LAST FRONTIER HEALTHCARE DISTRICT
BOARD OF DIRECTORS
MEETING MINUTES
Monday, August 3, 2015

Directors present: Michael Anderson, Jim Cavasso, Carol Cullins, Dick Steyer and Guy Martin Young
Directors absent: None
Staff in attendance: Kevin Kramer, CEO; Jo Knoch, CFO, Michele McQuillan, CNO; Diane Hagelthorn, Human Resources Director and Dee Blondo, District Clerk
Staff absent: None

1:00 pm – CALL TO ORDER
The meeting was called to order at 1:00 pm by Jim Cavasso, Board Chair. The meeting location was the City Hall Council Chambers in Alturas, CA.

1. PLEDGE OF ALLEGIANCE TO THE FLAG OF THE UNITED STATES OF AMERICA

2. AGENDA – Additions/Deletions to the Agenda
   Kevin Kramer asked that the presenter for Consideration/Action Item 6D.) FYE 2014 Audit be changed from Jo Knoch to him.

   Marty Young moved to approve the Agenda as amended, Carol Cullins seconded and the motion carried.

3. PUBLIC COMMENT
   There was no public comment.

REGULAR SESSION

4. DISCUSSION
A.) J. Cavasso – Presentation to Leta Bethel
   Jim Cavasso presented Leta Bethel, past LFHD Board member, with a picture of the staff of Modoc Medical Center; many of the staff had signed the matting on the framed photograph. This presentation is thanks for all the work that Leta put into the formation of the District and her participation for the first four years of the Board as the Board Treasurer.
B.) K. Kramer – HRG June 2015 Financial Summary
Kevin reviewed the June 2015 HRG Financial Summary noting that the AR days were down from May, but still higher than their contracted goal. It was a good cash collection month. He reviewed the denials report and asked if anyone has heard anything about billing or the charge master changes. Carol Cullins stated that she has heard positive comments about the lower Physical Therapy charges.

C.) K. Kramer – Investment Report
Kevin went over the last quarter’s LAIF and Questar Capital reports. He will meet with Plumas Bank to learn more about these reports in order for him to be able to format the information in a way that is easier to understand. He reported that he will have a recommendation next month as to what to do with the one-year CD that is maturing this month.

D.) K. Kramer – 457 B Plan Broker
Kevin has had meetings with Walt Davis of Edward Jones and our current broker, Seth Prescott of US Bank. Walt has offered a 0.25% broker fee. Seth had been charging 0.4%, but will go to 0.2%. After discussing the issue, it was decided to stay with Scott if he will go to the 0.2% brokerage fee.

E.) K. Kramer – CEO Evaluation
Kevin presented a matrix that is available to the Board through our membership with ACHD. The Board thought that this matrix was too complex and wants to move to a simpler tool. Kevin said that he would draft up an evaluation by mid-month and send it out to the Board for their review.

5. CONSENT AGENDA

A.) M. McQuillan – Policies and Policy Tracking Log
- ER/Med Surg
  - Endotracheal Tube Placement
  - Orthostatic Vital Signs
- Laboratory
  - ALDL – Directly Measured LDL
  - Ferritin
- Human Resources
  - Healthy Workplace/Healthy Families Act of 2014 – California Paid Sick Leave
- Policy Tracking Log

B.) M. McQuillan – Departmental Policy Manuals
- Accounting
- Business Office
- Environment of Care
- Hospital Emergency Preparedness
- Human Resources

C.) M. Kresge – Medical Staff Committee Minutes/Reports and Consultation Reports
- Medical Staff Committee – April 29, 2015
- Environment of Care – May 6, 2015

Carol Cullins moved that the Consent Agenda be approved, Dick Steyer seconded and the motion carried.
6. CONSIDERATION/ACTION
A.) D. Blondo – Adoption of June 25, 2015 BOD Meeting Minutes
   Carol Cullins moved that the minutes of the June 25, 2015 BOD meeting be approved as amended,
   Dick Steyer seconded and the motion carried.

B.) D. Blondo – Adoption of July 15, 2015 Special Meeting Minutes
   Dick Steyer moved that the minutes of the July 15, 2015 special meeting of the BOD be approved,
   Carol Cullins seconded and the motion carried.

