



Healing Hands Close To Home

LAST FRONTIER HEALTHCARE DISTRICT
A Public Entity

REGULAR MEETING MINUTES
LAST FRONTIER HEALTHCARE DISTRICT
dba MODOC MEDICAL CENTER

BOARD OF DIRECTORS

Thursday, July 26, 2018 at 1:00 pm
Council Chambers, City Hall
Alturas, California

Directors present: **Guy Martin Young, Dick Steyer, Jim Cavasso and Michael Anderson**
Directors absent: **Carol Madison**
Staff in attendance: **Kevin Kramer, CEO; Patrick Fields, CFO; and Amber Mason, Human Resources Manager and Dee White, District Clerk**
Staff absent: **Michele McQuillan, CNO**

1:00 pm – CALL TO ORDER

In **Carol Madison**, Chair's absence, **Guy Martin Young**, Vice Chair, called the meeting of the Last Frontier Healthcare District (LFHD) Board of Directors (BOD) to order at 1:00 pm. The meeting location was in the Council Chambers of Alturas City Hall in Alturas, California.

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

2. AGENDA – Additions/Deletions to the Agenda

Dick Steyer moved that the Agenda be approved as presented, **Jim Cavasso** seconded and the motion carried with all present voting "aye."

3. PUBLIC COMMENT

No public comment.

REGULAR SESSION

4. DISCUSSION

A.) K. Kramer – New Facility Project Management Report – June 2018

Kevin Kramer updated the Board on the site work that is currently being performed for the New Facility Project. The full Project Management Report dated June 2018, from Cumming USA, Inc. was shared with the Board.

- A few site work challenges have cropped up:
 - Particularly with CalTrans regarding the intersection of Highway 299 and Nagle Street. There is an increased scope in the CalTrans permit. **Richard Kasa** and **Kevin** are working to arrange a meeting with CalTrans's regional director to discuss safety issues with the left-hand turn pocket approaching from the east going west that the permit is currently requiring.

- OSHPD approval process. They have claimed jurisdiction over some of the site work. We now have to have their approval of site plans for certain pieces of the site work to move forward.
 - City of Alturas is requiring the access road on the west side of the hospital building to be paved (\$33K).
 - Frontier Communications line that is too low at the intersection of Highway 299 & Nagle Street. **Kevin** has handed this issue over to **Joe Picotte** to deal with Frontier Communications.
- USDA has waived the requirement of acquiring interim financing (construction loan). This will help us save some money on the project and will allow us to start loan repayment earlier on in the process.

Kevin asked if there were any additional questions on the Project Management Report or New Facility Project. There were no additional questions at this time.

B.) K. Kramer – HRG Financial Summary – June 2018

Kevin presented June 2018's HRG Financial Summary to the Board speaking mostly from the Dashboard.

- June was not a good month.
- Overall, not concerned. If it starts to trend as June did, it will become a concern.
- Gross revenue down.
- 60.5 AR days, which is up.
- 2.6 total unbilled days. Usually have closer to 1. A few inpatients were still in-house at the end of the month. From a Revenue Cycle perspective, it indicates that there is a lot of money sitting in house where patients have received services but bills have not been sent out yet.
- 3rd party - \$597K aged over 30 days.
 - MediCal holds claims at the end of the fiscal year.
 - Ambulance issue with Blue Shield. Some Ambulance claims are 90+ days. **Kevin** received an email from Blue Shield. Hopes to be reaching resolution soon. They wanted us to credential our Ambulance service; which is not in the contract. **Kevin** has pointed out to them that it is illegal for them to hold our money. We will credential our Ambulance Service in the future if it is a requirement.
- Denial percent went up to 7. New HRG cash poster not logging denials accurately. \$48K of \$118K was related to registration. Close to goal of \$40K. Still monitoring insurance eligibility checks.

5. CONSENT AGENDA - Items under the Consent Agenda heading do not require discussion before a vote. If discussion is needed, that item needs to be moved to the Consideration/Action part of the Agenda where discussion is allowed.

A.) D. White - Adoption of LFHD Board of Directors Regular Meeting Minutes (June 28, 2018)

B.) M. Kresge – Medical Staff Committee – June 27, 2018

- Medical Staff Committee Meeting Minutes – May 30, 2018
- Committee & Consultation Reports
 - Policy Committee – May 9, 2018
 - Pathologist On-Site Visit Report – May 2, 2018

C.) M. Kresge – Medical Staff Bylaws/Rules Amendments

D.) M. McQuillan – Departmental Manuals for Review – July 2018

- July 2018 Department Policy & Procedure Manuals
 - Clinic
 - Engineering
- July 2018 Department Policy & Procedure Manuals Log

E.) M. McQuillan – Policies for Review – July 2018

- **Central Supply**
 - Temperature and Humidity Levels in Central Supply
- **Radiology**
 - Repeat X-Ray Films
- **Policy & Procedure Tracking Log – July 2018**

Michael Anderson moved to approve the Consent Agenda as presented, **Jim Cavasso** seconded and the motion carried with all present voting “aye” and **Dick Steyer** abstaining because he was not present at the previous meeting.

