



**HI-DESERT MEMORIAL HEALTH CARE DISTRICT
BOARD OF DIRECTORS REGULAR MEETING
MINUTES**

July 10, 2012 at 6:00 p.m.

*Helen Gray Education Center Boardroom
6601 White Feather Road, Joshua Tree, CA 92252*

Mission Statement: *Hi-Desert Medical Center will provide superior service to improve the quality of life for people in the Morongo Basin*

Vision: *We are caring people providing extraordinary healthcare services.*

Core Values: *Integrity, Superior Service, Stewardship, Innovation, Teamwork, Dignity*

IN ATTENDANCE:

Board of Directors:

Director Swella, President
Director Cooper, Vice President
Director Hoffman, Treasurer
Director Cole, Secretary
Director Avels, Member-at-Large

Medical Staff:

Dr. Salhotra, Chief of Staff

Excused Absence:

Administrative Staff:

Lionel Chadwick, CEO
Judy Austin, COO/CNO
Tom Duda, CFO
Dan McClure, CIO
Barbara Staresinic, VP Human Resources
Bruce Oswald, Assistant Administrator of Ambulatory Services
Joe Ruddon, VP Marketing and Business Development
Avelina Ortiz, Director of Quality Resources
Dean Moore, Foundation President
Jackie Combs, Administrator, CCC
Angela Walton, Executive Assistant

Other Staff:

James Walter, Rural Health Clinics Director
Alice Brown, Home Health/ Hospice Director
Anne Clark, Home Health/Hospice Director
Bob Joslyn, EVS Director
Ram Malhotra, Pharmacy Director
Cindy Dietz, IT Director
Ora Rhine, FNS Director
Kathy Alkire, Director of Service Excellence
Other Department Managers and Staff



Media No media present

Guests: Leadership Academy Class 2012

CALL TO ORDER

Director Swella called the meeting to order at 6:00 pm.

PLEDGE OF ALLEGIANCE & READING OF MISSION STATEMENT

The Pledge of Allegiance was led by Paul Morehead of the Leadership Academy.

Mission Statement: Read by Dr. Chadwick

Vision Statement: Read by Judy Austin

Core Values: Read by Jackie Combs

PUBLIC INPUT

There were no public comments.

APPROVAL OF MEETING AGENDA

▶▶ **MOTION 12—29:** Director Hoffman made the motion to approve the agenda, and Director Cole seconded.

2012 LEADERSHIP ACADEMY PRESENTATION - Joe Ruddon, VP Marketing/Business Development

Mr. Ruddon presented the third class of the Leadership Academy. The class members were:

- Bob Dunn, Bob Dunn Insurance
- Grover Fletcher, HDMC Chaplain
- Stan Helgesen, HDMC Auxiliary
- Martha Kauer, HDMC Chaplain
- Kolleen Lamb, HDMC Foundation
- Dean Moore, HDMC Foundation
- Judy Moore, MCAGCC Marketing
- Paul Morehead, Copper Mountain Broadcasting
- Debbi Musser, Pacific Western Bank
- Jeff Poland, Coldwell Banker
- Tami Roloff, Z107.7 FM Radio
- Angela Walton, HDMC Administration
- James Walter, HDMC Rural Health Clinics

Director Swella presented certificates to the graduating class members and congratulated them on the accomplishment of becoming ambassadors for the District.



BOARD EDUCATION

- Anne Clark – Home Health/Hospice Director

Ms. Clark provided an overview of the of the Home Health and Hospice departments. Ms. Clark performed a S.W.O.T. analysis of the departments and shared the findings with the Board. Some strengths included:

- Computerized documentation completed
- Documentation supports for billing
- Successful completion of Regulatory Surveys

Weaknesses included:

- Few contracts for Home care and Hospice
- Lack of sales staff in the community to obtain referrals
- Lack of visibility in the community

Opportunities:

- Increase the number of contracts
- Explore alternatives for patient services
- Relocate to an area of higher visibility
- Increase referrals from Rural Health Clinics

Threats:

- Competitors
- Health care reform fraud and abuse issues
- Maintaining qualified staff
- Decrease in insurance coverage for services
- Increased acuity of patients without appropriate reimbursements

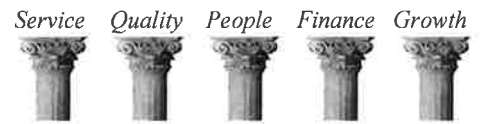
Ms. Clark also shared some accomplishments of the past six months, including a new pharmacy contract, increase in Hospice referrals from CCC, and additional durable medical equipment (DME) and transportation contracts. Ms. Clark also shared two radio ads she and Joe Ruddon recorded to advertise services.

