



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

September 10, 2013 at 6:00 p.m.
Helen Gray Education Center Boardroom
6601 White Feather Road, Joshua Tree, CA 92252
760-366-6262

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
 Director Cooper, Member-at-Large

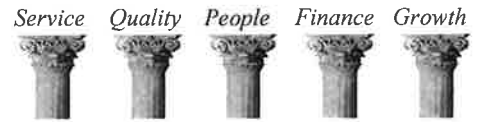
Medical Staff:

Excused Absence: Dr. Prem Salhotra, Chief of Staff

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
 Jackie Combs, Administrator, CCC
 Dean Moore, Foundation President
 Angela Walton, Executive Assistant

Other Staff:

Jennifer Long, MedSurg Director
Kelly DeSantis, LDRP/Surgical Services Director
Brian Hughes, EVS Manager
Bill Bulkley, Facilities Director
Other Department Managers and Staff



Guests Mike Metts, Dudek Engineering
Susan Greer, Mickey Luckman, Victoria Fuller, Mike Reynolds
& Robert Johnson, Joshua Basin Water District

Media J. Biggerstaff
Mike Lipsitz

CALL TO ORDER

Director Cole called the meeting to order at 6:03 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 Twentynine Palms High School - Pennies for Patients Program - Jubilee Bosch, and Ms. Bosch gave a brief description of the program. Director Cole presented Ms. Bosch with a certificate of appreciation as well as a small donation to the program from the Board.

PUBLIC INPUT

Michael McBride – Mr. McBride praised the hospital staff on their professionalism and courtesy during a recent stay in the hospital, and thanked the Board on having a “fantastic” facility.

APPROVAL OF MEETING AGENDA

▶▶ **MOTION 13—34:** Director Swella made the motion to approve the agenda, and Director Avels seconded. Director Cole, Director Cooper, and Director Hoffman were in favor of approving the agenda with changes.

CHANGES TO MEETING AGENDA: Wastewater treatment plant update to occur before Board Education, Action Item 2 moved to consent agenda due to being previously approved in Governance Committee, Joshua Tree National Park presentation and New leader program will be moved to October Board meeting.

PRESENTATION: Waste Water Treatment Plant Update: Mike Metts, Dudek Engineering

Mr. McClure introduced members of the Joshua Basin Water District team, and introduced Mr. Metts, who provided a progress report on the construction of the waste water treatment plant. He shared six-month milestones, and shared pictures of the sewer connections that have been installed from the CCC to the treatment plant. Mr. Metts explained the purpose of the blower building, and explained equalization basin components. Mr. Metts also explained the bioreactor treatment process. Director Hoffman asked how the landscaping for the facility will be handled and also asked if cost objectives



have been met. Mr. Metts reported they are taking care of the landscaping and have come in under budget. Mr. McClure reminded the Board of the October 2, 2 pm ribbon-cutting ceremony for the plant and asked all Board members to come.

BOARD EDUCATION

- Laboratory Services – Sue Shinaver, Laboratory Services - 10 minutes

Ms. Shinaver reported that the lab replaced all their AccuCheck (blood glucose) monitors today, and showed a sample machine to the Board. Highlights:

- Licenses and certifications held by the department
- Quality controls
- New projects
- Introduced staff members and explained their roles in the lab
 - Pathologist: Board certified in Clinical and Anatomic Pathology
 - 12 State licensed, ASCP certified Clinical Laboratory Scientists
 - 8 Phlebotomists: all with California State Certifications
 - 2 Administrative support staff
 - 2 Couriers
 - 2 Pathology & Histology Histotechnicians with ASCP Certifications
- Last Fiscal Year: (ending June 2013)
 - 8334 patients seen at the HDMC Lab
 - 5536 courier registrations
 - 9583 patients at Airway OP Lab
 - 1586 OP Pathology registrations

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 August 13, 2013
- Minutes of the Special Strategic Planning Meeting dated August 9, 2013
- Minutes of the Executive Performance Committee Meeting dated August 13, 2013
- Minutes of the Special Strategic Planning Meeting dated August 14, 2013
- Minutes of Governance Committee Meeting dated September 4, 2013

CREDENTIALING

NEW APPOINTMENTS & REAPPOINTMENTS - September 2013

There was no regular Medical Executive Committee Meeting scheduled for September; there was a special closed session MEC meeting scheduled for September 9. No credentialing appointments or policies for approval during the September Board meeting.

