



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

December 11, 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. Prem Salhotra, Chief of Staff

Excused Absence:

Administrative Staff: Lionel Chadwick, CEO
Judy Austin, COO/CNO
Dan McClure, CIO
Tom Duda, CFO
Bruce Oswald, Assistant Administrator of Ambulatory Services
Barbara Staresinic, VP Human Resources
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: Anne Clark, Home Health/ Hospice Director
Kathy Alkire, Director of Service Excellence
James Walter, RHC Director
Shanon Aarup, Rehab Services Director
Stan Joyce, Cardiopulmonary Director
Ram Malhotra, Pharmacy Director

Other Department Managers and Staff

Media J. Biggerstaff



Guests: The Honorable Judge James J. Hoskings - Superior Court Judge, Joshua Tree District
Thomas Camp, CPA

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 members of Tender Loving Cause. Dr. Swella presented the group with a check and certificates.

Mission Statement: Read by Dr. Chadwick

Vision Statement: Read by Judy Austin

Core Values: Read by Director Swella

PUBLIC INPUT

There was no public input.

APPROVAL OF MEETING AGENDA

►► **MOTION 12—47:** Director Hoffman made the motion to approve the agenda, and Director Avels seconded.

BOARD OF DIRECTORS SWEARING IN CEREMONY

- The Honorable Judge James J. Hoskings - Superior Court Judge, Joshua Tree District

Judge James Hoskings, Superior Court Judge, was in attendance to perform the swearing-in ceremony for the three re-elected District Board members, Paul Hoffman, Patricia Cooper, and Martie Avels. All three members recited the Oath of Office, and received certificates of election from San Bernardino Registrar of Voters.

BOARD EDUCATION - Cardiopulmonary Department – Stan Joyce, Director

Mr. Joyce highlighted the responsibilities of the Cardiopulmonary Department:

- Mr. Joyce stated the benefits of participating in pulmonary rehab:
 - Increase endurance and strength
 - Reduce readmissions
 - Manage medication and /or oxygen requirements
 - Manage stress, anxiety and/or depression
 - Improve the patient's quality of life
 - Third leading cause of death in America
 - 12 million people diagnosed with chronic obstructive pulmonary disease in 2008
 - Primarily caused by cigarette smoke



- Age population: 40 and older
- Typically, COPD patients admitted 2-3 times per year for deterioration of condition
- Mr. Joyce also shared how services are ordered
 - Prescription for Pulmonary Rehab with diagnosis of COPD related lung disease
 - Meets insurance requirements
 - Medicare part-B or supplemental insurance
 - Patient must quit smoking
 - Must meet Gold Standard
 - Must meet the requirements of the Centers for Medicare and Medicaid Services (CMS) and most other third party payers
 - Moderate Chronic Obstructive Pulmonary Disease (COPD)
 - FEV1/FVC of <70% predicted, and FEV1 between 50% and 80% predicted
 - Severe COPD:
 - FEV1/FVC of <70% predicted, and FEV1 between 30% and 50% predicted
 - Very severe COPD
 - FEV1/FVC of <70% predicted, and FEV1 <30%, or <50% predicted plus signs of chronic respiratory failure

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 November 13, 2012
- Minutes of the Governance Committee Meeting dated November 26, 2012
- Minutes of the Finance Committee Meeting dated November 28, 2012

CREDENTIALING

NEW APPOINTMENTS & REAPPOINTMENTS – December 2012

A. New Appointments

- **Recommendation to appoint Pardip Gill, PA** to Allied Health Staff and approve privileges for Emergency Medicine as submitted.
Service: **Medical**. Appointment Period: December 2012 - March 2014
- **Recommendation to appoint Patricia Doyle, PA** to Allied Health Staff and approve privileges for CCC & Medicine as submitted.
Service: **Medical**. Appointment Period: December 2012 – March 2014
- **Recommendation to appoint Melissa Baxter, CRNA** to Allied Health Staff and approve privileges for Anesthesia as submitted.
Service: **Surgical**. Appointment Period: December 2012 – July 2014



