

CALL TO ORDER                    The meeting was called to order at 5:33 p.m. by Peter Watercott, President.

PRESENT                            Peter Watercott, President  
John Ungersma, M.D., Vice President  
M. C. Hubbard, Secretary  
D. Scott Clark, M.D., Director  
Richard Nicholson, M.D., Chief of Staff

ALSO PRESENT                    John Halfen, Administrator  
Doug Buchanan, District Legal Counsel  
Sandy Blumberg, Administrative Secretary

ABSENT                             Michael Phillips, M.D., Treasurer

ALSO PRESENT FOR  
RELEVANT PORTIONS            Dianne Shirley, R.N.

OPPORTUNITY FOR  
PUBLIC COMMENT                Mr. Watercott asked if any members of the public wished to address the Board on any items listed on the agenda for this meeting.

Mr. Tom Clements was present to address the Board regarding his concerns about the hospital rebuild project; the general obligation bond issue; and about Radiology services and coverage. Administrator John Halfen responded to Mr. Clements' concerns and reviewed the Hospital's financial standing, discussed the impending issuance of the general obligation bonds, and updated Mr. Clements on the status of the Hospital rebuild project. Mr. Halfen also explained physician coverage in the Radiology department, and District Legal Counsel Douglas Buchanan informed Mr. Clements the Board is unable to respond to questions regarding the status of Northern Inyo Hospital's (NIH) relationship with its former Radiologist, stating that questions of that nature should appropriately be addressed to the NIH Medical Staff. The Board thanked Mr. Clements for being present and for his forthrightness and interest in the welfare of the Hospital District. Mr. Watercott additionally stated public comment is welcome at every meeting of the District Board, and Mr. Clements is invited to return whenever he has any questions or concerns.

NIH Radiologic Technologist Marilyn Beischel was also present, and inquired about the accuracy of a recently published newspaper article which stated the hospital's Radiology department has only experienced five days of downtime in recent weeks. Mr. Halfen explained the downtime in that department and invited Ms. Beischel to see him at any time if she has additional questions on that subject.

MINUTES	The minutes of the March 18 2009 regular meeting were approved.
ADMINISTRATOR'S REPORT	John Halfen, Chief Financial Officer reviewed with the Board the financial and statistical reports for the month of January 2009. Mr. Halfen noted the statement of operations shows a bottom line excess of revenues over expenses of \$450,963. Mr. Halfen called attention to the following:
FINANCIAL AND STATISTICAL REPORTS	<ul style="list-style-type: none"><li>- <i>Inpatient and outpatient service revenue were both under budget</i></li><li>- <i>Total expenses were over budget</i></li><li>- <i>Salaries and wages were under budget</i></li><li>- <i>Professional fees expense was over budget</i></li><li>- <i>The Balance Sheet did not experience significant change</i></li><li>- <i>Year-to-date net income totals \$3,186,926</i></li></ul> Mr. Halfen noted patient revenue was under budget, however receipt of a Medicare payment brought total revenue back over budget. Employee benefits were over budget but are within budget for the fiscal year. Mr. Halfen reviewed the status of the Hospital's investments and noted that total assets continue to grow. It was moved by D. Scott Clark, M.D., seconded by M.C. Hubbard, and passed to approve the financial and statistical reports for the month of March as presented.
BUILDING UPDATE	Mr. Halfen reported he is still waiting for plan approval from the Office of Statewide Healthcare Planning and Development (OSHPD), in order to proceed with Phase II of the Hospital rebuild project. The expected wait time for receiving OSHPD approval is a minimum of two weeks.
RADIOLOGY UPDATE	Mr. Halfen also reported NIH is currently using a rotation of four or five locum tenens Radiologists to provide coverage for that department. He noted the hospital will continue to use temporary Radiologists for the next three to six months, then will assess the best way to provide coverage in the future. Mr. Halfen expects to receive proposals from three or four quality radiology groups who would like to provide services at NIH.
GENERAL OBLIGATION BONDS	Mr. Halfen reported the general obligation bond issue is expected to take place tomorrow, and the long-term interest rate for the bonds is over six percent. Once the bonds are sold they will provide an additional 14.5 million dollars for the Hospital rebuild project. Mr. Halfen reviewed the cash-flow timeline for funding of the building project, and stated his belief that by using bond revenue, existing reserves, and operating income expected in the next three years, the cost of the project will be nearly covered. It is possible that approximately 3 million dollars in additional debt may be incurred in order to complete the project.
UNEMPLOYMENT INSURANCE STATISTICS	Mr. Halfen called attention to an informational item reporting statistics on the Hospital's Unemployment Insurance claims and appeals activity for the 2008 calendar year. The report shows the Hospital incurred less expense than expected for unemployment insurance claims during 2008.