   Michael Anderson moved that the June 2015 financial statement (unaudited) be approved, Marty
   Young seconded and the motion carried.

D.) K. Kramer – FYE 2014 Audit
   Carol Cullins moved to accept the FYE 2014 Audit, Dick Steyer seconded and the motion carried.

E.) D. Blondo – Resolution for Tax Roll
   Marty Young moved to approve Resolution Requesting Collection of Charges on Tax Roll Last
   Frontier Healthcare District for the Fiscal Year 2015-2016 (Resolution #16-1), Michael Anderson
   seconded and the motion carried with all voting “aye.”

F.) D. Blondo – Certification of Assessment
   Marty Young moved to approve the Certification of Assessment, Dick Steyer seconded and the
   motion carried.

G.) K. Kramer – IGT for Quality Assurance Fee Program
   Marty Young moved to approve LFHD’s participation in the IGT for Quality Assurance Fee Program,
   Carol Cullins seconded and the motion carried.

7. VERBAL REPORTS
A.) K. Kramer – CEO Information to the Board.
   - JPIA Update
     - Three CEOs met last week to discuss initiatives. The following initiatives will be presented to
       the JPIA Board in the form of Work Plans/Budgets:
       - Shared CNA Training Program
       - Shared Outpatient Market Study
       - Shared Physician Recruiter
     - The following are potential initiatives for the future:
       - Shared Human Resources
       - Shared CHIP Program/Health Needs Assessment for Modoc County
       - Shared Compliance Program/Components
   - Retail Pharmacy
     - Still working on pricing for the consultant that makes more sense. Bill Browning is talking
       with some of his friends at this time.
   - Provider Recruitment
     - Alex Ferber starts August 24 in the Clinic. He is a physicians’ assistant.
     - Dr. Kevin Lee phone interview went well. We are hoping to get him to come here for a site
       visit.
     - Three other candidates have been sent to us to review. Two from Delta and one from Pacific
       Companies.
• Health Benefits
  – Keenan conducted a benefits analysis for us and found that our offerings were under market and not real competitive in some categories.
  – We would like to move to a different insurance product if possible and leave CalPERS. We have a broker working on an option through CSAC for us right now. May need to have a special Board meeting in a couple of weeks to approve the move if those options are viable.
  – Goal is to get ourselves into a group where we can start realizing some savings in premiums for implementing care coordination tools, wellness programs, etc. Self-funded would be ideal if we can ever get to a point where it makes sense to do so.

• USDA Grant
  – Have not heard if we have been awarded this grant yet. Will keep the Board posted.

• New Hospital
  – Requests for Expressions of Interest are going out today.
  – Financial Feasibility Study
    ▪ Just one narrative needs to be sent.
    ▪ OSHPD data needed for the market analysis.
    ▪ Will be investigating possible commercial lending between now and October.
    ▪ There will be a public meeting upon completion of the feasibility study.
  – CEQA and Use Permit
    ▪ Kevin and Jim will be meeting with Joe Picotte and Jenn Anderson on Wednesday to discuss some of the items on the proposed Use Permit.

B.) M. McQuillan – CNO Information to the Board.
  • Census
    – SNF – 34 residents. No waiting list at this time.
    – Acute/ER – staying very busy.
    – EMS – very busy.
  • Staffing
    – Five RNs have been hired; all will be starting this month. This will greatly reduce our current use of registry nurses. All came to us free without the need of recruiters. Three will be in Acute department and two will be staffed in the ER as they have ER experience. We only hire nurses with a minimum of two years ER experience for that department.
  • Training
    – CNA class started in July with five students.
    – Looking at avenues to expand our EMS ability to train outside entities.
  • Warnerview
    – Our annual SNF survey was conducted over the last two weeks. We had a State survey concurrent with a Federal survey. We are awaiting the results of the surveyors’ findings and are actively working on issues they identified during their visit.
  • Programs
    – The Planning Committee for the John L. Wall Trust funds has been formed. Additional committees have been formed to address procurement, installation, disposal and monitoring of supplies and equipment. Currently, we have a budget of $1.7 million to complete this project.
    – Modoc Medical Center Health Fair is going to be held Saturday, September 12th from 10:00 am to 2:00 pm at the Veterans Hall. Invitations to prospective attendees went out today.