- **Recommendation to appoint Andrew Palmer, CRNA** to Allied Health Staff and approve privileges for Anesthesia as submitted.
Service: **Surgical**. Appointment Period: December 2012 – August 2014

B. Reappointments

- **Recommendation to reappoint Deborah Ash, M.D.** to Consulting Staff and approve privileges for Tele-Radiology as submitted with no changes.
Service: **Medical**. Appointment Period: December 2012 – November 2014
- **Recommendation to reappoint Richard Black, D.O.** to Consulting Staff and approve privileges for Tele-Radiology as submitted with no changes.
Service: **Medical**. Appointment Period: December 2012 – November 2014
- **Recommendation to reappoint Revati Ghatnekar, M.D.** from Provisional to Active Staff and approve privileges for Cardiology as submitted with no changes. Proctoring completed. Service: **Medical**. Appointment Period: December 2012 to September 2014
- **Recommendation to reappoint Jeffrey Klempen, D.O.** from Provisional to Active Staff and approve privileges for Emergency Medicine as submitted with no changes. Proctoring completed. Service: **Medical**.
Appointment Period: December 2012 to October 2014
- **Recommendation to reappoint John Davis, NP.** to Allied Health Staff and approve privileges for Emergency Medicine as submitted with no changes.
Service: **Medical**. Appointment Period: December 2012 – December 2014
- **Recommendation to reappoint Winston Rudder, PA** to Allied Health Staff and approve privileges for Medicine as submitted with no changes.
Service: **Medical**. Appointment Period: December 2012 – November 2014

The following Medical Staff policy recommendations are being submitted to the Board of Directors for approval:

- Home Health/ Hospice 2012 Volunteer Program Manual
- Ventilator Patient Care Standards & Pre-printed Orders
- Patient Home Medications
- Informed Consent for Psycho-therapeutic drugs
- Prevention of Catheter-Associated Urinary Tract Infection (CAUTI)

▶▶ Motion to approve the Consent Agenda as presented

▶▶ MOTION 12—48: Motion made by Director Hoffman and seconded by Director Cooper to approve the consent agenda.



Discussion: Hospice Volunteer Manual – Director Hoffman asked several questions for clarification of the manual. He asked if the word “should” in the manual should be changed to the word “shall.” He also asked Ms. Austin if volunteers are required to go through background (Life Scan) checks, and Ms. Staresinic, HR Director, responded that all volunteers are required to do so. Director Hoffman also asked if volunteers transport patients and if they have insurance, as well as proof of insurance. Peggy Kennedy responded yes to all of these questions. Director Hoffman asked if donations that are given to Hospice should be donated to the Foundation. Ms. Austin responded that Hospice is separated from the Foundation and only accepts donations on behalf of the Hospice. Director Cole inquired who absorbs the cost of Life Scan, and Ms. Austin stated the District is responsible for the cost.

BOARD COMMITTEE REPORTS:

- Finance Committee Report Paul Hoffman, Chair
 - Director Hoffman compiled a brief year-to-date presentation for the months of August, September, October, and November. He reported there is a total loss for these months of over 5 million dollars year-to-date. He stated that census was down in several departments for these same months. Director Hoffman also discussed the action items that have been deferred; he reported that after extensive discussion in the Finance Committee meetings, two of the action items (OR lights and Echo Scanner and Picture Archive) will be deferred indefinitely. The action item concerning the upgrade to the PACS system was deemed an important patient care delivery quality matter and will be presented for approval at this meeting.
- Human Resources Committee Report Korina Cole, Chair
 - No report; Director Cole reported the committee has not met since the last Board meeting.
- Facilities & Technology Committee Report Martie Avels, Chair
 - No report; Director Avels reported the committee has not met since the last Board meeting.
- Governance Committee Report Patricia Cooper, Chair
 - Director Cooper reported the Governance Committee met on November 26, 2012, for the purposes of discussing District Board officers and committee assignments for 2013. The proposed slate of officers and committee members and will be addressed in Action Items 2 & 3 that will be presented later in the meeting. The committee also discussed correcting a discrepancy in the Governance Committee Charter, which will be addressed in Action Item # 4.
- Executive Performance Committee Report Dr. Dianne Swella, Chair
 - Dr. Swella reported that the committee met on December 3 to review the CEO’s goals for 2013 and will turn over all information to the new EPC committee.



