

CALL TO ORDER The meeting was called to order at 5:00 pm by Jean Turner, District Board Chair.

PRESENT Jean Turner, Chair
Robert Sharp, Vice Chair
Jody Veenker, Secretary
Mary Mae Kilpatrick, Treasurer
Topah Spoonhunter, Member-At-Large
Kelli Davis MBA, Interim Chief Executive Officer and Chief Operating Officer
Tracy Aspel RN, BSN, Chief Nursing Officer
William Timbers MD, Interim Chief Medical Officer (*participation via Zoom*)
Charlotte Helvie MD, Vice Chief of Staff
Keith Collins, General Counsel, Jones and Mayer

OPPORTUNITY FOR PUBLIC COMMENT Ms. Turner announced at this time persons in the audience may speak on any items not on the agenda on any matter within the jurisdiction of the District Board. Members of the audience will have an opportunity to address the Board on every item on the agenda, and speakers will be limited to a maximum of three minutes each. The Board is prohibited from generally discussing or taking action on items not included on the agenda for this meeting. No comments were heard.

ADDITION OF AGENDA ITEMS Northern Inyo Healthcare District (NIHD) Financial Consultant Vinay Behl requested that two items be added to the agenda for this meeting, if the Board determines that there is an immediate need to take action, and due to the fact that both matters came to the attention of NIHD leadership following the posting of the agenda for this meeting. The two proposed agenda items were as follows:

- Approval of District Board Resolution 20-08, allowing for the re-financing of the District's 2013 revenue bonds
- Approval of a software purchase to be incorporated into the Cerner implementation project, in preparation to meet new Centers for Medicare and Medicaid Services (CMS) transparency requirements going into effect January 1 2021

It was moved by Robert Sharp to declare that an immediate need existed to take action on both items, and to add both items to the agenda for this meeting. The motion was seconded by Topah Spoonhunter, and unanimously passed to approve.

BROWN ACT PRESENTATION District Legal Counsel Keith Collins provided a presentation on the Ralph M. Brown Act which included the following:

- Basic requirements that legislative body meetings and actions be open and public
- Identification of who is subject to the Brown Act

- Meeting and agenda guidelines and requirements
- What does and does not constitute a “meeting” of a legislative body
- Recommendation on the handling of public official’s emails and correspondences

PHYSICIAN
RECRUITMENT
UPDATE

Interim Chief Medical Officer William Timbers MD provided a physician recruitment update, stating negotiations are in either in progress or agreements have already been reached with practioners in family medicine; hospitalist practice; plastic surgery; rheumatology; and general surgery with a specialization in breast surgery. Dr. Timbers additionally welcomed Joy Englblade MD back to the NIHD Medical Staff.

INTRODUCTION TO
NEW NIHD WEBSITE

NIHD Manager of Marketing, Communications, and Strategy Barbara Laughon provided an introduction to Northern Inyo Healthcare District’s Scorpion website, which was recently brought on line. Sarah Schwald, Director of Healthcare Marketing Strategy with Scorpion provided a walk-through of many of the features of the new website.

DEFINED BENEFIT
PENSION PLAN
FUNDING OVERVIEW

NIHD Financial Consultant Vinay Behl introduced Rich Wright with Milliman Inc., and Stuart Herskowitz with Hooker and Holcomb, who assisted in providing an overview and history of funding of the District’s Defined Benefit Pension Plan. The Plan is currently under-funded as a result of previous financial practices, and in recent years the District has been depositing extra monies into the Plan with the goal of bringing it up to 110% of funding. The District Board recently voted to suspend the additional funding payments because of the adverse financial effects of the Covid 19 pandemic. Accrual of the additional funding will continue, however for a period of one year the District will only deposit enough monies to cover the 2020/2021 funding year expense, and will not cover the back-expense. The District is also looking into ways to modernize the investment strategy and operation of the Plan in order to realize cost savings and improve interest earnings. It was noted that previous year retirees will not be affected by changes to Plan funding and investments, and that the Plan currently has adequate funds to cover the next 2-3 years of retiring employees. Management expects to return to the prior level of contribution beginning with the 2021-2022 fiscal year.

