

Mayers Memorial Hospital District  
Board of Directors – Regular Board Meeting

Date: April 24, 2013

Time: 1:00 P.M.

Location: Mayers Memorial Hospital  
Burney, California

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

**1. CALL MEETING TO ORDER:** President Albaugh called the special meeting to order at 1:00 p.m. on the above date with the following present:

Allen Albaugh, President  
Brenda Brubaker, Vice President  
Mike Kerns, Secretary  
Abe Hathaway, Treasurer  
Art Whitney, Director

Staff Present: Matt Rees, CEO; Sherry Wilson, CNO-SNF; Travis Lakey, DOF; Keith Earnest, CCO; Marlene McArthur, Administrative Board Clerk.

**2. CALL FOR REQUEST FROM AUDIENCE TO SPEAK TO ISSUES OR AGENDA ITEMS:**

Adin community members were present to speak in regard to Agenda 1.4, Adin Ambulance Proposal. At this time, the Board Chair moved the order of business to accommodate the community members in attendance (see minutes, Section 7.1.4).

**3. APPROVAL OF MINUTES – A motion/second (Kerns/Hathaway), and unanimously carried, the Board of Directors accepted the minutes for the meetings held March 21-22, 2013, and March 27, 2013.**

**4. STAFF PRESENTATIONS:**

EMR: Caleb Johnson and Louis Ward, Co-Project Sponsors, were both present and updated the board on EMR progress. If current trends continue, on May 15<sup>th</sup> Mayers will meet the 90-day requirement for Meaningful Use (MU); or sooner. Keynotes on update are as follows:

- Continued work with physicians
- Awaiting risk assessment on how and who internally and externally
- Road map (procedures) for next year used throughout hospital
- Currently working on a few open items: lab, process improvements throughout, vendors and/or intermediary company interfaced with EMR system (i.e., Mindray—monitoring company, lab, etc.). Mayers will be pilot for several of the vendors to interface with McKesson system.

In response to lab progress, Johnson explained there are basically three options being assessed in order to succeed. He described the most preferred option, which is basically the interface engine that would be the most flexible and easiest of all the options. He conveyed we recently learned that most system implementations include an interface package engine wrapped up in overall cost (\$25,500-\$43,500), which was not included in our contract. Rees noted the additional cost would also receive the 95% reimbursement that would be included in the "meaningful use" phase. Once interfaced with vendors, particularly now the lab, it will be our responsibility to send out claims, changing and improving the financial piece for Mayers including an array of other benefits for the future.

Whitney tasked staff to research the new CMS rules just out within the past month pertaining to adverse drug events for DP-SNF that would apply to the acute side as well—possibly accomplished through the pharmacy EMR component. Johnson responded that the task is doable with the new system and training.

Hospice Quarterly Report: Pat Baremore, Hospice Manager, provided a written quarterly report to the board including the following topics:

- New hospice-specific EMR software purchased and implemented
- Fundraiser Events: 1) dinner-dance with proceeds totaling \$1962; 2) upcoming Chair-ity event
- Patient statistics the past four months (12/12-3/13) provided including patient days, admits,

discharges and deaths. YTD (March) patient days currently total 202—and census today are 4 hospice patients

- Staffing, volunteer work
- Participation in Mayers' health fair promoting importance of Advanced Directives
- Bereavement Support Groups
- SNF-Hospice Room remodeled and redecorated
- Upcoming hospice volunteer class
- IDT meetings held every Wednesday @ 12:15—board members welcome

Outpatient Medical: Kay Shannon, Manager, was present and provided an overview of wound care and IV services. Dr. Zittel, a Redding-based physician specializing in wound care and the treatment of problem wounds is regularly scheduled to see patients at Mayers. During the month of April, census increased 25%—he is a big draw to the department—reported Shannon. She displayed and discussed use of wound vac equipment that is very effective in wound healing and speeds up division of the cell that promotes healing.