INFORMATION ITEMS

- Peggy Kennedy – Update on Hospice Volunteer Program

Ms. Kennedy introduced herself to the Board, and detailed her experience working with the District. On October 1, the Hospice assumed responsibility of creating a volunteer service. Volunteer program has received a favorable response from the community. They conducted their first training in August, and currently have seven active volunteers. Another training will be conducted in January 2013.

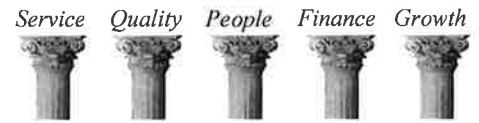
ACTION ITEMS:

1. ➤ **Hi-Desert Memorial Health Care District Annual Auditor Report** - Thomas Camp, CPA, Auditor
 - *Management requests authorization to publish the Annual Financial Report for Hi-Desert Memorial Health Care District for the fiscal years ended June 30, 2011 and 2010.*

Mr. Camp discussed his Independent Auditor's Report, and the financial statements prepared in accordance with Generally Accepted Accounting Principles. During the audit presentation, Mr. Camp discussed:

- adoptions/changes in accounting principle
- changes in presentation of balance sheets
- quality of accounting principles
- sensitive accounting adjustments
- methods of accounting for significant or unusual transactions
- audit (closing) adjustments (\$1,157,000)
- summary of fiscal year 2012 closing adjustment entries
- there were no unrecorded audit differences
- no fraud and illegal acts identified
- significant deficiencies and material weaknesses – none identified
- no disagreements with management
- no serious difficulties encountered
- release of financial statements – Mr. Camp stated he is prepared to release the statements with the consent of the Finance Committee and Board of Directors

Mr. Camp stated that two new items this year on the District financial statements were the Foundation and the Waste Water Treatment facility. Director Hoffman stated that at the October Finance Committee meeting, the committee voted to approve the audit, to be ratified at the December Board meeting, as Mr. Camp was not available for the November Board of Directors meeting. Director Hoffman also stated that had the audit not been authorized, the financial statements would not be closed and there needed to be a closure of the books. Mr. Duda clarified items that were on the "Summary of Fiscal Year 2012 Closing Adjustment Entries."



Mr. Duda also discussed several changes on this year's financial statements. Dr. Chadwick commented that the Finance Department deserves accolades for assisting in ensuring a clean audit and that it is a strong ratification of the leadership in the Finance Department.

▶▶ **MOTION 12—49:** Director Hoffman made the motion to accept the report, and Director Cole seconded. Director Swella asked for a change in the action item that authorization to release audit report to October 24. All were in favor, and the motion passed.

2. ▶ Election of Board of Director Officers for Calendar Year 2013

- *Pursuant to Article V, Section 2 of the Hi-Desert Memorial Health Care District Board of Directors' Bylaws, elections of Board Officers shall be held at the regular meeting of the Board of Directors each December.*

The Governance Committee recommends the following for District Board of Directors Officers for 2013:

President: Korina Cole
Vice President: Martie Avels
Treasurer: Paul Hoffman
Secretary: Dianne Swella
Member at Large: Patricia Cooper

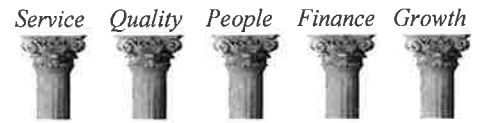
At this time, Director Swella passed the gavel to the Board Clerk, Angela Walton, to conduct the election process. Ms. Walton opened the floor for nominations. Director Cooper, Chair of Governance Committee, made a motion to accept the recommendation of the Governance Committee, and read the nominations for officers.

▶▶ **MOTION 10—50: Motion made by Director Cooper and seconded by Director Avels to approve the Governance Committee recommendation of 2013 Board as presented.**

Roll Call vote: in favor of the Governance Committee recommendation for the 2013 slate of officers:

Director Hoffman – yes
Director Avels - yes
Director Cooper - yes
Director Swella - yes
Director Cole - yes

The motion passed with unanimous approval. At this time, the gavel was passed back to Director Swella.