DEFINED BENEFIT
PLAN ACTUARIAL
REPORT

Rich Wright with Milliman Inc. called attention to the NIHD Retirement Plan Actuarial Valuation as of January 1 2020, noting that interest rate assumptions have been lowered to reflect a decrease in anticipated investment interest and returns. The recommended contribution for the 2020/2021 plan year is \$645,000 per month.

CERNER
IMPLEMENTATION
UPDATE

Daryl Duenkel with Wipfli LLP provided an update on the District’s Cerner Electronic Health Record (EHR) implementation project, which included the following:

- A Project Charter and Implementation Plan have been developed

for the project

- A Steering Committee and Communication Team have been established, and Subject Matter Experts have been designated
- A kick-off event for the project has been planned for August 26 and 27 2020

LEGAL RELATIONSHIP
BETWEEN NIHD AND
PIONEER HOME
HEALTH

General Counsel Keith Collins provided an overview of the legal relationship between NIHD and Pioneer Home Health (PHH), a non-profit public benefit corporation. The overview of NIHD's roles, rights, and responsibilities as the sole general member of PHH included the following:

- The District's role is limited to high-level oversight and voting to approve PHH Directors every year. NIHD can approve, remove, and directly appoint PHH directors.
- The District has the ability to veto changes to PHH's Bylaws
- The District is not precluded from making recommendations to the PHH Board of Directors
- The Board of Directors of PHH is accountable to the public and to government entities
- NIHD and Pioneer Home Health are separate legal entities

It was noted that further research into the details of the relationship between the two organizations (particularly in the areas of compliance and security) will take place, and that the District fully expects to continue a successful relationship with PHH going forward.

POSSIBLE RECORDING
OF DISTRICT BOARD
MEETINGS

Brief discussion took place on the possibility of recording District Board meetings. It was determined that the Zoom platform and current process for conducting meetings has been working well, and NIHD is seeing increased public participation in monthly Board meetings. The consensus of the District Board was that no changes to the current format for Board of Directors meetings is needed at this time.

PIONEER MEDICAL
ASSOCIATES
PARTNERSHIP
PURCHASE PROPOSAL

Interim Chief Executive Officer Kelli Davis called attention to a proposal to move forward with the possible purchase of the 33.47% interest in the Pioneer Medical Associates (PMA) partnership owned by Drs. Nickoline Hathaway MD and Asao Kamei MD, also noting that NIHD already owns 66.54% of the partnership. An appraisal of the PMA medical building (the sole asset of the partnership) has been conducted, and the District hopes to move forward to purchase the remaining interest in order to avoid over \$200,000 in rent expense every year, and to create an additional long-term asset for the District. Following discussion of this agenda item the Board stated its desire to receive more detailed information on this agenda item prior to taking action. The Board gave consent for NIHD staff to pursue the details of a possible purchase further, with no action being taken at this time.

CLINICS WORKFLOW
AND EFFICIENCY
PROJECT PROPOSAL

Ms. Davis called attention to a proposal to engage Sonia Singh International, LLC to conduct an efficiency and workflow assessment of

NIHD's medical clinics, at a cost of \$125,580. The goal of the efficiency project is to realize improvement in the following areas:

- Increased patient access and volume at the NIHD Clinics
- Addition of new service lines
- Increased provider productivity
- Improved reimbursement rates and collections
- Reduced labor and supply chain costs
- Overall improvement to quality of care and patient safety

Ms. Davis additionally noted that District leadership believes the gains realized from the proposed efficiency project will far outweigh its' cost. It was moved by Mr. Sharp, seconded by Mr. Spoonhunter, and unanimously passed to approve the efficiency project proposal with Sonia Singh International, LLC as requested.