APPROVAL OF CONSENT AGENDA

All Consent Agenda items listed below are considered to be routine by the Board of Directors and will be enacted upon by one motion. There will be no separate discussion of items unless a Board member or citizen so requests, in which event the items will be considered following approval of the Consent Agenda.

MINUTES of the Board of Directors Meeting are approved as presented:

- Minutes of the Regular Meeting of the Board of Directors dated June 12, 2012
- Minutes of the Governance Committee Meeting dated June 27, 2012
- Minutes of the Finance Committee Meeting dated June 27, 2012
- Minutes of the Executive Performance Committee Meeting dated June 27, 2012



CREDENTIALING
NEW APPOINTMENTS – July 2012

The following MEC credentialing and privileging recommendations are being submitted to the Board of Directors for approval:

A. New Appointments

REC: Appoint **Russell Pisano, NP** to Allied Staff and approve privileges for Emergency Medicine & RHC as submitted.

Service: Medical. Appointment Period: July 2012 to August 2013

B. Reappointments

REC: Reappoint **Javier Beltran, M.D.** to Consulting Staff and approve privileges for Tele-Radiology as submitted with no changes.

Service: Medical. Appointment Period: July 2012 to July 2014

REC: Reappoint **Bradford Burton, M.D.** to Consulting Staff and approve privileges for Tele-Radiology as submitted with no changes.

Service: Medical. Appointment Period: July 2012 to July 2014

REC: Reappoint **Richard Karsh, M.D.** to Consulting Staff and approve privileges for Tele-Radiology as submitted with no changes.

Service: Medical. Appointment Period: July 2012 to July 2014

REC: Reappoint **Thomas Pope, M.D.** to Consulting Staff and approve privileges for Tele-Radiology as submitted with no changes.

Service: Medical. Appointment Period: July 2012 to July 2014

REC: Reappoint **Stephen Saponaro, M.D.** to Consulting Staff from Provisional Staff and approve privileges for Radiology as submitted with changes to delete Myelography from privilege procedures.

Service: Medical. Appointment Period: July 2012- March 2014

REC: Reappoint **Kristen Schalck, PA.** to Allied Staff and approve privileges for Emergency Medicine as submitted with no changes.

Service: Medical. Appointment Period: July 2012 to July 2014

REC: Reappoint **Judith Woodford, CRNA** to Allied Staff and approve privileges for Anesthesia as submitted with no changes.

Service: Medical. Appointment Period: July 2012 to July 2014



Correction to BOD packet 6/2012

REC: Reappoint **Saulina Marpaung, N.P.** to Allied Staff and approve privileges for Emergency Medicine as submitted with no changes.
Service: Medical. Appointment Period: June 2012 to June 2014

C. Resignation

Allison Cory, NP (Allied) - No longer with the organization

The following clinical manuals/MEC policies are being submitted to the Board of Directors for approval:

- Home Health Manual
- Hospice Manual
- Dietetic Services Manual
- Probiotic Protocol Policy
- Patient Screening and Assessment

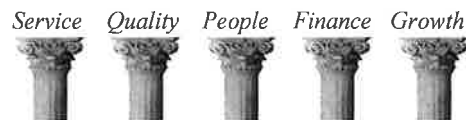
The following item is being submitted to the Board of Directors for approval: Governance Committee approved Foundation Board Candidates Nomination & Renewal

- *This action recommends that the Board of Directors appoint the following nominee to serve as a member of the Board of Directors of the Hi-Desert Memorial Health Care Foundation.*
 - *John Yonushonis (3-year term)*
 - *Kathy Bush (3-year term - renewal)*
- Approved at June 27, 2012 Governance Committee Meeting

» Motion to approve the Consent Agenda as presented

Discussion: Correction-in Finance Committee minutes, scorecard has a date of 6/30/11 and should read 6/30/12. In June Board minutes, Director Cole was absent and name should be removed from motion on page 4.

Director Hoffman suggested having a signature page in the new Dietetic services manuals as it is copyrighted. Ms. Combs informed the Board that there will a signature page inserted in the manual once the Board Chair has signed it. Dr. Swella noted that there were several attachments to policies missing from the Home Health and Hospice manuals and asked that they be included with the policies in the future. Dr. Chadwick reported that attachments that were not included in the manuals were previously approved.



►► **MOTION 12—30:** Motion to approve the Consent Agenda with the following corrections:

- Change in date in financial scorecard in Finance Committee minutes
- Name correction in June Board meeting minutes

Motion made by Director Avels and seconded by Director Hoffman to approve the consent agenda with changes. All members were in favor, and the motion carried.

BOARD COMMITTEE REPORTS:

- Finance Committee Report

Paul Hoffman, Chair

- Director Hoffman reported that the committee met on June 27, 2012, to review financial statements for the period ending May 2012. Mr. Hoffman detailed the findings in the May financials, explained that the District continues to experience low volumes.

