

CALL TO ORDER                    The meeting was called to order at 5:30 p.m. by D. Scott Clark, M.D., Vice President.

PRESENT                            D. Scott Clark, M.D., Vice President  
Michael Phillips, M.D., Secretary  
John Ungersma, M.D., Treasurer  
M.C. Hubbard, Director

ALSO PRESENT                    John Halfen, Administrator  
Richard Nicholson, M.D., Chief of Staff  
Douglas Buchanan, Esq., Hospital District Legal Counsel  
Sandy Blumberg, Administrative Secretary

ABSENT                             Peter Watcrott, President

ALSO PRESENT FOR  
RELEVANT PORTION(S)            Dianne Shirley, R.N., Performance Improvement Coordinator

PUBLIC COMMENTS  
ON AGENDA                        D. Scott Clark, M.D. asked if any members of the public wished to address the Board on any items listed on the agenda for this meeting. No comments were heard.

Doctor Clark referred to area resident Mike Kelley, who asked to be placed on the agenda for this meeting to discuss Northern Inyo Hospital's (NIH's) policy of not disclosing names of Emergency Room (ER) physicians on duty.

Mr. Kelly stated his feeling that patients should have the right to know which physician they will be treated by when they present to the ER. He stated that patients often have physician preferences, and patients from remote areas should not have to travel long distances to the Hospital only to find that a physician they do not wish to be seen by is on duty. Doctor Clark responded that the policy was created in part for the safety of the physician on duty, and that some physicians have strong feelings about their name being disclosed to the general public and/or to incoming patients. Doctor Clark also noted if a patient is in need of emergency care they should come to the ER regardless of who is on duty at the time. Emergency Room physician Michael Phillips, M.D. stated the current policy originated first from a State referendum then later from a Federal referendum, and that NIH did not create the policy lightly or without careful consideration of all of the issues involved. Chief of Staff Richard Nicholson, M.D. stated a visit to the ER should truly be for emergency reasons, and if the visit were elective the policy would no doubt be different. He agreed with Doctor Clark that any patient in need emergency treatment should be seen immediately by a physician for his or her own well being.

Mr. Kelly additionally conveyed his disappointment that the Hospital's Rural Health Clinic (RHC) is effectively not an urgent care facility, as he believed it was intended to be at the time it opened. He further stated his impression that RHC is no longer a walk-in facility, and that it is difficult if not impossible to be seen by RHC physicians on short notice. Doctor Clark responded that the Rural Health Clinic does still accept walk in patients, and that RHC nurse manager Tracy Aspel, RN would no doubt appreciate the opportunity to respond to Mr. Kelley's concerns personally. Doctor Phillips also encouraged Mr. Kelly to speak to Ms. Aspel regarding the function and purpose of the Clinic, and he stated that RHC staff routinely stays late to accommodate as many patients as possible.

#### MINUTES

The minutes of the July 18 2007 regular meeting were approved.

#### FINANCIAL AND STATISTIAL REPORTS

John Halfen, Chief Financial Officer reviewed with the Board the financial and statistical reports for the month of June 2007. Mr. Halfen noted the statement of operations shows a bottom line excess of revenues over expenses of \$585,179. Mr. Halfen noted the June 30 2007 financial reports have been audited and three audit adjustments have decreased year- to-date net income by approximately \$12,000, for a total net income for the year of \$4,616,326.48. Following review of revenue and expense totals income will be budgeted lower in 2007-2008, and expenses will be budgeted approximately the same. Mr. Halfen also noted the only expense that was over budget for the year was professional fees expense.

Mr. Halfen then reviewed with the Board the financial and statistical reports for the month of July 2007. Mr. Halfen noted the statement of operations shows a bottom line excess of revenues over expenses of \$720,949. Mr. Halfen called attention to the following:

- *Inpatient and outpatient revenue were over budget*
- *Total expenses were under budget*
- *Wages, salaries, and benefits were under budget*
- *The Balance Sheet did not experience significant change*
- *Net assets continue to grow steadily*
- *Year-to-date net income is \$720,949*

Mr. Halfen noted accounts receivable days are up due to a temporary staffing shortage in the Medical Records department. Short-term investments have increased in order to make cash readily accessible during the rebuild project. It was moved by John Ungersma, M.D., seconded by Michael Phillips, M.D. and passed to approve the financial and statistical reports for June and July of 2007 as presented.

