

CALL TO ORDER	Northern Inyo Healthcare District (NIHD) Board Chair Turner called the meeting to order at 5:00 pm.
PRESENT	<p>Jean Turner, Chair Melissa Best-Baker, Vice Chair David Lent, Secretary David McCoy Barrett, Treasurer Laura Smith, Member at Large</p> <p>Christian Wallis, Interim Chief Executive Officer Adam Hawkins, DO, Chief Medical Officer Alison Murray, Chief Human Resources Officer, Chief Business Development Officer Allison Partridge, Chief Operations Officer / Chief Nursing Officer Andrea Mossman, Chief Financial Officer Sierra Bourne, MD, Chief of Staff</p>
PUBLIC COMMENT	<p>Chair Turner reported that at this time, audience members may speak on any items not on the agenda that are within the jurisdiction of the Board.</p> <p>There were no comments from the public.</p>
CONSENT AGENDA	<p>Chair Turner called attention to the Consent Agenda.</p> <p>The following item was removed from the Consent Agenda for further discussion:</p> <ul style="list-style-type: none">• Approval of May 21, 2025 Regular Board Meeting Minutes <p>Motion to approve the remainder of the Consent Agenda: Smith 2nd: Best-Baker Passed: 5-0</p> <p>The Board then reviewed the Meeting Minutes from May 21, 2025. The following corrections were noted:</p> <ul style="list-style-type: none">• Correction to the physician name on page 4 to Dr. Adam Jesionek• Correction to reflect Director Barrett's vote as "yes" on page 4 <p>Motion to approve May 21, 2025 Meeting Minutes with corrections: Best-Baker 2nd: Smith Passed: 5-0</p>
CHIEF EXECUTIVE OFFICER REPORT	Chair Turner called attention to the Chief Executive Office Report

Chief Executive Officer Christian presented a recommendation to restructure the Board's standing committees to improve efficiency and align with governance best practices. He proposed a three-month pilot to:

- Realign the committee schedule so meetings occur prior to regular board meetings,
- Transition each committee to include two designated board members rather than full board participation,
- Allow Committee Chairs to report action items to the full Board, and
- Evaluate the structure after three months before making permanent changes via bylaw amendment.

Board members discussed the proposal and agreed to move forward with the realignment on a trial basis.

Board Committee Appointments under the new structure:

- Finance Committee: David McCoy Barrett and Melissa Best-Baker
- Quality Committee: David Lent and Laura Smith
- Governance Committee: Jean Turner and David Lent

Motion to approve the realignment of board committees on a three-month trial basis and appoint committee members as proposed: Smith

2nd: Melissa Best-Baker

Passed: 5-0

CHIEF OF STAFF REPORT Chair Turner called attention to the Chief of Staff Report.

Dr. Rasoumoff

Dr. Rasoumoff provided an informational update to the Board regarding the peer review process and medical staff accountability. He emphasized the importance of peer review in maintaining clinical standards and shared a recent case example that underscored the process's value in supporting provider improvement and patient safety.

Key points included:

- The peer review process is intended to support—not punish—physicians while ensuring quality of care.
- A case was highlighted in which the provider accepted feedback and showed growth following the peer review.
- Dr. Rasoumoff encouraged continued support for the Medical Executive Committee and its role in maintaining a culture of excellence.

Motion to approve Medical Staff Initial Appointments 2025-2026: Best-Baker

2nd: Lent

Passed: 5-0

Motion to approve Medical Staff Initial Appointments 2025-2026 – Proxy
Credentialing: Best-Baker
2nd: Smith
Passed: 5-0

Motion to approve Additional Privileges: Best-Baker
2nd: Lent
Passed: 5-0

The Ortho Physician Assistant Privilege Form was removed from the agenda

Medical Executive Committee (MEC) report.

Dr. Bourne shared that several physicians are beginning to explore the use of artificial intelligence (AI) tools to assist with clinical documentation. The MEC is monitoring this closely to ensure documentation quality is maintained. Any notes created using AI are currently flagged with a disclaimer in the medical record, and the Committee may develop guidelines around AI use in the future.

Dr. Bourne also announced upcoming leadership transitions:

- Dr. Sam Jeppsen will begin serving as Chief of Staff in July. She is an emergency physician with prior service as Emergency Department Chair and as a long-standing MEC member.
- Dr. Chelsea Robinson, also an emergency physician, will join the MEC as a new member-at-large.
- Dr. Connor Wiles will continue serving on the committee to help ensure leadership continuity.