- DIETARY INSPECTION** Mr. Halfen also stated the Hospital's Dietary Department underwent another unexpected inspection by the County of Inyo, and once again passed the inspection with flying colors.
- CHIEF OF STAFF REPORT** Chief of Staff Richard Nicholson, M.D. reported that following careful review and consideration the Medical Staff Executive Committee recommends appointment of Board-certified orthopedic surgeon Michael M. Karch, M.D., currently a member of the Active Staff, to the NIH Consulting Medical Staff. It was moved by Doctor Clark, seconded by Ms. Hubbard, and passed to approve the change to the Staff status of Michael M. Karch, M.D. as recommended.
- Doctor Nicholson also reported the Medical Staff Executive Committee recommends approval of the POLST policy and procedure regarding requests on resuscitative measures and physician orders for life sustaining treatment. It was moved by John Ungersma, M.D., seconded by Ms. Hubbard, and passed to approve the POLST policy and procedure as recommended
- OLD BUSINESS**
- IT ACTION PLAN** Mr. Halfen stated the IT Action Plan will not be discussed at this meeting but is expected to be presented at the May meeting of the District Board.
- NEW BUSINESS**
- ARGON LASER PURCHASE** Ann Wagoner, R.N., Outpatient and Recovery Room Nurse Manager, referred to a proposal to purchase a Zeiss Ophthalmic Argon Laser for use in the Surgery Unit. The Hospital's current ophthalmic laser is in need of maintenance and its manufacturer no longer supports replacement parts and labor. The new laser would have increased safety features and would better suit patient and physician needs. Following brief discussion it was moved by Doctor Clark, seconded by Doctor Ungersma, and passed to approve the purchase of the Ophthalmic Argon Laser as recommended.
- AFFIRMATION OF NEGOTIATOR** Mr. Halfen requested affirmation of himself as negotiator regarding the potential acquisition of real property at Barlow Lane and Highway 395 in Bishop, California. Negotiation will be with the designee(s) of Inyo Mono Title. The property may possibly be of use to the Hospital to provide temporary housing for physicians and nurses transitioning into this area, and to provide housing for locum tenens staff. It was moved by Ms. Hubbard, seconded by Doctor Clark, and passed to affirm Mr. Halfen as negotiator regarding the potential acquisition as requested.
- BOARD MEMBER REPORTS** Mr. Watercott asked if any members of the Board of Directors wished to report on any items of interest. Doctor Ungersma reported he will travel to Sacramento next week to participate in the Association of California Hospital District's (ACHD) annual Legislation Day.

Mr. Halfen also reported he has received a complaint from a member of the community regarding the Hospital's policy to not disclose the name of Emergency Room (ER) physicians on duty at the Hospital. Following brief discussion the Board upheld their previous action to maintain the current disclosure policy, largely due to the fact that patients in need of emergency services should come to the hospital for treatment regardless of which physician is on duty at the time.

ADJOURNMENT TO  
CLOSED SESSION

At 6:20 pm Mr. Watercott announced the meeting was being adjourned to closed session to allow the Board of Directors to:

- A. Hear reports on the hospital quality assurance activities and hear a report from the Medical Staff Executive Committee (Section 32155 of the Health and Safety Code, and Government Code Section 54962).
- B. Confer with Legal counsel regarding pending litigation against the District by an employee (Government Code Section 54956.9(a).
- C. Instruct negotiator regarding price and terms of payment for the purchase, sale, exchange, or lease of a real property (Government Code Section 54956.8).

RETURN TO OPEN  
SESSION

At 6:40 pm the meeting was returned to open session. Mr. Watercott reported the Board took no reportable action.

OPPORTUNITY FOR  
PUBLIC COMMENT

Mr. Watercott again asked if any members of the public wished to comment on any items listed on the agenda for this meeting, or on any items of interest. No comments were heard.

ADJOURNMENT

The meeting was adjourned at 6:42 pm.

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Peter Watercott, President

Attest:

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M.C. Hubbard, Secretary