The department's goal last year was a 10% census increase and actual census increased 16%. Nursing staff has gone out in the community and to clinics to promote services. Nursing staff has increased to 2 full-time FTEs due to an average of 100 patients per month. She conveyed there are few requests for services that the department is unable to provide—the biggest dilemma is that we are unable to take orders (i.e., IV, etc.) from outside physicians not credentialed at Mayers but offers courtesy privileges to those physicians. In response to questions about particular services being offered in the future, Earnest conveyed that Mayers is unable to sell as a retail pharmacy. Shannon concluded report by encouraging all to promote Dr. Zittel and Mayers' outpatient medical services.

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

- ▶ Matt Rees, CEO: Attended ACHD Legislative Day along with Directors Brubaker and Kerns. Meetings were held with legislators as well as Budget Committee members requesting support to overturn AB 97 and support AB 900. Also, he attended a press release for AB 900 that would exempt DP/SNFs from 10% cuts effective June 1, 2011. Mayers is making attempts to correct misinformation reported in DC that included Mayers in a geographic area near Ventura with significant number of SNF beds available for patient re-location. Mayers is arguing that point. Hopeful to get legislation results by end of May. If resolved on the judicial side, it would exclude Mayers from paying a significant amount of retro payments.
- ▶ Other topics covered by CEO:
  - Attended meeting with MVHCs CEO to pursue CAH rental agreement for phlebotomist space at clinic to accommodate patients, clinic and hospital. Also, considering phlebotomist space to rent in several other clinics—from Montgomery Creek to Canby—working out logistics.
  - EMR issues with interface—considering intermediary engine to purchase that will assist with the MVHC interface as well as others in the future.
  - USDA loan application: moving forward with original assumptions excluding SNF MediCal cuts and will make modifications to assumptions if cuts are implemented—regardless, we are looking at measures to limit financial loss as well as increase payments through MediCal managed care contracts. The loan monies are available this year—and beyond that it's unknown—so plans are to submit application to get earmarked monies this year. Some work could start by the end of summer and construction would start next year with 18 months expected to complete—hopeful to be in a new building in two years.
  - Managed Care: A lot going on with managed care—its impacts, strict guidelines for provider networks, etc.—and that we are working hard to make sure Mayers negotiates rates that cover its costs to be successful now and in the future. Shasta Regional and Mercy CEOs are supporting our efforts in negotiating a rate to cover costs to make sure that Mayers stays in business otherwise these patients will become their patients.

- 299 Collaborative: group working together to get specialists recruited.
- Space Issues: Internally, looking at space options to re-locate PT. Best option currently is the medical office building (MOB) but the department will also maintain an area within hospital for inpatients.
- ▶ Sherry Wilson, CNO: Responsibilities now include coverage for both SNF and Acute—and discussed nursing staffing issues. A new C.N.A. class is to start June 15<sup>th</sup> and already have 15 students signed up. Training for ACLS will be offered to LVNs and RNs in June to bridge them into acute and fill spots.
- ▶ Keith Earnest, Chief Clinical Officer: Reported registry PT started April 8<sup>th</sup>—and with the hiring of a full-time PT Aide that will help with the work load. Emphasis on the urgent need for lab interface to accommodate more than 800 tests through LabCorp. CR (computer radiography) system has arrived and equipment is being installed in the Imaging Department that will allow physicians to conduct interpretations from high-definition imagery off site. Paragon consultants are scheduled to be on site to resolve Rx label issue through EMR.
- ▶ Erik Nielsen, Facilities Manager: The painting project for SNF in Burney is being finished; preparing for state surveyors; and landscaping projects have begun. In regard to the facility construction project, work is being done along with ANOVA architects to get CEQA report among several other reports submitted to the State and Shasta County. If approvals are received by the County in August, it's possible to get grading and utilities before winter season. The metal building was permitted this week, thus, install will start.