Dr. Bourne reflected on her four-year tenure as Chief of Staff and expressed gratitude to the Board and District leadership for their ongoing support.

**CHIEF FINANCIAL
OFFICER REPORT**

Chair Turner called attention to the Chief Financial Officer Report

Cash-Flow Report

Wallis presented an overview of the District's cash flow cycle. A Cash Flow Action Team was assembled to map the full patient-to-payment process and identify areas contributing to delays in revenue.

The team examined each stage of the cycle, including scheduling, registration, insurance authorization, provider documentation, coding, billing, and collections. Wallis described how breakdowns at any point in the process—such as incomplete orders, missing documentation, or delayed coding—can result in claims being held, denied, or returned for correction, ultimately impacting cash flow.

The team developed a detailed action plan to address these issues. The plan includes specific tasks, assigned roles, and target due dates to ensure accountability and track progress. Wallis explained that while financial

improvements will appear gradually in metrics like cash on hand and accounts receivable, these action steps serve as early indicators of sustained operational change. The plan will be monitored through regular updates to the Finance Committee.

Wallis invited members of the Cash Flow Action Team to share their insights. Lawrence, Director of Outpatient Clinics, shared that participating in the workgroup gave her a more complete understanding of the full billing process and how each team's work is interconnected. She found it valuable to see how decisions and actions in one area can affect outcomes across the entire revenue cycle. While her team has been managing high-volume claim reconciliation lists, she expressed optimism that the new action plan will help prevent many issues from occurring in the first place.

Mossman noted that the project fostered stronger alignment across departments by clearly defining roles and responsibilities. She emphasized that assigning ownership to each stage of the revenue cycle has improved clarity, communication, and coordination—allowing teams to collaborate more effectively and take proactive steps toward resolution.

Public Comment:

A member of the public asked whether the District plans to bring on a Cerner trainer to support provider documentation improvements. Wallis and Mossman responded that the idea is under active development and may include broader coding and documentation training beyond Cerner-specific tools. Mossman added that the District's outsourced coding vendor already provides targeted audits and training and that a 90- to 120-day documentation review for new providers may be added as part of the onboarding process.

There was collective appreciation for the collaborative approach and the shift from discussion to measurable action. Improvements in cash flow processes were recognized as essential to both the District's financial stability and the patient experience.

Fiscal 2026 Budget

Mossman presented the proposed budget for Fiscal Year 2026. The presentation focused on improving the District's operating margin, enhancing cash flow, and addressing known cost pressures through strategic planning.

Revenue Highlights:

- Net revenue is projected to grow by 4.8%, reflecting expected volume increases across service lines, including a rebound in surgical volumes following provider transitions.
- The District's payer mix includes a substantial proportion of government payers, with 40% of revenue from Medicare and 26% from Medicaid. These programs reimburse at lower rates than commercial insurers, such as Blue Cross, which continues to provide higher

payment levels. Accurate management and optimization of all payer categories remain essential to the District's financial strategy.

- A recent 4% reduction in Medicare reimbursement was noted as a factor influencing projected revenue. The budget anticipates that future growth will be driven by increased patient volumes and continued improvements in operational efficiency.

Expense Planning:

- Expenses are projected to grow 2.1% year-over-year, with supply costs impacted by inflation and tariffs.
- A targeted reduction in contract labor and overtime costs is planned, favoring in-house staffing wherever possible.
- Salaries and benefits, which represent 55% of total operating expenses, will see a modest 2% increase. Ongoing monitoring of premium pay and benefit cost savings opportunities was noted.
- Capital spending is estimated at \$2 million, with a "wait-and-see" approach pending clarity on state and federal reimbursement changes.

Cash and Operating Margin:

- The budget projects \$7 million in net income, a 73% improvement over FY25 projections.
- Cash flow planning incorporates debt obligations and capital purchases, with a goal to increase available cash by \$1.3 million.
- The District aims to reduce its operating loss by 25% in FY26 and continue improving in subsequent years.

Motion to approve the Fiscal 2026 Budget with “unknowns”: Best-Baker
2nd: Lent
Passed: 5-0

Policy Clarifications – Financial Assistance and Charity Care Policy

During budget discussion, questions were raised about recent changes to the District's Financial Assistance and Charity Care Policy. Staff clarified that the updates were required to comply with new state regulations from HCAI, which mandate that only 100% discounts be labeled as “charity care,” while partial discounts must be referred to as “discounted care.”