➤ Foundation Board Candidate Nominations

- ❖ Ash Maharaj (3 year term)
- ❖ Jeff Poland (3 year term, renewal)



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

►► **MOTION 13—35:** Director Hoffman made the motion to approve the consent agenda, and Director Swella seconded. Director Cole, Director Cooper, and Director Avels were in favor of approving the consent agenda and the motion passed.

BOARD COMMITTEE REPORTS:

• **Finance Committee Report**

Paul Hoffman, Chair

Director Hoffman reported there was no meeting in August. There is a committee meeting scheduled for September 25; July financials were included in the current Board packet for review.

• **Human Resources Committee Report**

Patricia Cooper, Chair

Director Cooper reported the committee has not met since their last meeting, no report.

• **Facilities & Technology Committee Report**

Dianne Swella, Chair

Director Swella reported the committee has not met since their last meeting, no report.

• **Governance Committee Report**

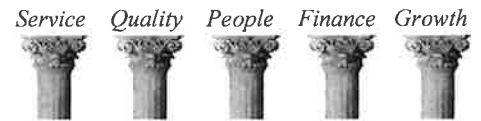
Dianne Swella, Chair

Director Swella reported the committee met on September 4. Minutes of Foundation and CHC minutes will continue to go to Governance Committee, and Foundation finance reports will go to Finance and Governance Committees. Director Swella reported the Board members are currently conducting its annual Bylaws review for tentative adoption at the Board's October meeting. Director Swella reminded everyone of the Board training before the October Board meeting, and the Boards of the Foundation and CHC are invited to attend. Two action items were approved at the Governance meeting regarding Foundation Board candidates and the contingency donations action item. Joe Ruddon presented a community outreach plan to the Governance Committee that was included in the Board packet for all Board members to review, Director Hoffman recommended a change to Finance Charter that will be sent to Finance Committee for their review, and Director Hoffman also distributed Board self-evaluation tool that the Board will complete by the end of the year. Director Swella further reported the Governance Committee will meet again in October. Director Cole asked for clarification of the process for related boards submitting their minutes and financial matters, which Director Swella provided.

• **Executive Performance Committee Report**

Martie Avels, Chair

Director Avels reported the committee completed interviews of staff and physicians for the CEO performance review, and the committee's next meeting will be on Monday, September 16, 4 pm, at which time they will receive and discuss 2013 goals from CEO. Another meeting will be held on October 7, in preparation for submission at a subsequent Board meeting.



INFORMATION ITEMS

- Bylaws Review – Director Dianne Swella, Governance Committee Chair – Director Swella stated that copies of bylaws have been sent to the Board for review; Director Swella asked if there are any additional corrections or suggestions for changes, please submit to Governance Committee.

ACTION ITEMS:

▶▶ 1. Hi-Desert Memorial Health Care District Foundation: Contingent Donations – Dr. Lionel Chadwick, CEO

- *This action recommends that the Board of Directors approve the procedure specified in this action item pertaining to the review and acceptance of contingent contributions to the District for facility naming rights or that are outside the scope of an established donor giving program:*
 1. *Preliminary Notification*
 2. *Formal Request Notification*
 3. *Finance Committee Review*
 4. *Board of Directors Action*
 5. *Foundation Approval Notification*
 6. *Large Donor Recognition*

Dr. Chadwick provided background on how this process was developed with the Foundation Board and District Board; this action was initially presented to District Board in August, but was pulled for further discussion by Governance Committee, and revisions were made and sent back to District Board. Dr. Chadwick provided information on the specific language that was changed in the action item (ex. dollar amount).