6. CONSIDERATION/ACTION

A.) P. Fields – June 2018 LFHD Financial Statement (*unaudited*)

Patrick presented the June 2018 LFHD Financial Statement (*unaudited*):

- During the month of June, Modoc Medical Center reported Net Income from Operations of \$1,022,430, representing a higher income than was budgeted - \$284,307. The income for the month is was due the realization of supplemental reimbursements from Medi-Cal.
- Inpatient Revenue increased from the prior month after two consecutive months of down trending, while Outpatient Revenue declined from the prior month.
- Year-to-date, the Operating Income of \$283,228 compares favorably to budgeted (\$1,652,704).
- Net Income, including Non-Operating Activity, is \$1,015,222 and is above budget by \$730,318.
- Year-to-Date Net Income is \$2,924,413 against budgeted \$372,109.

Dick Steyer moved to approve the July 2018 LFHD Financial Statement (*unaudited*) as presented, Michael Anderson seconded and the motion carried with all present voting “aye.”

B.) P. Fields – Investment of Expired CD Funds

Patrick summarized the presentation he gave at June’s Board of Directors meeting regarding reinvestment of funds from soon to expire CD funds.

Patrick and Kevin recommend reinvesting into a straight 5-year CD with a return of no less than 3 percent.

Jim Cavasso moved to reinvest the expiring Wells Fargo CD funds as presented by Patrick Fields, Dick Steyer seconded and the motion carried with all present voting “aye.”

C.) K. Kramer Request for Large Account Write Off

Accounts are from 2016 when this patient did not have insurance. The patient has since died and does not have an estate to collect from.

Dick Steyer moved to approve the large account write-off as presented, Michael Anderson seconded and the motion carried with all present voting “aye.”

D.) D. White – LFHD Resolution #18-05 - Resolution Requesting Collection of Charges on Tax Roll

Last Frontier Healthcare District for the Fiscal Year 2018-2019

Dee White, Last Frontier Healthcare District Clerk, presented a resolution requesting Modoc County to place the Last Frontier Healthcare District 2018-2019 Tax Assessment on the Modoc County property tax bills and collect payment from those assessed.

Jim Cavasso moved to approve the resolution as presented, Dick Steyer seconded. Guy Martin Young called for a vote of each Board Member. The votes were as follows:

- Michael Anderson- Aye
- Jim Cavasso- Aye
- Carol Madison- Absent
- Dick Steyer- Aye
- Marty Young- Aye

The motion carried by a unanimous vote of the Last Frontier Healthcare District Board of Directors members present.

E.) D. White – LFHD Resolution #18-06-Resolution Ordering an Election, Requesting County Elections to Conduct the Election and Requesting Consolidation of the Election.

Dee White, Last Frontier Healthcare District Clerk, presented a resolution requesting placement of the election of the three Board of Directors’ positions that expire December 31, 2018 on the November 2018 ballot.

Jim Cavasso moved to approve the resolution as presented, Dick Steyer seconded. Guy Martin Young called for a vote of each Board Member. The votes were as follows:

- Michael Anderson- Aye
- Jim Cavasso- Aye

- **Carol Madison-** Absent
- **Dick Steyer-** Aye
- **Marty Young-** Aye

The motion **carried** by a unanimous vote of the Last Frontier Healthcare District Board of Directors members present.

7. VERBAL REPORTS

A.) K. Kramer – CEO Report to the Board.

- Provider Recruitment
 - May have encountered a snag with Faith Murray-Taylor, FNP for her furnishing license. The situation is being worked through now.
 - Looking for another full-time permanent PA/FNP (**Judith Costa** left) for the Clinic.
 - Will utilize a locum while we search.
 - Working on the agreement with **Dr. Kevin Lee.**
- Other Items
 - PCR technology in the laboratory to be implemented in September.
 - The annual MMC Health Fair will take place August 1st from 11:00 am to 3:00 pm.
- The Skilled Nursing Facility policy that was sent back for revision is expected to be ready for Board approval by the next Board meeting in August.

B.) A. Mason - Human Resources Information to the Board.

- Compliance
 - Performance Evaluations 90% compliant.
 - TB 100% compliant.
 - Physicals 89% compliant.