ANNUAL REVIEW OF
BOARD OF DIRECTORS
POLICIES AND
PROCEDURES

Ms. Turner called attention to annual review of the Board of Directors Policies and Procedures, stating the only changes being proposed are the following:

- Change of the terms *Board President* and *Board Vice President*, to *Board Chair* and *Board Vice Chair*
- The deletion of lengthy sample interview questions from the policy titled *Suggested Guidance to Fill a Board Vacancy by Appointment*

It was moved by Mr. Sharp, seconded by Mary Mae Kilpatrick, and unanimously passed to approve the recommended revisions to the Board of Directors Policies and Procedures as presented.

BOARD OF DIRECTORS
ANNUAL OPERATING
BUDGET

NIHD Controller Genifer Owens reviewed the annual Operating Budget for the District Board of Directors, which consists of:

- \$7,400 for professional fees, including Board Packet software and Strategic Planning sessions
- \$7,100 for standard Board meeting stipends, and a \$900 allowance for the Association of California Healthcare Districts (ACHD) annual conference

Ms. Turner indicated that the Board does not plan to attend the ACHD annual conference this year due to financial constraints, and additionally stated that she will attend the conference at her own cost and not at the District's expense.

DISTRICT BOARD
RESOLUTION 20-09

Ms. Owens also called attention to proposed District Board Resolution 20-09, which will update the designation of officers who may operate financial accounts and sign for District financial transactions. The authorized officers will include individuals holding the following positions: Chief Executive Officer; Chief Operating Officer; Chief Nursing Officer; Revenue Cycle Director; and Director of the Rural Health Clinic and Northern Inyo Associates Clinics. It was moved by Ms. Kilpatrick, seconded by Jody Veenker, and unanimously passed to approve District Board Resolution 20-09 as presented.

FINANCIAL UPDATE
AS OF JUNE 30, 2020

NIHD Financial Consultant Vinay Behl provided a financial update as of June 30 2020, reporting the following:

- Due to the Covid 19 pandemic, the District experienced a huge reduction in patient revenue from March 2020 through June 2020
- Volume experienced an uptick in the month of June, coming in better than expected
- The projected bottom line deficit for the 2019/2020 fiscal year is a negative 5.3 million
- Cash on hand has increased, primarily due to relief programs and government loans

Mr. Behl additionally reported that the District has begun preparing for its annual audit with Eide Bailey LLP.

CONFLICT OF
INTEREST CODE

District Legal Counsel Keith Collins called attention to possible changes to the District's Conflict of Interest Code, which would create steeper penalties for anti-nepotism violations. Mr. Collins noted that he was asked to look into possibly strengthening the anti-nepotism wording in the District's Code; however he does not necessarily recommend that the existing wording be changed. Noting that the District's existing Conflict of Interest Code and Policies already in place are more than adequate to create an anti-nepotism culture within the District, a motion was made by Ms. Kilpatrick, seconded by Ms. Veenker, and unanimously passed to accept only the additional language proposed in Section 8 of the revised Code, and to eliminate the additional wording included in Section 7.

REVISION OF INTERIM
CHIEF EXECUTIVE
OFFICER CONTRACT

Mr. Collins also called attention to proposed changes to the *Agreement For Employment of Interim Chief Executive Officer Kelli Davis*, to better clarify her continuing responsibilities as Chief Operating Officer. He additionally stated that if the Board is comfortable with the terms of the revised agreement, the topic of Ms. Davis's compensation will be placed on the agenda for the September regular meeting. It was moved by Mr. Sharp, seconded by Ms. Kilpatrick, and unanimously passed to approve the proposed changes to the *Agreement For Employment of Interim Chief Executive Officer* as presented.

RENEWAL OF JONES &
MAYER LEGAL
SERVICES
AGREEMENT

Mr. Collins recused himself from the meeting and exited the room at this time, in order to allow for discussion of a proposed renewal of the *Agreement for the Provision of Legal Services* with Jones and Mayer. Ms. Davis then called attention to a recommendation for renewal of the existing agreement with Jones and Mayer scheduled to expire on October 1 2020. The Board requested that additional language be added to the agreement to ensure that NIHD staff does not engage legal counsel without the approval of the Chief Executive Officer, in an effort to better control legal costs. It was moved by Ms. Veenker, seconded by Mr. Spoonhunter, and unanimously passed to approve renewing the *Agreement for the Provision of Legal Services* with Jones and Mayer for an additional term of 1 year, including language being added to specify

that the Interim CEO will authorize requests to engage legal counsel services. Mr. Collins re-entered the meeting at that time.

