



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

March 12, 2013 at 6:00 p.m.

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

Teleconference Location:

Director Dianne Swella

Village at Steamboat

900 Pine Grove Circle

Steamboat Springs, CO 80477

970-879-2931

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 Cole, President
Director Avels, Vice President
Director Hoffman, Treasurer
Director Swella, Secretary (Attending by phone)
Director Cooper, Member-at-Large

Medical Staff:

Dr. Prem Salhotra, Chief of Staff

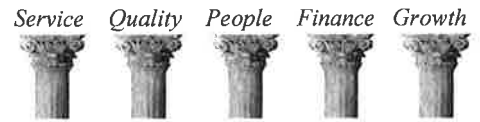
Excused Absence:

Administrative Staff:

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

Other Staff:

Adele Nafziger, Controller
Ram Malhotra, Pharmacy Director
Kathy Alkire, Director of Service Excellence
James Walter, RHC Director
Jennifer Long, MedSurge Director
Ora Rhine, FNS Director
Sheila Hendricks, Interim Emergency Department Director



Anne Clark, Home Health/Hospice Director
Stan Joyce, Cardiology Director
Virginia McCann, Behavioral Health
Other Department Managers and Staff

Guests Muffin Hill, Deane Locke, Guila Gilmore, Pat Harfield, Nancy Meihle
Media No media present

CALL TO ORDER

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

Mission Statement: Read by Director Hoffman

Vision Statement: Read by Director Cooper

Core Values: Read by Director Avels

PLEDGE OF ALLEGIANCE & READING OF MISSION STATEMENT

The Pledge of Allegiance was led by members of the Miss Yucca Valley 2013 Court. Director Cole presented the team with a small donation and certificates.

PUBLIC INPUT

There was one public comment from Ellin Loveless. Ms. Loveless addressed the issue of patient care and the positive experience her son had as a patient of the hospital.

APPROVAL OF MEETING AGENDA

▶▶ **MOTION 13—07:** Director Hoffman made the motion to approve the agenda, and Director Avels seconded. All members were in favor.

SPECIAL RECOGNITION

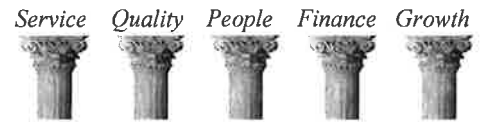
- Family Health Clinic Mural Project – Director Korina Cole, Board President, Dr. Lionel Chadwick, CEO, and Mr. James Walter, Director of Rural Health Center

Director Cole introduced Muffin Hill and Deane Locke, Guila Gilmore, Pat Harfield, Nancy Meihle, the volunteer artists, for their work on the mural at the Family Health Care Centers. The Board presented Ms. Hill and the artists with certificates of appreciation for their work.

BOARD EDUCATION – Food & Nutrition Services – Ora Rhine, FNS Director. Ms. Rhine stated she is the director, and Jason Duckworth is the Operations Manager. She explained many of the services provided by the department at the hospital as well as the Continuing Care Center.



- Continuing Care Center
 - Resident meals
 - Lunch buffet – Monday – Friday
 - Breakfast “at your door” meal service
 - Thursday BBQ
 - Special events
 - 73,772 resident meals thru 02/2013
Average/mo. = 9,222
 - 77,404 total meals (guests, comps)
Average/mo. = 9,676
- ⊙ HDMC
 - ⊙ Patient meal service
 - ⊙ Desert Breeze Café
 - Breakfast, Lunch and now offering NOC shift dinner – 21:30 – 23:00
 - ⊙ Catering
 - ⊙ Doctors’ Lounge
 - ⊙ Emergency Department
 - ⊙ Nourishment Rooms
- ⊙ Patient Meal Service
 - 24,955 patient meals
 - 12,159 Café meals
 - 5,657 catering meals
 - 42,771 total meals
 - 5,346/mo. on average
 - Guest trays
 - 190 in January
 - 168 in February
- ⊙ Clinical Nutrition
 - 2.5 Registered Dietitians
 - Ora Jane Rhine, RD – Director
 - Hospital, Sub-Acute
 - Elisabeth DeSwart, RD
 - CCC/SNF & CDP
 - Benjamin Truncale, RN, RD
 - part-time, Hospital
- ⊙ March is National Nutrition Monthth
 - March 13th is Registered Dietitian Day
- ⊙ Clinical Nutrition – CCC
 - Initial intake – within 24 hrs of admit by RD
 - Initial Assessment – completed within 7 days
 - Weekly reviews until resident stable
 - Monthly monitoring
 - If status change, back to weekly until stable
 - Quarterly review