C.) D. Hagelthorn – Human Resources Information to the Board
  • As Kevin mentioned, Keenan conducted a benefits analysis.
    – Medical
      ▪ Employee payroll contributions are higher here.
      ▪ We have a longer waiting period.
• 63% of other facilities surveyed cover 100% of employee-only coverage.
• We do not have a wellness program.
• CalPERS medical rates will rise 14.6% for 2016. This will mean monthly increases of $81 for Select, $139 for Choice and $161 for Care.
  – Dental/Vision
    ▪ Almost all other facilities surveyed offer employer-paid dental/vision. Ours is provided to the employee as an option.
    ▪ Our dental plan is competitive.
    ▪ Keenan has a VSP vision plan that is less expensive than ours with same benefits.
  – PTO
    ▪ We have 12 days vs. 24 days at other facilities.
  – Life Insurance
    ▪ $10K vs. one times annual salary to $50K.
  – Long-Term Disability
    ▪ MMC does not offer LTD. 78% of survey participants offer it to their employees.
  – Recommendations (Keenan)
    ▪ Self-funding not recommended – 31% high cost than CalPERS renewal.
    ▪ Joining or creating a JPA (Monterey County School Insurance Group JPA – 4,000 employees. $98K per year less expensive, but benefits are not as rich. Three year minimum membership.
    ▪ Keenan is in the process of pulling together a JPA for healthcare districts. It will not be available until 2017.
    ▪ CSAC.
    ▪ JPIA.

D.) C. Cullins – Finance Committee Report
   Carol stated that all her information from the Finance Committee meeting had already been presented earlier in the meeting.

E.) J. Cavasso – Board Education Ad Hoc Committee Report
   The committee met for the first time and has determined that their first task is to review the LFHD Bylaws. Any changes will be brought to the Board for approval.

F.) Board Member Reports
   • Carol Cullins
     – Attended a PSA area on aging meeting. Lassen case manager raved about our skilled nursing facility.
   • Marty Young
     – Nothing at this time.
   • Michael Young
     – Apologized for not being at last meeting. Assured Board that he is committed to this forum.
   • Dick Steyer
     – Noted that a good swing bed rate has been negotiated with PHP.
   • Jim Cavasso
     – Nothing at this time,

Marty Young moved to close the Regular Session of the Board and move to Executive Session, Michael Anderson seconded and the motion carried. The Regular Session closed at 3:32 pm.
EXECUTIVE SESSION

Executive Session was called to order by Jim Cavasso, Chair, at 3:40 pm.

8. CONSIDERATION/ACTION
A.) M. Kresge – Medical Executive Committee Minutes – April 29, 2015 – per Evidence Code 1157

Dick Steyer moved to adjourn from Executive Session and return to Regular Session, Carol Cullins seconded and the motion carried.

RESUME REGULAR SESSION

Regular Session was called back into order by Jim Cavasso, Chair at 3:43 pm.

9. CONSIDERATION/ACTION – RESULTS OF EXECUTIVE SESSION
A.) M. Kresge – Medical Executive Committee Minutes
   • FPPE data was reviewed and accepted for:
     – T. Harmon, CRNA
     – M. Wolfe, DPT
   • OPPE data was reviewed and accepted for:
     – T. Blankenberg, M.D.
     – M. Ramus, M.D.
     – S. Pitman, M.D.
     – A. Morris, M.D.
     – J. Mooney, M.D.

Carol Cullins moved to accept the Medical Executive Committee Minutes for April 29, 2015 as presented, Michael Anderson seconded and the motion carried with all voting “aye.”

10.) MOTION TO ADJOURN

Michael Anderson moved to adjourn the meeting at 3:45 pm, Carol Cullins seconded and the motion carried.

The next meeting of the Last Frontier Healthcare District’s Board of Directors will be held on Thursday, August 27, 2015, at 1:00 pm in the Council Chambers of Alturas City Hall.