MEDICAL, DENTAL,
AND VISION BROKER
PROPOSAL (VERUS
INSURANCE)

Mr. Behl called attention to a Medical, Dental, and Vision (MDV) broker proposal submitted by Verus Insurance. Scott Kelly with Verus provided a presentation on what Verus can do to help NIHD better manage its existing MDV plan, while reducing costs and at the same time not compromising benefits. At the conclusion of the presentation, Mr. Behl stated that Verus will bring a detailed timeline of their proposal back to the Board of Directors at the September regular meeting, and that no action on this matter is being requested at this time.

AD HOC COMMITTEE
FORMATION, BOARD &
MEDICAL STAFF
RELATIONSHIP
BUILDING

Ms. Turner requested that the District Board Chair and Vice Chair be authorized to establish a Board of Directors Ad Hoc Committee for the purpose of building stronger NIHD Board of Directors and Medical Staff relations. It was moved by Ms. Veenker, seconded by Mr. Sharp, and unanimously passed to authorize the District Board Chair and Vice Chair to establish a Board of Directors Ad Hoc Committee for this purpose.

EASTERN SIERRA
EMERGENCY
PHYSICIANS
QUARTERLY REPORT

Sierra Bourne MD provided and Eastern Sierra Emergency Physicians (ESEP) quarterly report, which included the following:

- The physician group has put a great deal of time and effort into Covid 19 preparedness
- ESEP is working closely with the NIHD Hospitalist program, which will be led by Joy Engblade MD and Monika Mehrens DO. Dr. Mehrens will join the NIHD Medical Staff on a full-time basis in the near future.
- A new ED physician, Gregory Gaskin MD has joined the ESEP physician group. The ESEP group will soon be staffed solely by local providers, without the need for locums assistance.

RETURN ON
INVESTMENT (ROI)
COMMITTEE REPORT

Mr. Behl provided an update on the efforts of the NIHD Return on Investment (ROI) Committee, noting the following:

- The Committee continues its financial assessment of Pioneer Home Health operations, which has seen great improvement in recent months
- An ROI assessment and analysis of the potential purchase of the Pioneer Medical Associates partnership is ongoing
- Provider compensation is currently being reviewed, and a new value-based compensation model is being considered
- The Clinics efficiency project proposed at this meeting has the recommendation of the ROI Committee
- The ROI Committee continues work on refunding of the District's revenue bonds, in an effort to positively benefit cash flow

DISTRICT BOARD
RESOLUTION 20-08,
REVENUE BOND RE-
FUNDING

Mr. Behl called attention to proposed District Board Resolution 20-08, which would allow for the re-funding of the District's 2013 revenue bonds. It was moved by Ms. Veenker, seconded by Mr. Spoonhunter, and

unanimously passed to approve District Board Resolution 20-08 as presented.

TRANSPARENCY TOOL
FOR CERNER
IMPLEMENTATION

Mr. Behl also called attention to the purchase of transparency software for the Cerner implementation project, which was added to the agenda at the start of this meeting. The transparency tool will assist with Managed Medicare reporting, and the return on investment for the software will be significant. The annual (add to budget) cost for the product is still under negotiation, but it has been negotiated down from \$94,992 to annual payments of approximately \$71,000. Following discussion of the need for this purchase it was moved by Ms. Veenker, seconded by Mr. Sharp, and unanimously passed to approve the purchase of the transparency tool for the Cerner implementation project as requested.

OUTSOURCE INC.
COLLECTIONS UPDATE

Mr. Behl also provided an update on progress made by Outsource Inc. on the processing of the District's backlog of Athena medical claims. He reported that \$24,000,000 in healthcare claims were unbilled at the time Outsource was retained, and of those claims \$18,500,000 have been addressed to date. The District is still on track to realize \$9,000,000 in income as a result of the Outsource Inc. collections project.