3. ▶▶ Board Committee Assignments for Calendar Year 2013 – Patricia Cooper, Chair, Governance Committee

- *The Governance Committee recommends the following committee Board Committee Assignments for 2013:*

Finance Committee:

Paul Hoffman, Chair, Martie Avels, committee member

Governance Committee:

Dianne Swella, Chair, Paul Hoffman, committee member

Human Resources Committee:

Patricia Cooper, Chair, Dianne Swella, committee member

Facilities & Technology Committee:

Dianne Swella, Chair, Patricia Cooper, committee member

Executive Performance Committee:

Martie Avels, Chair, Korina Cole, committee member

Joint Conference Committee:

Korina Cole, Chair, Martie Avels, committee member

▶▶ **MOTION 10—51:** Motion made by Director Avels and seconded by Director Hoffman to approve the committee assignments as presented. All were in favor, and the motion passed with unanimous approval.

4. ▶▶ Governance Charter Amendment – Patricia Cooper, Chair, Governance Committee

- *This action recommends that the Board of Directors eliminate the statement “The Governance Committee shall consist of the Board President and the Board Vice-President” from the Governance Committee Charter.*

▶▶ **MOTION 12—52:** Director Avels made the motion to approve, and Director Hoffman seconded. All were in favor, and the motion passed with unanimous approval.

Discussion: Dr. Chadwick reported that this discrepancy was discovered in the Governance Charter and that it conflicts with the bylaws. Director Cole asked for background on this issue of having the Board President and Vice President serve on this committee; Director Hoffman stated that initially it established continuity, and that charters were only established a few years ago. Director Hoffman stated that his feeling is the President and Vice President should still continue to attend Joint Conference and MEC meetings as having Board presence is important. Dr. Chadwick stated that as a matter of continuing to follow the Brown Act, all matters are not final until the full Board has voted and accepted the actions; all members are invited to attend committee meetings as members of the community.



5. ▶ Picture Archiving and Communication System (PACS) Upgrade – Dan McClure, CIO

- *It is recommended that the Board of Directors direct management to proceed with the purchase and installation of DR Systems PACS upgrade with a total expenditure of \$193,286.*

Mr. McClure deferred this item to Mr. Oswald, who briefly described the need for the upgrade and gave a summary of the project that has been previously discussed and presented at Facilities and Finance Committee meetings.

▶▶ **MOTION 12—53:** Director Hoffman made the motion to approve, and Director Avels seconded. All were in favor, and the motion passed with unanimous approval.

Discussion: Director Hoffman reported that the Board committees have discussed at length several capital items for approval over the past two months, and the Finance Committee felt that this item seemed to be most important at this juncture to approve, and the others have been deferred until a time the District can financially support those expenditures. Mr. Oswald thanked the Board for their careful consideration of the upgrade of the PACS system.

Director Cole asked if the service agreement could be extended on this system, and Mr. Oswald explained that this was not an option, as the current system is at “end-of-life.” Director Cole also asked for clarification on the budget item name. She thanked the Board members who have discussed this item in their various committee meetings.

6. ▶ Hi-Desert Memorial Health Care District Foundation 2012-2013 Strategic Plan – Dean Moore, Foundation President

- *The by-laws of the Hi-Desert Memorial Health Care District Foundation (Article II-section 2.2) requires the Health Care District (as the sole member of the Corporation) to approve certain items, including the Corporation’s strategic plan, prior to implementation or becoming effective.*

Mr. Moore reported on the Foundation Strategic Plan at the November Board meeting, and presented the full public document for final approval. The Foundation Board bylaws call for the District Board to approve its strategic plan. Director Hoffman recommended changed the dates for the plan to allow more time for implementation, and Mr. Moore replied that the Foundation chose 2013 due to critical areas needing implementation in the near future. Dr. Chadwick complimented the aggressive approach the Foundation is taking in its strategic plan implementation.

▶▶ **MOTION 12—54:** Director Avels made the motion to approve, and Director Cooper seconded. All were in favor, and the motion passed with unanimous approval.