- Human Resources Committee Report

Korina Cole, Chair

- No report; Director Cole reported the committee is scheduled to meet on August 2, 2012.

- Facilities & Technology Committee Report

Martie Avels, Chair

- No report; Director Avels reported that the committee is scheduled to meet on July 17, 2012.

- Governance Committee Report

Patricia Cooper, Chair

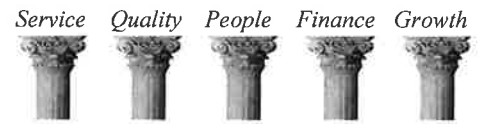
- Director Cooper reported the committee reviewed several key issues, including:

- the nomination from the Board of Directors of the Foundation and recommended approval of one new board member and one reappointment board member to the Foundation Board.
- an expressed concern by a member of the public regarding the board appointed member to the City of 29 Palms Redevelopment Agency Oversight Board. That matter has been referred to the full Board for further review.
- an expressed concern regarding Brown Act compliance by a former member of the Board, and has determined that no violation occurred.
- the annual summary of monthly board self-evaluations. The data show that the board is satisfied with current board functions, and no changes in the evaluation tool are recommended at this time.

- Executive Performance Committee Report

Dr. Dianne Swella, Chair

- Dr. Swella reported that Dr. Chadwick will present his goals for the upcoming fiscal year, and that the committee will meet in August to discuss the CEO's contract negotiations.



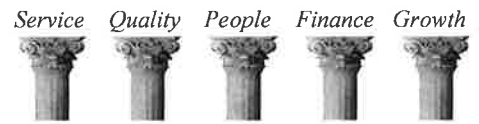
INFORMATION ITEMS - Presentations

- 2009 - 2012 Strategic Plan Summary – Dr. Lionel Chadwick, CEO
 - Dr. Chadwick summarized the accomplishments of the previous strategic plan.
 - Some community accomplishments included a completed transportation plan, expanding services, completed District-wide communication plan, Arrowhead and DRMC alliances, and disaster preparedness planning.

- 2012 - 2015 Strategic Plan – Joe Ruddon, VP Marketing/Business Development & Dr. Lionel Chadwick, CEO
 - Mr. Ruddon described the process of the current strategic plan; the District engaged in a S.W.O.T. analysis and developed a comprehensive SWOT list for the staff to work from.
 - The plan provides background information, snapshot of current market conditions, as well as financial and historical data.
 - The demographic summary illustrates that 80% of the population in the Morongo Basin are under 64 years of age. There is a higher poverty level in the Morongo Basin, and only 12% over 64 qualify for Medicare
 - HDMC holds 50% market share in the community
 - Critical issues in financial performance and trends were described
 - Critical issue summary: diminishing revenue, access to services, safety net responsibility, community engagement, image enhancement, team retention, emerging competition, out migration reduction, community responsibility and access to capital. Dr. Chadwick expanded on each critical issue in detail.
 - Mr. Ruddon reported on next steps for the District. Status reports will be provided quarterly to the Board. Once the plan is finalized, it will be published, sent to department directors and shared with community.

Director Swella and Director Avels both stated that they are appreciative of the hard work of the members of the District leadership team and all staff members.

- CEO Performance Goals for 2013 – Dr. Lionel Chadwick, CEO
 - Dr. Chadwick shared his fiscal year goals with the Executive Performance Committee.
 - The purpose of the matrix presented is to identify Board priorities for the CEO and to present quantifiable performance expectations.
 - The weighting changes were presented; there is an emphasis on growth, and the weights were redistributed to illustrate this.
 - Dr. Chadwick compared the former measurement period to the current measurement period.
 - Service Quality (30%) indicators: core quality measures, readmission reduction program, JCAHO ongoing readiness program and others



- Reported Satisfaction (25%) indicators: employee satisfaction improvement, physician satisfaction improvement, measured patient satisfaction improvement and others
 - Financial Performance (25%) indicators: cash on hand, accounts receivable, labor management, operating costs, registry labor costs, debt coverage ratio and others
 - Leadership (10%) indicators: employee availability, patient rounding, key executive recruitment, sewage treatment project, road to excellence leadership, co-management plan and others
 - Growth & Community (10%) indicators: rural health clinic growth, home services growth, physician recruitment, transfers from Colorado River Medical Center and others
- Next steps – CEO goals will be applied to the Administrative Team Goals and added to the LEM.

ACTION ITEMS:

1. ► CEO Performance Goals for Fiscal Year 2012 – 2013 (Dr. Dianne Swella, Chair, Executive Performance Committee)

- *The Executive Performance and Compensation Committee recommends the Board of Directors approve the attached performance expectations and objectives for the fiscal year of 2012-2013 for Lionel Chadwick, CEO.*

► **MOTION 12—31:** Director Hoffman made the motion to approve this action, and Director Cole seconded. All were in favor, and the motion passed.

