



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, August 30, 2018 at 1:00 pm
Council Chambers, City Hall
Alturas, California

Directors present: **Michael Anderson, Jim Cavasso, Carol Madison, Dick Steyer and Guy Martin Young**
Directors absent: **None**
Staff in attendance: **Kevin Kramer, CEO; Patrick Fields, CFO; Amber Mason, Human Resources Manager; and Michele Tatro for District Clerk, Dee White**
Staff absent: **Michele McQuillan, CNO and Dee White, District Clerk**

CALL TO ORDER

Carol Madison, 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

Guy Martin Young 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 – July 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 July 2018, from Cumming USA, Inc. was shared with the Board.

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

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

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

- Revenue cycle is stable.
- Insurance billings beyond 90 days are still an area of focus.
- HRG is now able to generate a report that shows registration errors by individual. We will use this report to assist in training in an effort to reduce errors.

Guy Martin Young asked Kevin what "inventory" represented on the HRG financial summary. Kevin explained that it is debt to be collected from self-pay, such as deductibles, co-insurance, co-pays, and any accounts for which the patient had no insurance. He then went on to explain the collection process: Modoc Medical Center (MMC) policy is to send a paper bill to the patient through five billing cycles, roughly 28 days apart, then place at least two phone calls in an attempt to stimulate balance payment before the account goes to collections. The collection company works for a percentage collected, so the process does not add additional expense to MMC, unless it results in the collection of money. In overall payment resources, self-pay represents approximately five percent of all accounts, which is in line with percentages at other facilities.

C.) K. Kramer – Cost of Geothermal Heat MOU with Modoc Joint Unified School District

Kevin discussed the draft Geothermal MOU with the Board. Guy Martin Young indicated that he felt it should contain more language that would establish a not-to-exceed amount for maintenance costs and also that the MOU should specifically define how the heat usage in the system would be measured in more detail. Dick Steyer added that he felt the MOU should also cover what will occur when other users of the system are sharing in the costs as well as defining what infrastructure is shared infrastructure and indicating what will happen when more shared infrastructure needs to be added to the system.

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 (July 25, 2018)

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

- Medical Staff Committee Meeting Minutes – May 30, 2018
- Committee & Consultation Reports
 - Policy Committee – June 10, 2018
 - Quality Council – May 7, 2018
 - Environment of Care Committee – March 6, 2018 & May 1, 2018
 - Pathologist On-Site Visit Report – June 7, 2018

C.) K. Kramer - Policies for Review – August 2018

- **MMC Nursing Assistant Student Training**
 - Instructor Monitoring
 - Job Descriptions
 - Nursing Assistant Student Training Organizational Chart
 - Student Absenteeism and Make Up
 - Student to Instructor Ratio
- **Surgery**
 - Cleaning of the Operating Room
- **Policy & Procedure Tracking Log – August 2018**

Michael Anderson moved to approve the Consent Agenda as presented, Dick Steyer seconded and the motion carried with all voting "aye".

6. CONSIDERATION/ACTION

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

Patrick presented the July 2018 LFHD Financial Statement (unaudited):

- Gross Patient Revenue in July increased from June to \$2.336M. Inpatient saw an increase of \$100K from the prior month, while Outpatient remained stable. Outpatient Revenue was negatively impacted by a significant decline in surgeries during the month. Net Patient Revenue for the month was \$1,209K. Other Revenue totaled \$12K.
- Operating Expenses in July saw a decline from the prior month to \$1.486M, the largest decline was in Registry, which was the result of hiring staff and the decreased census at Warnerview. Supplies

also saw a decline of \$35K after the spike in Pharmacy in June. Offsetting those reductions was an increase in Salary of \$63K from the prior month. All other expense categories remained stable. When compared to budget for the month, Expenses were under budget by \$146K.

- Net Operating Loss for the month was \$265K.
- Non-Operating Income for the month was \$11K. The Retail Pharmacy reported a profit for the month of \$16K. Other Expenses were District Vouchers of \$4K.
- Net Loss for the month was (\$254K) compared to budget of (\$68K).
- Month End Balance Sheet remained healthy with strong liquidity. Current Ratio declined to 11.91x's, days in cash declined to 392, with days in Accounts Payable stable at 26. Total Cash declined by \$534K during the month primarily from the Net Loss for the month and continued increases in CIP of \$597K.
- The \$100K CD with Quest Capital matured on August 28, 2018 and was reinvested for another five years at a rate of 3.35%. We will be discussing what to do with the \$225K CD that is maturing on October 9, 2018 at the next Board meeting along with the possibility of investing funds from the Money Market account, as it will be exceeding \$100K.

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

7. VERBAL REPORTS

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

Provider Recruitment

- **Ellen Harris, FNP** is starting in September as a contracted Hospitalist. **Chantele Sahli, PA-C** is considering a full-time Hospitalist opportunity with us. **Faith Murray, FNP** will probably not end up coming here because of the uncertainty of her furnishing license.
- Looking for another full-time permanent PA/FNP for the Clinic. Have had phone calls with two candidates and both seem like they could be a good fit. One is going to provide us with a final decision on whether or not she is serious about the position and one is scheduled to come out for a site visit towards the end of October.
- Locums midlevel provider has started at the Clinic (**Kathryn Martin, PA-C**). She will be here for four months while we look for a full time/permanent midlevel.
- **Steven Harmon** and his family are here tonight, tomorrow, Saturday and Sunday morning checking the area out. He is a D.O. potentially interested in our job offering at the Clinic.