CHIEF OF STAFF REPORT (*Service*)

Dr. Prem Salhotra, Chief of Staff: State that he appreciates the presence of the Board members in their medical staff meetings. On behalf of MEC and medical staff, Dr. Salhotra welcomed Director Cole as the new Board President and stated that he and medical staff are looking forward to working with her. Dr. Salhotra assured that the medical staff will work with the Board and staff to assist in stabilizing the financial condition of the District.

ADMINISTRATIVE REPORT (*Service*)

Lionel Chadwick, Chief Executive Officer. Dr. Chadwick highlighted the following:

- Sits on BETA Healthcare – District was profiled as one of the very few that have passed Tier 1 and Tier 2 for the OB initiative, and that the District is a standout in the state
- District will be on an abbreviated schedule during the holidays – an effort to reduce costs while census is down
- Breakfast with Santa – thanks to Marketing Department
- Holiday dinners – Board invited to attend
- New general surgeon on staff – Dr. Barnes
- In January, there will be a calendar on how District Strategic plan will be reported out throughout the year

CLINICAL SERVICES REPORT (*Service*)

Judy Austin, Chief Operating Officer. Highlights:

- Emergency Department – there is an ED Tech located in the lobby to assist families with wait times
- Organ donation – family of deceased patient donated organs; organ procurement coordinator was complimentary of the staff and the process

AMBULATORY SERVICES (*Service*)

Bruce Oswald, Ambulatory Services Director. No questions were presented.

CONTINUING CARE CENTER (*Service*)

Jackie Combs, CCC Administrator. Highlights:

- Annual CMS Survey occurred several weeks ago and went very well

FINANCE REPORT (*Finance*)

Tom Duda, Chief Financial Officer. Highlights:

- October financial statements

MARKETING REPORT (*Growth*)

Joe Ruddon, Marketing/Business Development Director. Highlights:

- District Employee Holiday Buffet on Tuesday, December 18
- Auxiliary Installation of Officers Luncheon/Holiday Celebration – Thursday, December 13



FOUNDATION REPORT

Dean Moore, Foundation President. Highlights:

- Thanked all that attended the Friend Raiser event in November
- Update on Caltrans transportation grant

COMMUNITY HEALTH CENTERS REPORT – Verbal Report

James Walter, RHC Director

- First meeting has been held – Leslie Moody was elected Chairperson
- Next meeting is 12/19/12, 6 pm, and Board has decided to float the meetings between 29 Clinic, Yucca Valley Clinic, and Helen Gray
- Clinics are doing a “clean up” and will be adding art, Muffin Hill will be art coordinator and murals will be painted on the walls, other areas will be painted and moderately upgraded
- Next week, will be engaging in staff training as FQHC application requires significant demographic data is collected and submitted
- NAP process has changed significantly and the application process has been delayed

BOARD CALENDARS:

- Dr. Chadwick – suggested the January Board of Directors meeting be moved to January 15, and have Facilities Committee meet on January 8. After discussion, it was decided the meeting to Wednesday, January 16. Governance Committee meeting will be cancelled. Committee calendars will be discussed in committee meetings.

Items for Next Board Agenda:

- Discussion regarding Board’s input on District investment portfolio
- Cash draw template
- Dr. Chadwick suggests a full presentation to the full Board regarding updates to the waste water treatment project
- Case management review – Dr. Chadwick will report out to Finance before coming to the full Board

DIRECTORS COMMENTS:

Director Avels – thanks to the Finance Department and staff

Director Cole – No comments

Director Hoffman – thanks to all who voted for him in the recent election, presenters, auditor, Merry Christmas

Director Cooper – thanks to all staff and presenters

Director Swella – congratulations to Jackie for the great survey, staff, thanked all for her support during her year as President and congratulations to the new officers, Merry Christmas to everyone.

There was no closed session this meeting.



ADJOURNMENT:

On motion duly made and seconded Director Swella adjourned the meeting at 8:33 pm.

Minutes recorded by A. Walton, Board Clerk



Dianne Swella, President, Board of Directors



Korina Cole, Board Secretary