Director Swella thanked Dr. Chadwick for his service and his leadership.

CHIEF OF STAFF REPORT (*Service*)

Prem Salhotra, MD, Chief of Medical Staff: Commended Ms. Clark on her Home Health and Hospice program. Out-migration is one of the most important goals for the strategic plan, and stated that he was impressed by the accomplishments of the District.

ADMINISTRATIVE REPORT (*Service*)

Lionel Chadwick, Chief Executive Officer, presented the Administrative Services Report. Dr. Chadwick reported that a great morale-building employee picnic put on by employees, and he apologized that the Board were not better informed in advance. No questions were presented. Dr. Chadwick announced that the District is a cooling station for the community.



CLINICAL SERVICES REPORT (*Service*)

Judy Austin, Chief Operating Officer, presented the Clinical Services Report. Ms. Austin reported that Steve Cox, new Emergency Department Director, will be starting work tomorrow. Reminder – open house August 8 for Education Modular. An advertisement will be sent to communicate the open house.

AMBULATORY SERVICES (*Service*)

Mr. Oswald presented the ambulatory services report. Lab services are preparing for their annual survey that will be occurring soon. No questions were presented.

CONTINUING CARE CENTER (*Service*)

Ms. Combs presented this report. Ms. Combs stated that the nurse call system is their focus at this time, and the residents love the system.

FINANCE REPORT (*Finance*)

Mr. Duda introduced the May financial statements. No questions were presented.

MARKETING REPORT (*Growth*)

Mr. Ruddon was presented the marketing report. Mr. Ruddon announced that both awards arrived today, and Director Hoffman asked that he bring them to the next Board meeting for a formal presentation. Director Avels congratulated the Auxiliary for their recent award win.

FOUNDATION REPORT

Dean Moore, President of the Foundation. There were no approved minutes due to the July 4 holiday and rescheduled Foundation meeting. Update of 30-Minute Club was communicated to the employees. Foundation will begin their strategic planning session at their meeting scheduled July 11, 2012. Director Swella invited the new Foundation Board member to the next Board meeting.

CALENDARS: Mr. Duda requested canceling the August 1 (due to the timing of auditor and closure of yearly reports) and moving it back to August 22. The Board agreed.

ITEMS FOR NEXT AGENDA:

- Pulse Employee Satisfaction Survey

DIRECTORS' COMMENTS:

Director Swella: Thanks to Ms. Clark, and thanks the staff for all of their hard work.

Director Cooper: Thanked Ms. Clark for her presentation, Joe, Chad, and Dr. Salhotra.



Director Hoffman: Happy Birthday to Kathy Alkire, and thanks to Ms. Clark for presentation, congratulations to Leadership Academy. He also congratulated the staff on the extraordinary accomplishments over the last three years.

Director Cole: no comment

Director Avels: Thanked all staff.

ADJOURNMENT TO OPEN MEETING – 7:54 pm

CLOSED SESSION – 8:04 pm

- Pursuant to section 32155 of the Health and Safety Code
Report Involving Quality Assurance Matters
- Pursuant to section 32106 of the Health and Safety Code
Report Involving Trade Secret
Estimated date of public disclosure: August 2012
- Pursuant to Government Code section 54956.9(b)(1) – Potential Litigation (2 cases)

ADJOURNMENT TO OPEN SESSION AND CLOSED SESSION REPORT – 8:43 pm

In closed session, the Board discussed quality assurance issues and received information regarding a trade secret report. On the trade secret item, the Board took the following unanimous action:

Director Hoffman moved, and Director Cooper seconded the following: *Consistent with budgetary constraints, and project cost increase considerations, ambulatory facilities expansion projects will be held in abeyance for a period not to exceed 12 months. Staff is directed to return to the Board at any time prior to July 1, 2013 in the event that environmental conditions warrant commencing the projects prior to Fiscal Year 2013-2014. The Board continues to support ambulatory expansion to include women's imaging services when feasible.*

On the Quality matters, the Board directed the management team to take appropriate action.

On one litigation matter, the Board directed the management team to take appropriate action. On the other litigation matter, the Board reported out the following: *Upon the recommendation of the Governance Committee, the Board considered the expressed concern by a community member regarding a potential conflict of interest pertaining to the District's appointment on the City of 29 Palms Oversight Board pertaining to the dissolution of the 29 Palms Redevelopment Agency. Based upon review by legal counsel of the District, the Board has determined that no conflict exists and elects to take no further action.*

ADJOURNMENT:

On motion duly made and seconded Director Swella adjourned the meeting at 8:45 pm.

Minutes recorded by A. Walton, Board Clerk



Dianne Swella, President, Board of Directors



Korina Cole, Board Secretary