- MDS
 - Weekly Weight & Wound Committee
- ⊙ Clinical Nutrition – Hospital
 - Intake assessment – completed by Nursing
 - Nutrition Consults – completed within 48 hrs
 - All other admits – assessments completed within 72 hrs of admission
 - Recommendations made for MDs
 - Diet changes
 - Supplement recommendations
 - Food & Drug Interactions
 - SLP evaluation recommendations
 - High/Medium/Low risk – 7/5/3day follow-up
 - Individual client referrals
- DM/obesity/weight loss/eating disorders
- ⊙ Community Education
- ⊙ Lunch & Learn
 - Healthy Eating
 - Salt – Why Should I Care?
 - Dr. Yu
 - Eating for Heart Health
 - Dr. Revati Ghatnekar
- ⊙ Monthly Diabetes Education Group
- ⊙ New Spring 2013 Series
- ⊙ Health Fair

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 February 12, 2013
- Minutes of the Human Resources Committee Meeting dated February 14, 2013
- Minutes of the Finance Committee Meeting dated February 27, 2013

CREDENTIALING

NEW APPOINTMENTS & REAPPOINTMENTS - March 2013

- **Reappointments**
 - **Recommendation to reappoint John Grossman, DDS** to CCC Associate and approve privileges for Dental as submitted with no changes.
Service: **Medical**. Appointment Period: March 2013 – March 2015



- **Additional Privileges**
 - **Andre Kasko, D.O.** – ICU (Medicine)

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

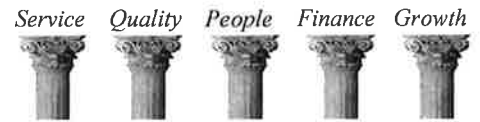
- Rocuronium Administration (ICU)
- Epinephrine (ICU)
- Triage (ED)
- Chest Pain Protocol (ED)
- Pneumonia Protocol (P&T)

▶▶ **Motion to approve the Consent Agenda as presented**

▶▶ **MOTION 13—02:** Motion made by Director Avels and seconded by Director Hoffman to approve the consent agenda.

BOARD COMMITTEE REPORTS:

- Finance Committee Report Paul Hoffman, Chair
 - Director Hoffman reported the Finance Committee met on February 27 to discuss January financial statements. Director Hoffman reported the District implemented 5% price increase on January 1, and also reported better overall revenues and volumes in January.
- Human Resources Committee Report Patricia Cooper, Chair
 - Director Cooper reported the committee met on February 14, and discussed terminations, turnovers, new hires, and employee comments. Director Cooper informed the Board that Ms. Staresinic is working on a competitive salary study and Ms. Staresinic will report the findings at the next Human Resources Committee meeting.
- Facilities & Technology Committee Report Dianne Swella, Chair
 - Director Swella reported that the committee has not met since the February Board meeting; no report.
- Governance Committee Report Dianne Swella, Chair
 - Director Swella reported that the committee has not met since the February Board meeting; no report.

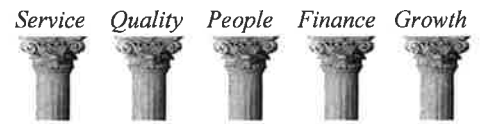


- Executive Performance Committee Report Martie Avels, Chair
 - No report; Director Avels reported that the committee is scheduled to meet in April.

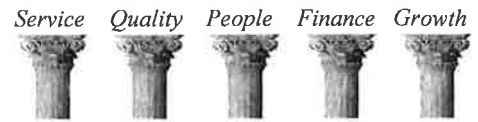
INFORMATION ITEMS

- **Continuing Care Center Update – Dr. Lionel Chadwick, CEO, & Mr. Joe Ruddon, VP/Marketing & Business Development**
 - Dr. Chadwick provided background on the state’s decision to impose a 10% reduction in the 2008 reimbursement rates, which will cause significant hardship to the District and the CCC. Dr. Chadwick announced that a class action suit is in progress, and reported that he and Director Cole attended Legislative Day in Sacramento to inform legislators how these cuts would affect the District. AB900 would reverse the cuts, which is sponsored by Assemblyman Alejo. The District has become active with regard to AB900, and Dr. Chadwick has been meeting with employees and community members to share the circumstances of this issue. Dr. Chadwick has also met with residents and employees of the CCC to discuss what they could do to assist. A letter writing campaign was started with the District. Mr. Ruddon addressed the “Get Involved Campaign”, and described measures the District is taking. A copy of the letter was sent to the editor of the local newspapers, as well as to the Boards of the District, Foundation, and FQHC. Throughout the community, mini kiosks have been set up with form letters for community members to sign and submit. Mr. Ruddon announced that there is a banner on the District’s website, and a “20 Ways to Support Your Hospital District” list has been added to the website with hyperlinks.