MOTION 13—36: Director Hoffman made the motion to approve the action on contingent donations, and Director Swella seconded. Director Cole stated that she did not want it to appear that she does not support the actions of the Foundation, but a process for donations needed to be clearly defined and submitted to the District Board for final approval, particularly with respect to naming opportunities within the District. Director Hoffman further clarified the Board is not in agreement with accepting an “approved” item from the Foundation for subsequent Board approval, which is what the action item is designed to achieve. Director Swella also expressed how the Governance Committee and Foundation President worked together to develop this action. Directors Cole, Cooper, and Avels were in favor, and the motion passed.

▶▶ 2. Foundation Board Candidate Nominations – Moved to Consent Agenda



▶▶ **3. Tax Measure - Dr. Lionel Chadwick, CEO**

- *This action directs management to begin the planning process and necessary action to place a tax initiative on the ballot in November 2014 to secure additional financial resources for the benefit of the operations of the District.*

Dr. Chadwick stated that it is the recommendation of management that the District needs to be put on more solid financial footing and in doing so, a ballot measure is prudent at this time and allows the District to engage the community on the current circumstance of the District, and may provide financial stability on a long-term basis. The process will take time to develop, and the action item is specifically to request management to begin the process of securing professional expertise on the ballot measure in November 2014.

Director Cole recommended several changes to the discussion section of the action item (due to CEO management evaluation currently underway); Director Hoffman stressed the need to remain transparent with the public. Director Cole reminded the public that the treatment plant had to be built in keep in compliance with state regulations; treatment plant operating funds were taken from the hospital to build plant, and along with depleting reserves and low patient census were all contributors to the financial condition of the hospital. The proposed tax initiative will give the community an opportunity to speak on supporting the hospital. Director Avels stated that the tax initiative is only one mechanism along with many others that the hospital is implementing to correct the financial problem. Director Swella stated that she feels the discussion section wording should remain the same. Director Cooper and Director Hoffman reminded all that this action is designed to give management approval to begin the process.

MOTION 13—37: Director Swella made the motion to approve the action on the tax measure, and Director Avels seconded. Directors Cole asked for it to be noted in the minutes that she requested changing the language in the discussion section of the action item, but is in favor of approving the action. Director Cooper and Director Hoffman were in favor, and the motion passed.

CHIEF OF STAFF REPORT (Service)

Dr. Prem Salhotra, Chief of Staff: Dr. Salhotra was unable to attend.

ADMINISTRATIVE REPORT (Service)

Lionel Chadwick, Chief Executive Officer. Highlights:

- Moving into 12-month window for Joint Commission accreditation
- OR lighting constructing is underway
- Hospital Engagement Network recognition
- MediCal reductions update – reimbursement has been established and goes back to 2008; once the final numbers are in regarding the clawback, the funds put aside will be readjusted



CLINICAL SERVICES REPORT (*Service*)

Judy Austin, Chief Operating Officer. Highlights:

- Update on OR lights – Kelly DeSantis provided pictures of the current construction and provided a progress report with Bill Bulkley; should be completed within 3 ½ weeks

CONTINUING CARE CENTER (*Service*)

Jackie Combs, CCC Administrator. No questions were presented.

FINANCE REPORT (*Finance*)

Bob Tyk, Chief Financial Officer. Updates:

- Tomorrow the District will receive over \$880,000, which is state's share of meaningful use, \$1.6 million combined with federal funds received.
- Met with JBWD to request not transferring ownership once project is completed, which Mr. Tyk explained if left on the District's balance sheet, the asset could be claimed. JBWD representative stated that it would be presented to their Board. Their Board was in agreement of amending the original agreement for District to retain ownership, and they are working with their legal counsel to amend agreement and to send to our legal counsel. Director Cole inquired on why this option was not investigated and requested before
- Foundation Board meets Wednesday; Mr. Tyk will be presenting a new format for their financials, which will be sent to District Finance Committee, and subsequently to the full Board.
- No finance meeting was held for July financials, which were sent to full Board. No real changes to balance sheet, cash increased by \$700,000, A/R went down over \$1 million, new report that details acute, CCC, home health and hospice, and rural health clinics. This new report will be presented every month. Gross patient revenue for July was even for July 2012, salaries and FTEs down compared to 7/ 2012. Contract labor fluctuates month to month. Loss of \$276,000 for the month. Director Hoffman reminded public to tell their physicians to refer to HDMC.