Financial and Statistical Reports – April 2025

The report reflected a net loss of \$3.7 million for April, driven by lower patient volumes and a \$3.2 million Medicare repayment and rate adjustment. Despite a \$500,000 reduction in expenses, the District's year-to-date operating loss grew to \$7.3 million, with a projected year-end net loss of \$10 million.

Average daily expenses held steady at \$320,000, while net revenue varied significantly—averaging \$292,000 but dropping to \$180,000 in April. Year-to-

date volumes improved in several areas, including behavioral health (+26%) and women's health (+11%), though surgical services remained below target.

Accounts receivable performance showed progress, with a \$7 million reduction in aged AR over 270 days and the lowest AR >90 days rate on record (36%). Days cash on hand increased to 92, and the debt service coverage ratio reached 4.2, reflecting bond compliance.

Wages and benefits now represent 55% of operating expenses, down from 70% in FY22. Upfront patient cash collections more than doubled since January.

Board members engaged in a robust discussion about declining ER visit numbers, expressing interest in better understanding patient experience and community perceptions around emergency services. They requested further analysis, including historical volume trends, Press Ganey scores, and diagnostic data, to determine whether the decline is seasonal, service-related, or part of a broader shift. Directors emphasized the importance of understanding and improving both care experiences and public confidence in the District's services.

Motion to approve the Financial and Statistical Reports: Lent
2nd: Smith
Passed: 5-0

CHIEF MEDICAL OFFICER REPORT

Chair Turner called attention to the Chief Medical Officer Report

Beta Heart Score

An overview was provided on the Beta HEART initiative, a multi-year program aimed at cultivating a culture of safety, transparency, empathy, accountability, and trust across the organization. Beta HEART is supported by Beta Healthcare Group, the District's provider of liability and malpractice coverage.

The initiative began with an external gap analysis, after which NIHD was advised to start its journey with the domain of "Culture of Safety." This includes promoting physical and emotional safety for staff, encouraging error reporting without fear of retaliation, and fostering a learning culture that supports continuous improvement.

As part of this work, the District implemented the SCORE survey in March 2025. SCORE measures staff perceptions in areas such as safety climate, leadership, emotional well-being, and engagement. Key hospital-wide findings included:

- Strengths: Work-life balance, resilience to burnout, and job stability.
- Challenges: Emotional recovery, perceptions of local leadership, DEI belonging, and workforce safety.

- Mixed results: Teamwork and safety climate scored just below benchmark targets; staff reported moderate growth opportunities and workload strain.

Department-level results were also compiled and are being used to support unit-specific improvement efforts. The Quality Team is leading this next phase by conducting a structured debrief process with each department. This includes meeting first with managers to review department-specific data, then with frontline staff in confidential sessions to identify themes and inform action plans. These plans will be revisited and refined throughout the year, with another round of SCORE surveying planned for March 2026.

Board members expressed appreciation for the staff's participation in the survey and commended the Quality Team for coordinating more than 60 meetings to support this effort. The initiative was seen as a strong foundation for enhancing both the employee experience and patient care culture across the District.

Service Line Update

Women's Health

The District expressed heartfelt appreciation to Dr. Janine Arndal for her 18 years of exceptional service and leadership. As one of the first robotic-assisted surgeons at NIHD, Dr. Arndal played a foundational role in expanding women's health services and held key leadership positions including Chief of Obstetrics, Vice Chief of Staff, and Chair of STTA. Her dedication to patients and the community has left a lasting legacy, and she departs with the District's sincere gratitude and best wishes.

Her departure, while deeply felt, comes at a time when rural obstetric programs across the state are facing pressures related to reimbursement and provider availability.

In response, the District has reaffirmed its strong commitment to sustaining and strengthening women's health services. Active recruitment efforts are underway, and leadership has begun weekly check-ins with the department to offer support, reduce workload where possible, and ensure continued high-quality care for patients and families.

Orthopedics

The District continues to prioritize the development of its orthopedic service line, with focused efforts over the past 6 to 8 months on evaluating workflows, identifying opportunities for improvement, and aligning services with community needs. The importance of orthopedics as a core offering was emphasized, along with appreciation for the extensive collaboration and planning that has taken place across departments.

Leadership expressed strong optimism about the future of the service line and thanked the teams involved for their dedication and thoughtful contributions. Continued planning is underway to ensure the orthopedic program evolves to meet growing demand and deliver high-quality care to the region.