- **District Financial Recovery Strategic Plan – Dr. Lionel Chadwick, CEO, & Mr. Joe Ruddon, VP/Marketing & Business Development**
 - Dr. Chadwick discussed some of the past financial challenges, which included clinical consistency, managerial competency, labor availability, hospital based physician consistency, on-call MD, and others
 - Current challenges include recovery audits, meaningful use expenditures, Medicare reimbursement reductions, state financing reductions, appropriateness of admission, public reporting, quality reporting to state and CMS, cost inflation, physician coverage costs and specialist availability
 - Future challenges include meaningful use expenditures, state financing reductions, threats to revenue, ACOs/bundled payments/directed care, cost inflation, physician coverage costs, specialist availability, consolidation trends, and severe reserve declines
 - Dr. Chadwick shared an operating gain/loss chart and a cash-on-hand chart, and stated that this is not an issue exclusive to the District, but that this is a problem for most California hospitals
 - Hospital discharges have declined through the years, and patient days are down also



- Dr. Chadwick addressed operational improvements: Phase I will include components of:
 - Revenue
 - Clinical documentation
 - Coding
 - Case management
 - Contract negotiations
 - Costs
 - Labor
 - Supply management
 - Other costs when possible
 - FQHC
 - Volume growth
 - New services
 - FQHC
 - New specialist
 - New primary care
- Partnership with Medical Staff: Phase II components will include:
 - Clinical Quality Excellence and Service Transformation Company (CliniQuest) [formerly co-management]
 - Valuation Underway
 - Aligned Incentives
 - Mutual Goals
 - Quality, Cost, Access to Care
- Case Management Cooperation
 - Discharge Time, Reduce Length of Stay, Use Home Health, etc.
 - Documentation
 - Post Discharge Action Plan
- Suitable admissions
 - Use Laboratory and Imaging Services
 - Clinical Documentation / Chart Completion
 - Request Specialist Referrals to be done at HDMC
 - Inform Oasis
- Completed Actions
 - Strategic meetings with Board of Directors
 - Communication plan developed
 - Internal communication underway
 - Town Halls with employees
 - Full implementation of this plan to begin immediately
- Phase III components will include mutual interest alignment
 - Identifying other organizations with whom the District has potential mutual interests, and a revised relationship would yield increased clinical volume, reduced costs, increased revenue, or improved patient care access.



- Organizations Identified are San Bernardino County, Desert Oasis Healthcare, Desert Regional Medical Center, Loma Linda Medical Center. Dr. Chadwick reported to the Board the meetings he has held with several representatives of these organizations and announced that more meetings are pending.
- Should Phases I, II, and III prove inadequate, Phase IV will be implemented, which will be a consideration of a tax measure. The Board of Directors will consider the decision to place the tax measure on the ballot.

At this time, Mr. Rudden presented the 2013 Communication Plan: The Board and staff discussed other communication ideas.

- The purpose of the communication plan is to raise awareness at all levels of the need to support Hi-Desert Medical Center through use of our services when appropriate and philanthropic support
- Goals include to maintain a high-level of internal public's knowledge of situation and rationale and increase effectiveness at communicating the messages internally so they can be communicated to our patients, customers and their neighbors
- Tactics will include forums with employees, physicians and volunteers; newsletters, HDMC Happenings, Medline physician newsletter; communication boards, Meditech emails and intranet; banners and display cases
- **Smoke-Free Campus Initiative - Dr. Lionel Chadwick, CEO**
 - Dr. Chadwick distributed a list of smoke-free hospital campuses around the nation. He addressed several smoke-free initiatives that area hospitals are engaging in, and stated that he is interested in transitioning the District to a smoke-free campus. He will bring a plan back to the hospital in June.
- **Meaningful Use – Phase I Update – Dan McClure, Chief Information Officer**
 - Mr. McClure stated that the District has been successful in Phase I, and the incentive payments due the District will come in two separate installments. They will begin work on Phase II in October. Mr. McClure thanked the staff for their hard work in getting this accomplished. Dr. Chadwick announced that there will be a celebration upon receipt of funds, and thanked Mr. McClure and his team as well as all involved.
- **Patient Satisfaction Scores Presentation – Kathy Alkire, Director of Service Excellence**
 - Ms. Alkire introduced HCAPHS, which is a survey tool for consumers to rate hospitals and providers. Ms. Alkire explained the eight composites that HDMC on which HDMC was scored, and compared the ratings with several other area hospitals.
 - The eight composites are:
 - Communication with doctors
 - Communication with nurses
 - Responsiveness of hospital staff
 - Pain management