#### **6. BOARD MATTERS:**

6.1 Employee Benefits Ad Hoc Committee: Louis Ward, Ad Hoc Committee Member, presented an overview on the health care reform law—the Affordable Care Act (ACA)—including complex requirements for large employers. He reported the committee met and put together ACA impacts to employees and employers—and presented benefit options for Mayers' employees (PowerPoint handout). Cost comparisons of the Select and Choice Plans, including savings to both hospital and employee. Based on current rate and participation the hospital's annual savings calculates to \$453,318 annually; and \$60,840 employee savings annually (2014 premium increases are unknown). The most significant difference between the two plans is that the Select Plan offers 20% less physicians in the plan but yet to find any of the local doctors not a part of the Select Plan. Since the benefits package will remain with CalPERS, the Board would not take action but authorized CEO and management to proceed in pursuing changes in the employee benefits plan as soon as possible to take advantage of savings for both District and its employees to help mitigate premium increases expected 2014. Brubaker recommended that an RFP or RFQ for employee benefits package be solicited next year. Ward concluded presentation by announcing that several employee benefit policies will be revised and presented to the board for approval due to new ACA regulations.

6.2 Consider legal action against Shasta LAFCO: ***A motion/second (Whitney/Hathaway), and unanimously carried, the Board of Directors tabled legal action (resolution) against Shasta LAFCO.***

#### **7. BOARD COMMITTEES:**

7.1.1 Financial Reports: ***A motion/second (Albaugh/Whitney), and unanimously carried, the Board of Directors accepted the March 2013 financial reports as presented.***

7.1.2 USDA Rural Development Community Facilities Loan Program: Lakey announced a public meeting will be held to review Mayers' plan to file an application for Federal Assistance with the USDA Rural Development Community Facilities Loan Program for the Phase 1 Hospital Expansion Project. The public meeting will be held at 11:00 a.m. on Friday, May 17, 2013, located at 43563 Highway 299 East (Boardroom), Fall River Mills CA, 96028. Postings will be furnished to local newspapers.

7.1.3 Board Compensation pursuant to MMHD Bylaws, Article IV.8: Albaugh recommended a resolution be adopted by the board that authorizes the payment of \$100 per meeting per board member, as compensation for regular board meetings that could be donated back to Mayers' Intermountain Healthcare Foundation for the capital campaign to construct the replacement facility. The board compensation is an option included in the District Bylaws by resolution by a majority vote of the

members of the board. After discussion, board authorized CEO to draft a resolution for board action.

7.1.4 Adin Ambulance Proposal: CEO Matt Rees provided an overview of events transpiring from onset of Mayers' annexation process January 30, 2012, until now—including the notice from Last Frontier Healthcare District (dba: Modoc Medical Center) terminating ambulance services in Adin, CA, effective July 1, 2013. Several options to retain the ambulance services in Adin have been entertained, including the formation of a JPA with the local fire departments that recently failed. The most recent option being considered is the proposal being offered to Mayers from the Big Valley EMS Working Group for an interim plan for operation of the Adin station to assume operation on July 1, 2013. The proposal was presented and discussed at board finance committee meeting resulting in a recommendation to the full board that a 3-month interim agreement be considered. The interim agreement would provide the committee time to work on details for a long-term solution. It was noted by Mayers' board members, that the District cannot assume costs on a long-term basis. This arrangement would allow the group more time to work with Lassen and Modoc counties to resolve together—and possibly get AB8 funds, annexation, and/or some other entity to operate the service long term.

A draft proposal including staffing and equipment was reviewed. Happy Barrios, Mayers' ER Manager, was present and presented complexities for a short-term agreement due to the three counties and two Local Emergency Medical Services Agencies (LEMSAs) for an interim agreement. She stated although MMC is losing \$150K annually on Adin ambulance, the current model can be re-evaluated and operated differently to reduce the loss—she also discussed the effects on both Burney and Mayers ambulances without Adin ambulance. Director Hathaway conveyed that he would abstain from any action regard to Adin ambulance but did express his concern for the lack of coverage in the Intermountain area and/or delays in response times.