C.) Board Member Reports

- **Michael Anderson** - Nothing at this time.
- **Jim Cavasso** –
 - Report in paper regarding Surprise Valley Healthcare District.
 - **Kevin** stated that he felt like we could assist with ambulance service and a Rural Health Clinic if we needed to assist.
- **Dick Steyer** –
 - Unintended spin off to the Surprise Valley situation is real estate. Questions being asked about tax obligation in Surprise Valley.
 - Surplus top soil. Did we hold some back for our landscaping? **Kevin** will find out from **Lane Hoy.**
 - Status of JPIA? **Kevin** - Gone real cold. Left off with having CEOs determining top 3 specialties we need in the area.
 - Survey question. A call came in for **Marty's** wife on a land line. **Kevin** explained that number was called because we send them patient data that they use to conduct CGCAHPS surveys each month. This is a nationally standardized survey for clinics and is meant to gauge patient perception of the services we are providing. RMS is required to make 40 calls a month.
- **Marty Young** –
 - Concern regarding a survey. Two articles in Reno paper reporting about doctors that left because they were not happy about such a survey. One is bringing a lawsuit. These surveys are becoming mandatory for facilities such as ours and are very common in the healthcare industry.
 - Acquiring more services. He has been asked a question by a community member at dentist office.
 - **Kevin** – We are in the process of setting up telemedicine (cardiology). **Amanda Ponti** working on it.
 - We want to establish a respite care program at Warnerview.
 - We want to conduct a feasibility study regarding establishing a pain management clinic.

- Home Health Services and Hospice – may look in to doing a feasibility study on these services next year. Would probably not break even but would be worth taking a look at. **Marty** suggested researching past home health services in the area.

Guy Martin Young read, for the record, the items for the Executive Session.

Michael Anderson made a motion to close the Regular Session of the Board of Directors, **Dick Steyer** seconded and the motion carried with all present voting “aye.”

The Regular Session of the Last Frontier Healthcare District Board of Directors was adjourned at 2:06 pm.

EXECUTIVE SESSION

Executive Session was called to order by **Guy Martin Young**, Vice Chair, at 2:08 pm.

8. CONSIDERATION/ACTION

- A.) **M. Kresge – Medical Executive Committee Minutes & Credentialing Items – June 27, 2018**
[Per Evidence Code 1157]
- B.) **C. Madison – CEO Evaluation [Per Gov’t Code Section 54957.6]**
- C.) **K. Kramer – Update on Potential Litigation [Per Gov’t Code Section 54956.9(d)(1)]**

Dick Steyer moved to adjourn from Executive Session and return to Regular Session, **Michael Anderson** seconded and the motion carried with all present voting “aye.”

The Executive Session of the Board of Directors was adjourned at 2:43 pm.

RESUME REGULAR SESSION

The Regular Session of the Board of Directors was called back to session by **Guy Martin Young**, Vice Chair, at 2:43 pm.

9. CONSIDERATION/ACTION – RESULTS OF EXECUTIVE SESSION

- A.) **M. Kresge – Medical Executive Committee Minutes & Credentialing Items – June 27, 2018**

Michael Anderson moved to accept the Medical Executive Committee Minutes and approve the Credentialing of Providers as presented, **Jim Cavasso** seconded and the motion carried with all present voting “aye.”

Based upon character, competence, training, experience and judgment, favorable recommendation by peers and credentialing criteria fulfillments, the Medical Executive Committee recommends the following appointments for Board approval:

- **Robert James III, M.D.** – Reappointment of Consulting privileges in the Pathology setting.
- **Wesley Stevens, D.O.** – Reappointment of Courtesy privileges/membership in the Family Medicine category.

- B.) **G. Young – CEO Evaluation**

The members of the Board that were present at the meeting handed in their evaluation forms and asked that **Kevin** have them filed in his personnel file in a sealed envelope as they have done in previous evaluations. The Board provided **Kevin** feedback on his work as a CEO and recommended that he begin thinking of hiring an Operations Officer to help with his current workload and also to give the facility a second person that could follow his work more closely so that the organization would have the leadership structure and succession planning in place if anything happened to **Kevin**.

D.) K. Kramer – Update on Potential Litigation

Kevin presented an update on the potential litigation that was presented to the Board at the last meeting of the District Board of Directors and updated the Board on the steps that BETA Healthcare Group (insurance carrier for the District) is taking at this point. No action was taken by the Board at this meeting.

10.) MOTION TO ADJOURN

Michael Anderson moved to adjourn the meeting of the Last Frontier Healthcare District Board of Directors at 2:45 pm, Dick Steyer seconded and the motion carried with all present voting “aye.”

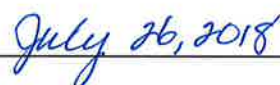
The next meeting of the Last Frontier Healthcare District’s Board of Directors will be held on August 30, 2018 at 1:00 pm in the Council Chambers of Alturas City Hall in Alturas, California.

Respectfully Submitted:



Dee White, Last Frontier Healthcare District Clerk





July 26, 2018