MARKETING REPORT (*Growth*)

Joe Rudson, Marketing/Business Development Director. Highlights:

- October 2, ribbon-cutting ceremony, asked the Board to please come if possible for good representation of the District (date may change)
- Reaching out to larger employers in the Morongo Basin to learn about their employee insurance and their open enrollment process. Meeting with Desert Oasis counterpart to discuss opportunities.

BOARD CALENDARS:

- September 16 and October 7, 4 pm, Executive Performance Committee
- Finance Committee, September 25th – moved to 2 pm
- October Finance Committee – moved to October 30, 3 pm



ITEMS FOR NEXT BOARD AGENDA:

- Audit Report
- New Leader Management Training
- Bylaws

DIRECTORS COMMENTS:

Director Avels – good job to Kelly and Sue

Director Cole – thanked all for their presentations, and thanked the media for attending

Director Hoffman – good to see media back, thanks to the JBWD attendees and update on waste water treatment plant, good job to Sue Shinaver and the lab, thanks for the update on OR lights

Director Cooper – thanked all presenters and to Chad for the good news about reimbursement

Director Swella – thanked all for their presentations

ADJOURNMENT TO OPEN SESSION

CLOSED SESSION – 7:50 PM

ADJOURNMENT TO CLOSED SESSION AND CLOSED SESSION REPORT – 8:00 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: September 2013
- Pursuant to Government Code section 54956.9(b)(1) – Potential Litigation (2 cases)

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

ADJOURNMENT:

On motion duly made and seconded Director Cole adjourned the meeting at 9:30 pm.

Minutes recorded by A. Walton, Board Clerk



Korina Cole, President, Board of Directors



Blanne Swella, DC, Board Secretary



Service Quality People Finance Growth



MINUTES
HI-DESERT MEMORIAL HEALTH CARE DISTRICT
SPECIAL

BOARD OF DIRECTORS MEETING

September 26, 2013 at 11:30 a.m.

Helen Gray Education Center Boardroom
6601 White Feather Road, Joshua Tree, CA 92252
760-366-6262

**Please turn all cell phones/pagers to off or vibrate.*

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

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Conflict of Interest Advisement

Hi-Desert Memorial Health Care District Board members please be advised: If an item on the meeting agenda relates to the provision of services by you, your immediate family, the entity you represent, or any person who has made \$250 in campaign contributions to you during the last 12 months, or if approval or disapproval of an agenda item would have a foreseeable material affect on an economic interest of you, your immediate family, or the entity you represent, then please follow these procedures:

“When the agenda item is first introduced, please immediately announce that you are recusing yourself from participating in the agenda item, and then refrain from discussing, voting on, or otherwise influencing the Board of Directors’ consideration of the agenda item.”

IN ATTENDANCE:

Board of Directors: Director Cole, President
Director Hoffman, Treasurer
Director Swella, Secretary
Director Cooper, Member-at-Large
Angela Walton, Board Clerk

EXCUSED ABSENCE: Director Avels, Vice President

CALL TO ORDER – 11:30 am

PUBLIC COMMENTS

None.

▶▶ Indicates an agenda item to be considered for action by the Board of Directors.

APPROVAL OF MEETING AGENDA – The agenda was approved as presented.

ADJOURNMENT - CLOSED MEETING – 11:30 am

- Pursuant to section 54957 of the Government Code
Conference involving personnel/benefits issue

ADJOURNMENT- OPEN SESSION & CLOSED SESSION REPORT – 1:10 pm

CLOSED SESSION REPORT:

In closed session, the Board received and discussed information regarding a personnel/benefits matter. The Board took the action to assign two members to address the issues discussed in closed session. When this is completed, the two members will report the information back to the full Board.

DIRECTORS' COMMENTS

Director Cole: no comment

Director Avels: absent

Director Hoffman: no comment

Director Swella: no comment

Director Cooper: no comment

ADJOURNMENT – 1:10 pm

Minutes recorded by A. Walton, Board Clerk



Korina Cole, President, Board of Directors



Dianne Swella, DC, Board Secretary