- Cleanliness and quietness of hospital environment
 - Instructions about medications
 - Instructions about discharge
 - Care Transition
- **National Rural Health Association Presentation - Rural Health Policy Institute Report - Judy Austin, Chief Nursing Officer/Chief Operating Officer**
 - Ms. Austin was selected by National Rural Health Association to participate in the 2013 Fellowship Program
 - She explained the NRHA's purpose as well as explaining the Rural Health Fellows Program. The program involves a one-year intensive skill building, as well as monthly conference calls and several conferences and projects
 - She presented an overview of the government affairs office in Washington, D.C.
 - The CMS Innovation Institute – Ms. Austin informed the Board of Accountable Care Organization structure by hospitals is being explored by NRHA and what it entails
 - Ms. Austin met with Congressman Paul Cook and encouraged the Board to sign up for his newsletter

ACTION ITEM:

1. ►► Investment Balance and Activity Policy: Bob Tyk, Chief Financial Officer

- *It is recommended that the Board of Directors approve the above named policy to inform the Board of Directors and Finance Committee of the Hi-Desert Memorial Health Care District (HDMHCD) of activity within the Investment Funds to include deposits, dispersals and a timeline to replenish.*

Mr. Tyk explained this policy that was requested by the Finance Committee. Prior to making withdrawals from the investment accounts, the CFO will speak with the chair of the Finance Committee with an action plan of how to replenish the funds to the investment account.

►► **MOTION 13—10:** Director Hoffman made the motion to approve the policy, and Director Avels seconded. All were in favor, and the motion passed.

2. ►► Cal Trans Grant Application: Dean Moore, Foundation President

- *It is recommended that the Board of Directors approve authorizing a grant application be submitted to Cal Trans for Federal Transit Authority (FTA) Funding, Section 5317-New Freedom (NF).*

Mr. Moore announced a correction in the ending date (ends April 2014, not 2013). Mr. Moore introduced this grant application; the Foundation will prepare the application for Dr. Chadwick to execute if approved by the Board. Director Hoffman asked who would be preparing the grant, and Mr. Moore reported he will prepare on behalf of the Foundation for Dr. Chadwick's signature.



▶▶ **MOTION 13—11:** Director Hoffman made the motion to approve the policy, and Director Swella seconded. All were in favor, and the motion passed.

3. ▶▶ **Request for Proposal (RFP) for the Full Service Partnership Program (RFP-DBH-12-126):** Dean Moore, Foundation President

- *It is recommended that the Board of Directors approve authorizing a proposal submittal to the San Bernardino County Department of Behavioral Health (the County) for the Full Service Partnership Program in Yucca Valley and surrounding communities as outlined in the Request for Proposal (RFP) for the Full Service Partnership Program (RFP-DBH-12-126).*

This will submit a bid on a contract, not a grant application. Grant writing services will be provided by K & M Enterprises with assistance from Virginia McCann, Director of Behavioral Health. Director Hoffman asked what portion we are seeking, and Ms. McCann explained the direction and several details of the application. The Foundation will pay K & M for the completion of the application at a cost of \$16,000 (200 hours).

▶▶ **MOTION 13—12:** Director Hoffman made the motion to approve the policy, and Director Avels seconded. All were in favor, and the motion passed.

4. ▶▶ **Request for Proposal (RFP) for General Mental Health Services for the West Valley, East Valley and Desert Mountain Region (RFP-DBH-12-107):**
Dean Moore, Foundation President

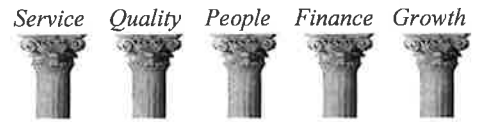
- *It is recommended that the Board of Directors approve authorizing a proposal submittal to the San Bernardino County Department of Behavioral Health (the County) for the provision of General Mental Health Services in the Desert Mountain Region (Morongo Basin) as outlined in the Request for Proposal (RFP) for General Mental Health Services for the West Valley, East Valley and Desert Mountain Region (RFP-DBH-12-107).*

Mr. Moore reported K & M will also prepare this application at a cost of \$16,000. Dr. Chadwick reported to the Board that the opportunities for submitting bids for these contracts occurred after the February Board meeting and needed to be put on the fast track as the bid date is due soon.