Board members tasked the group to come back with a functional contract including the following:

- Minimum term: 3-month
- Cost figures to be based on minimum cost
- Two ambulances from Adin retained by Mayers while interim contract in effect
- LEMSA notification that requires 60 days

BVEMSWG committee member, Dan Bouse, was present and agreed with impacts and concerns noted by Hathaway if Adin ambulance is non-existent. He also conveyed that both counties are on notice that this proposal is being offered to Mayers—and aware that assistance is necessary from LEMSA. He offered details and background information specifically pertaining to the operations and functions of the Adin ambulance services. Detailed discussion followed. ***A motion/second (Kerns/Whitney), and unanimously carried (Hathaway abstained), the Board of Directors accepted the concept of a 3-month interim agreement; and authorized CEO and staff to move forward in the development of a contract, including contingencies, that is to be brought back to the board for approval before July 1, 2013.*** Group was tasked to come back with a functional contract

## **7.2 STRATEGIC PLANNING COMMITTEE:**

7.2.1 LAFCO Annexation Update: CEO Rees conveyed LAFCO has approved MSRs for healthcare districts; therefore, this will be added to the annexation process with additional costs to the District so estimates need gathered and more details pertaining to the MSRs from Shasta LAFCO before proceeding and incurring further costs.

## **7.3 QUALITY COMMITTEE:**

7.3.1 Committee Meeting Report: Committee Chair Brubaker highlighted the meeting topics and reports presented to committee on April 10, 2013, along with the Chief of Staff in attendance to re-establish relationship together (Board-Med Staff). Keynotes as follows:

- Department managers reported quality data and quality issues: med-surg/swing, environmental services, cardiac rehab/telemedicine, and imaging
- Other reports include: EMR update, SNF events and patient safety

• Policies were reviewed and discussed—including a P&P summary report for the 1<sup>st</sup> quarter

7.3.2 Policies: After review and discussion of the *Non-Employee Complaint* policy/procedure, Director Kerns recommended the policy be adopted pending: 1) Administration to clarify and/or amend Section 7; 2) revision included in final document noted by Board Clerk McArthur that pertains to the notification of any staff member and/or medical staff member involved in complaint. ***A motion/second (Kerns/Brubaker) was made, and unanimously carried, the Board of Directors approved the Non-Employee Complaints Policy & Procedure with amendments as noted above.***

**8. INFORMATION/REPORTS/BOARD EDUCATION:** ACHD Legislative Day in Sacramento on April 8-9 attended by Rees, Brubaker and Kerns. Rees will be attending and presenting at one of the sessions during the ACHD Annual Meetings on May 22-24. Kerns is also attending and possibly Albaugh. Therefore, the regular board meeting was changed from the fourth Wednesday to the following Wednesday, May 29, 2013. Board Clerk McArthur will post appropriate notices for meeting change.

**9. ANNOUNCEMENT OF CLOSED SESSION (3:28PM):** For the purpose to conduct Medical Staff business pursuant to the Health & Safety Code §32155.

**10. RECONVENE OPEN SESSION:** At the recommendation of the Medical Executive Committee, the following privileges were unanimously approved by the board of directors:

**AHP Appointment**

- Henry Patterson, OD

**AHP Reappointments**

- Tom Harmon, CRNA

**Staff Status Changes**

- Douglas Hatter, MD to Inactive (general surgeon)
- Thomas Daniel, MD to Courtesy (orthopedics)

**Clinical Privileges**

- Micaela Godzich, MD (approved for privileges in Diagnostic Ultrasound)

**11. ADJOURNMENT:** There being no further business, at the hour of 3:44 p.m., President Albaugh declared the meeting adjourned.