CHIEF OF STAFF
REPORT

Vice Chief of Staff Charlotte Helvie, MD stated following careful review and consideration the Medical Executive Committee recommends approval of the following Medical Staff appointments:

MEDICAL STAFF
APPOINTMENTS

1. Adam Jesionek, MD (*family medicine/hospitalist*) – Provisional Active Staff
2. Danish Atwal, MD (*Renown Cardiology*) – Telemedicine Staff
3. Htet Khine, MD (*Renown Cardiology*) – Telemedicine Staff

It was moved by Ms. Kilpatrick, seconded by Mr. Sharp, and unanimously passed to approve all three Medical Staff appointments as requested.

POLICY AND
PROCEDURE
APPROVALS

Dr. Helvie additionally stated following careful review, consideration, and approval by the appropriate Committees the Medical Executive Committee recommends approval of the following District-wide Policies and Procedures:

1. *Biosafety Plan*
2. *Blood Bank – Emergency Requests for Blood Components*
3. *Death in the Operating Room*
4. *Draping for Surgical Procedures*
5. *Electrosurgical Cautery*
6. *Fire Safety in Surgery*
7. *Immediate Use Sterilization Procedure*
8. *Implantation of Medical Devices*
9. *Medical Device Tracking*
10. *Medical Students in the OR*
11. *NPO Guidelines*
12. *Sterile Processing Scope of Service*

13. *Sterile Processing Standards of Practice*
14. *Surgeries Requiring an Assistant*
15. *Clorox Total 360 System Electrostatic Sprayer*
16. *Aerosolized Transmissible Disease Exposure Plan/Respiratory Protection Program*
17. *NIHD Workforce Exposed to Communicable Illness*
18. *Scope of Service – Infection Prevention*
19. *Toy Cleaning*

It was moved by Ms. Kilpatrick, seconded by Mr. Sharp, and unanimously passed to approve Policies and Procedures 1 through 19 as requested.

ANNUAL APPROVAL

Doctor Helvie also reported the Medical Executive Committee recommends approval of the following annual approval:

1. *Standardized Protocol – Physician Assistant in the Operating Room*

It was moved by Mr. Sharp, seconded by Ms. Kilpatrick, and unanimously passed to approve the *Standardized Protocol – Physician Assistant in the Operating Room* annual approval as requested.

CONSENT AGENDA

Ms. Turner called attention to the Consent Agenda for this meeting, which contained the following item:

- *Approval of minutes of the July 19 2020 regular meeting*

It was moved by Mr. Sharp, seconded by Ms. Veenker, and unanimously passed to approve the Consent Agenda item as presented.

BOARD MEMBER REPORTS

Ms. Turner asked if any members of the Board of Directors wished to comment on any items of interest. She then stated that she currently serves as a member of the ACHD Advocacy Committee, and that she would be happy to share information on current legislation with anyone who is interested. No other reports were given.

ADJOURNMENT TO CLOSED SESSION

At 11:04 pm Ms. Turner announced the meeting would adjourn to Closed Session to allow the District Board of Directors to:

- A. Conference with Legal Counsel, existing litigation (*pursuant to Paragraph (1) of subdivision (d) of Government Code Section 54956.9*), name of case: Inyo County LAFCO and NIHD v. SMHD, Case No. 34-2015-8002247-CY-WM-GDS-Sacramento County.
- B. Conference with Labor Negotiators, Agency Designated Representative: Irma Moisa; Employee Organization: AFSCME Council 57 (*pursuant to Government Code Section 54957.6*).
- C. Perform a Public Employee Performance Evaluation (*pursuant to Government Code Section 54957(b)*), title: Interim Chief Executive Officer.

RETURN TO OPEN SESSION AND REPORT OF ACTION TAKEN

At 12:25 am the meeting returned to Open Session. Ms. Turner reported the Board took no reportable action.

ADJOURNMENT

The meeting was adjourned at 12:25 am.



Jean Turner, Chair

Attest:



Jody Veenker, Secretary