Cardiology

Cardiology services continue to grow in response to high patient demand and strong provider engagement. Echocardiogram volumes reached a record high last year—300 above previous years—and are already on pace to exceed that in the current year. The recent addition of a nurse practitioner has expanded access to routine care and advanced diagnostic imaging, helping to reduce patient wait times.

Recognizing the continued strain on appointment availability, leadership is working closely with the cardiologist to explore options for expanding provider coverage and enhancing service offerings. A thoughtful business planning process is underway, focused on increasing access, strengthening diagnostic capabilities, and supporting long-term growth. Board and community members expressed deep appreciation for the quality of care being provided and the cardiology team's contributions to improving health outcomes across the region.

Behavioral Health

Psychiatric nurse practitioner Talia Luc will soon be departing after serving as a key provider under the supervision of Dr. Akalin. Her contributions to patient care were appreciated, and leadership expressed gratitude for her service.

A replacement provider has been identified, and transition planning has been underway for several months to ensure continuity of care. Additional behavioral health support remains available through Eastern Sierra Counseling, Inyo County, and Toiyabe Indian Health Project.

Quality

The District was recognized with a Quality Improvement Program (QIP) Top Performance Award from the California Department of Health Care Services, marking the second consecutive year it has achieved all program metrics. This recognition reflects the collective efforts of the Quality Department and the many clinical teams involved in meeting quality improvement goals. Leadership acknowledged the work behind the achievement and expressed appreciation for the cross-departmental collaboration that made it possible.

Rehabilitation Services

A full-time, local occupational therapist joined the team this month and will support both outpatient care and patient engagement rounding. Leadership also

acknowledged Monica Jones for her dedication in maintaining inpatient and outpatient services over the past several months.

CHIEF NURSING OFFICER
/ CHIEF OPERATING
OFFICER REPORT

Chair Turner called attention to the COO / CNO report

Incident Command Events
Telephone System Outage

On May 27, a severed fiber optic cable near Adelanto caused a complete landline outage across the District. Incident Command was activated due to the duration of the disruption. Cell phones were distributed to key departments, and alternative contact numbers from the Artera appointment system were shared to maintain communication with patients. The outage lasted three days and ended on May 30. Staff worked collaboratively to ensure continuity of care, and the workflows developed during the response have strengthened the District's preparedness for future incidents.

Pharmacy Infusion Projection Update

Final construction activities for the pharmacy are nearly complete, with a few remaining items—such as door coordination, temperature controls, and minor finishing work—being resolved. All required documentation has been submitted to the California Department of Public Health (CDPH), and the District is actively working with the assigned pharmacy surveyor in preparation for the final inspection.

Once infection control sign-off is complete, the pharmacy will be secured and stocked as required for inspection. For the infusion area, application materials have also been submitted to CDPH, and the District is awaiting surveyor assignment.

Leaders expressed appreciation for the cross-departmental teamwork that has carried this complex, multi-year project to its final phase.

GENERAL INFORMATION
FROM BOARD MEMBERS

Board members discussed the upcoming Association of California Healthcare Districts (ACHD) Annual Meeting, highlighting the value of participating in the ethics training and the opportunity to network with peers across the state. Directors were encouraged to consider joining ACHD committees, which offer valuable insights into common challenges and innovative solutions shared by other districts. Staff were reminded to coordinate registration and hotel arrangements with the Board Clerk.

PUBLIC COMMENT ON
CLOSED SESSION ITEMS

There were no public comments on closed session items.

ADJOURNMENT TO
CLOSED SESSION

Adjournment to closed session at 7:33 pm under Government Code § 54957.6 for a conference with the District's designated labor negotiator regarding employee organization AFSCME Council 57. A second closed session item was withdrawn.

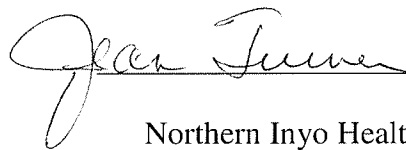
RETURN TO OPEN
SESSION

Return to open session at 8:04 pm

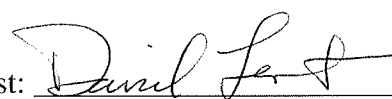
Chair Turner stated there were no reportable actions from the closed session.

ADJOURNMENT

Adjournment at 8:04 pm.



Jean Turner
Northern Inyo Healthcare District
Chair

Attest: 

David Lent
Northern Inyo Healthcare District
Secretary