▶▶ **MOTION 13—13:** Director Hoffman made the motion to approve the policy, and Director Swella seconded. All were in favor, and the motion passed.

5. ▶▶ **Resolution: ACHD Board Of Directors Nomination for Dr. Dianne Swella:**
Dr. Lionel Chadwick, CEO

- *The Board of Directors of the Hi Desert Memorial Healthcare District does hereby resolve, find, determine and order as follows: To nominate Director Dianne Swella to the Association of California Healthcare Districts (ACHD) Board of Directors.*



►► **MOTION 13—14:** Director Hoffman made the motion to approve the policy, and Director Avels seconded. All were in favor, and the motion passed.

CHIEF OF STAFF REPORT (*Service*)

Dr. Prem Salhotra, Chief of Staff: Dr. Salhotra addressed the CCC and smoke-free campus. The physicians were vocal in their support to make the campus smoke-free. Dr. Salhotra stated that EHR has been helpful to the physicians and assists in making them feel confident in their admissions. iDoc implementation, HCAPHS scores, expansion of mental health services, and upcoming Medicare cuts beginning April 1 were also discussed.

ADMINISTRATIVE REPORT (*Service*)

Lionel Chadwick, Chief Executive Officer. In lieu of time, Dr. Chadwick declined giving a verbal report. Director Cole asked for an update on the budget for the waste water treatment project, which Dr. Chadwick and Mr. McClure provided.

CLINICAL SERVICES REPORT (*Service*)

Judy Austin, Chief Operating Officer. Highlights:

- Introduced Sheila Hendricks, RN, Interim Manager of Emergency Department.
- ED Quest for Zero Initiative is being headed by Gina Campbell for BETA compliance.
- Jennifer Long, RN, is heading Medical/Surgical/Telemetry Unit

CONTINUING CARE CENTER (*Service*)

Jackie Combs, CCC Administrator. Thanked Dr. Salhotra for his compliments of CCC. Ms. Combs reported the CCC has collected 300 letters for the letter writing campaign.

FINANCE REPORT (*Finance*)

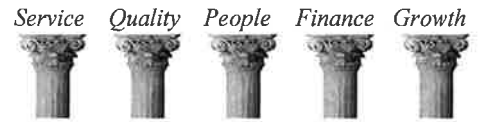
Bob Tyk, Chief Financial Officer. Highlights:

- Executive financial summary, introduced the one-page report that was taken to Finance Committee, and a few items will be added to the report as requested from finance. The proformas he has completed will be shared with the Finance Committee at their next meeting.

MARKETING REPORT (*Growth*)

Joe Ruddon, Marketing/Business Development Director. Highlights:

- Leadership Academy
- Community newsletter is completed
- Website is updated with new banners
- Doctors Day is March 28 and will be honoring Rui DaSilva, MD, who is retiring in June
- Community Health Awareness Day, April 27 from 10 am – 3 pm



FOUNDATION REPORT

Dean Moore, Foundation President. Highlights:

- Director Hoffman asked about collaborating with Coachella Valley, and Director Cole asked that the Foundation financial statements are included in their packets
- A year-end review will be presented at the April Board meeting
- Distributed information on the upcoming golf event in conjunction with Copper Mountain College

COMMUNITY HEALTH CENTERS REPORT

James Walter, RHC Director. Highlights:

- Family Health Center Mural
- FQHC application will be submitted by April (late March) and mentioned letters of support
- Sliding fee update
- Transportation update

BOARD CALENDARS:

- No changes

Items for Next Board Agenda:

- No items presented

DIRECTORS COMMENTS:

Director Avels – thanked Bob and Chad, and shared a letter of appreciation to the hospital

Director Cole – thanks for all the hard work

Director Hoffman – thanked employees for sitting in Board meetings, commended CCC

Director Cooper – announced that she is not in favor of sending financials email, and thanked all employees

Director Swella – thanked all employees, employee service awards

ADJOURNMENT TO CLOSED SESSION AND CLOSED SESSION REPORT

- 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: April 2012
- Pursuant to Government Code section 54956.9(b)(1)
Existing Litigation Update (1 case)
Name of case: Dennis D. Wilcox M.D. v. Hi-Desert Memorial Healthcare District, et. al.; U.S. District Court Case No. CV11-01994-JHN (OPx)

The Board of Directors met in closed session to receive information on a quality matter, a trade secret matter, and an update on existing litigation.



ADJOURNMENT:

On motion duly made and seconded Director Cole adjourned the meeting at 10:25 pm.

Minutes recorded by A. Walton, Board Clerk

Korina Cole, President, Board of Directors

Dr. Dianne Swella, Board Secretary