maintaining expenses at a lower level for the month thus creating higher than budgeted income for the month. This is the first month of the fiscal year so year-to-date Net Gain is the same. Days of cash-on-hand were at 261.4 at the end of July.

4. Review and Discussion of Standard and Poor's Credit Rating Report Dated July 29, 2015 of Southern Mono Healthcare District.

Standard and Poors affirmed the Mammoth Hospital's A- rating with an outlook of stable; no action needed.

5. Review of Quarterly Capital Expenditure Status.

The Quarterly Capital Expenditure Report was reviewed; no action needed.

6. Finance Committee Report.

There was no additional Finance Committee Report.

**XI. OLD BUSINESS**

1. Award of Contract to the Lowest Responsible Bidder for the Construction Project Identified as Modification to Mammoth Hospital Medical Office Building or Reject all Bids.

Stephen Swisher, M.D., made a motion, seconded by Lynda Salcido to reject bids on the basis that the bids exceeded the anticipated budget of the project and authorize staff to solicit new bids on a modified project. Chair Shepherd asked for comments; a brief discussion ensued. A vote was taken; the motion passed unanimously. Yes 3, No 0.

**XII. NEW BUSINESS**

1. Presentation and Discussion of the HealthStream Employee Survey Results by Jeff Byberg, Human Resources Manager.

A review of the HealthStream Employee Survey Results was presented by Jeff Byberg, Human Resources Manager, via PowerPoint presentation. Results were very favorable and many were higher than last year. A brief discussion ensued; no action needed.

2. Quarterly Review of the Retirement Plan Performance: 403(b) and 457 Employee Retirement Plans by Jeff Byberg, Human Resources Manager.

Jeff Byberg, Human Resources Manager, reviewed the Quarterly Retirement Plan Performance: 403(b) and 457 Employee Retirement Plans. No action needed.

3. Approval of the Loma Linda University Medical Center (LLUMC) Affiliation Agreement.

This item has been tabled to the September 14, 2015 Special Board meeting.

4. Review and Approval of the modified professional services agreement between Southern Mono Healthcare District and Craig Burrows, M.D., Inc. a California Corporation, David Araya, M.D., and Sean Park, M.D., for the provision of Hospitalist Physician Services.

Lynda Salcido made a motion seconded by Stephen Swisher, M.D., to approve the professional services agreement between the Southern Mono Healthcare District and Craig Burrows, M.D., Inc. a California Corporation, David Araya, M.D., and Sean Park, M.D., for the provision of Hospitalist Physician Services; a brief discussion ensued. A vote was taken; the motion passed unanimously. Yes: 3, No: 0.

5. Declaration of Surplus Equipment.

Stephen Swisher, M.D., made a motion seconded by Lynda Salcido to approve the disposal of surplus equipment presented to the Board and to direct staff to dispose of the equipment in the manner most beneficial to the District. The surplus equipment presented has nominal or no value. Chair Shepherd asked for discussion; a brief discussion ensued. A roll call vote was taken; the motion passed unanimously. Yes 3, No 0.

**XIII. CREDENTIALING**

Reappointments

David Bassler, M.D.	Emergency Medicine	Active Staff
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Michael Karch, M.D.	Orthopedics	Active Staff

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Stephen Swisher, M.D., stated he has a conflict of interest with the voting for the Credentialing of the Emergency Department physicians but if he were to recuse himself it would leave the Board without a quorum. For the necessity of maintaining business, he remained to vote on all Credentialing.

Lynda Salcido made a motion seconded by Stephen Swisher, M.D., to approve the appointments as listed. Chair Shepherd asked for comments; it was noted that the appointments were discussed in closed session and no action was taken. A roll call vote was taken; the motion passed unanimously. Yes 3, No 0.

#### **XIV. FUTURE BUSINESS**

There will be a Special SMHD Board meeting on September 14, 2015 at 8:00 a.m. in Conference Rooms A & B at Mammoth Hospital.

The next Regular SMHD Board meeting will take place on September 24, 2015 (4<sup>th</sup> Thursday of the month) at 8:00 a.m. in Conference Rooms A & B at Mammoth Hospital.

#### **ADJOURN**

There being no further business the meeting was adjourned at 10:55 a.m.