Other Items

- Rural Lifeflight Network is an air ambulance service that may be a potential revenue stream as well. Their model would allow for some profit sharing with a preferred provider agreement and some return on an initial investment if we decided to invest in the company. We are currently verifying that this is legal with antitrust and Stark laws and then will go from there.
- **Michele McQuillan** has been out for a medical leave for about three months, which is why she has not been at our meetings. Some Board members have asked what is going on and **Kevin** wanted to provide the whole Board with that information. **Susan Sauerheber** has been filling in for her as Interim CNO. **Michele** will let us know by September 7, 2018 if she will be coming back.

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

Compliance

- Performance Evaluations: 93% compliant
- TB Tests: 100% compliant
- Physicals: 91% compliant

Training

- Workplace Violence training has started. This is a web based training module that all MMC employees need to complete annually. Topics covered are how to respond to workplace violence and MMC's specific policy and procedure to follow in the event that an employee is faced with violence from patients, co-workers or the public.
- **Joshua Thompson**, Risk/Compliance Coordinator will be attending a Nonviolent Crisis Intervention Training in Redding in November. **Joshua** will obtain an instructor certification after the training and will then train staff that is designated to respond to violent incidents (Maintenance staff).

Union

- Today notice was provided to staff regarding their ability to choose to opt in or opt out of Union membership. This is a result of the US Supreme Court Janus decision.
- Wage scale improvements are being made to the Radiology Technician and Ultrasound Technician job classifications. A salary survey was performed for these two classifications that showed our scales in comparison to other facilities in our region, state and nationally were low and needed to be increased to remain competitive. The goal is to attract and retain more staff in these classifications. The new pay scales will be effective August 26, 2018 and will impact two employees. We are currently advertising for one Radiology Tech and one Ultrasound Tech.

C.) Board Member Reports

- **Michael Anderson** - Nothing at this time.
- **Jim Cavasso** – Nothing at this time.
- **Dick Steyer** –
 - The Swimming Pool Committee starts up again Thursday, September 6 at 2:30 in **Joe Picotte's** office. The meeting is open to the public.
- **Guy Martin Young** –
 - **Marty** asked about a Home Health Services and Hospice feasibility study. **Kevin** explained that it is not in this year's budget, but that can be amended, and he would want an outside company, such as Wipfli, to conduct the survey to assess its viability. If the FY 2019 budget is not amended, it can certainly be added to the FY 2020 budget.
- **Carol Madison-**
 - **Carol** met **Kathryn Martin** at the Clinic and said she was very nice and hopes she does well.
 - She also went on to compliment the two nurses who are trained in sexual assault forensics and said they are very caring people. She remarked how victims are treated much better than they used to be and hopes more equipment and training will be provided to this program to expand the number of those certified in this field.

Carol Madison read, for the record, the items for the Executive Session.

Guy Martin Young made a motion to close the Regular Session of the Board of Directors, **Michael Anderson** seconded and the motion carried with all voting "aye."

The Regular Session of the Last Frontier Healthcare District Board of Directors was adjourned at 2:04 pm.

EXECUTIVE SESSION

Executive Session was called to order by **Carol Madison**, Chair, at 2:08 pm.

8. CONSIDERATION/ACTION

A.) M. Kresge – Medical Executive Committee Minutes & Credentialing Items – July 13, 2018

(Per Evidence Code 1157)

- Medical Executive Committee Meeting Minutes – June 27 & July 13, 2018
- Credentialing/Privileging

B.) K. Kramer – Update on Potential Litigation [Per Gov't Code Section 54956.9(d)(1)]

Guy Martin Young moved to adjourn from Executive Session and return to Regular Session, **Michael Anderson** seconded and the motion carried with all voting "aye."

The Executive Session of the Board of Directors was adjourned at 2:27 pm.

RESUME REGULAR SESSION

The Regular Session of the Board of Directors was called back to session by **Carol Madison**, Chair, at 2:27 pm.

9. CONSIDERATION/ACTION – RESULTS OF EXECUTIVE SESSION

A.) M. Kresge – Medical Executive Committee Minutes & Credentialing Items – July 13, 2018

- Medical Executive Committee Meeting Minutes – June 27 & July 13, 2018
- Credentialing/Privileging

Guy Martin Young made a motion to accept the Medical Executive Committee Minutes and approve the Credentialing of Providers as presented, **Dick Steyer** seconded and the motion carried with all voting “aye”.

Based upon character, competence, training, experience and judgment, favorable recommendation by peers and credentialing criteria fulfillments, the Medical Executive Committee recommended the following appointments for Last Frontier Healthcare District Board of Directors approval:

- **Rebecca Dyson, M.D.** reappointment of Telemedicine privileges in the Radiology category.
- **Peter Halt, M.D.** reappointment of Consulting privileges in the Radiology category.
- **Julia Mooney, M.D.** reappointment of privileges in the Consulting Pathology setting.
- **Alex Ferber, PA-C** additional privileges to include Emergency Room privileges as part of the MMC Hospitalist Program.

B.) K. Kramer – Update on Potential Litigation

No action was taken on this item. A general update was provided to the Board on the potential litigation.

10.) MOTION TO ADJOURN

Guy Martin Young moved to adjourn the meeting of the Last Frontier Healthcare District Board of Directors at 2:30 pm, **Michael Anderson** seconded and the motion carried with all voting “aye.”

The next meeting of the Last Frontier Healthcare District’s Board of Directors will be held on September 27, 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