#### ADMINISTRATOR'S REPORT BUILDING UPDATE

Mr. Halfen reported that construction of the Support and Radiology buildings is progressing and that laundry equipment and boilers for the Support building have arrived. Mr. Halfen will travel to Sacramento tomorrow to meet with the Office of Statewide Health Planning and Development (OSHPD) to discuss concerns regarding the connector

- between the Radiology building and the main hospital building, and to discuss problems OSHPD has with the plans for phase II of the building project.
- FYI SECTION**
- CRITICAL ACCESS HOSPITAL O.B. SERVICES** Mr. Halfen called attention to results of a survey of 25 Critical Access Hospitals regarding obstetric (OB) services. Nine out of 25 hospitals surveyed do not provide OB services, primarily due to the small size of the facilities. The survey results were provided as a point of interest only.
- EMS FUNDS** Mr. Halfen noted that NIH again received Emergency Services (EMS) funds in the amount of \$56,194.99 for the year. EMS funds are intended to offset the cost on non-paying patients who present to the ER for services.
- HEALTH COVERAGE EXPANSION PROPOSALS** Mr. Halfen called attention to a comparison of California Health Coverage Expansion Proposals, which details expansion of programs to increase health insurance coverage for a larger number of California residents.
- CHIEF OF STAFF REPORT** Chief of Medical Staff Richard Nicholson, M.D. introduced OB/GYN physician Lara Jeanine Arndal, M.D., and welcomed her to practice at NIH's Rural Health Clinic.
- Doctor Nicholson reported the Medical Staff Executive Committee recently met and recommends the Board approve the following two policies and procedures:
- *Language Services General Policy*
  - *Adult Immunizations in the Health Care Worker*
- Doctor Nicholson also noted 44 re-credentialing packets have been mailed to practitioners whose privileges are due to expire December 31 2007. He additionally reported the Medical Staff Executive Committee requests Board approval of the following six items:
1. Appointment of Board-eligible OB-GYN physician Lara Jeanine Arndal, M.D. to the Northern Inyo Hospital Provisional Active Medical Staff with requested privileges
  2. Appointment of retired practitioners Stephen Kobayashi, M.D. and Robert Denton, M.D. to the NIH Honorary Medical Staff, for their many years of dedicated healthcare service
  3. Appointment of Board-certified anesthesiologist John Daniel Cowan, M.D. to the Northern Inyo Hospital Provisional Consulting Medical Staff with requested privileges
  4. Appointment of Board-certified pathologist Reda Michael Tadros, M.D. to the Northern Inyo Hospital Provisional Consulting Medical Staff with requested privileges
  5. Appointment of Board-eligible orthopaedic fellow Bret R. Winter, M.D. to the NIH Provisional Consulting Medical Staff with requested privileges; and

6. Acceptance of the resignation of Staff anesthesiologist Richard Citrenbaum, M.D.

It was moved by M.C. Hubbard, seconded by Doctor Phillips and passed to approve all six recommendations as one block.

OLD BUSINESS

REAFFIRMATION OF NEGOTIATOR

Mr. Halfen asked for reaffirmation of himself as negotiator regarding a potential acquisition of real property at 2957 Birch Street, Bishop, California. Negotiation will be with the designee(s) of Southern Mono County Health District. It was moved by Doctor Ungersma, seconded by Ms. Hubbard, and passed to reaffirm Mr. Halfen as negotiator for the potential acquisition.

TRIBE LEASE

Mr. Halfen reported there is no progress toward reaching an agreement with the Bishop Paiute Tribe to lease land for additional parking during rebuild construction. However, NIH's Community Relations Coordinator Cheryl Underhill has recently re-opened discussion on this subject with the Bishop Paiute Tribe.

NEW BUSINESS

LANGUAGE SERVICES GENERAL POLICY

Mr. Halfen introduced Jose Garcia, Interpretive Services Manager at NIH to present the *Language Services General Policy* for Board approval. Mr. Garcia noted the policy has been reviewed and approved by all appropriate committees within the hospital, and improvements made to the policy have brought interpretive services at NIH to a higher quality level. Mr. Halfen stated Mr. Garcia is a welcome addition to the Hospital staff, and noted he has done much to improve the quality of interpretive services available at NIH. It was moved by Doctor Phillips, seconded by Doctor Ungersma, and passed to approve the *Language Services General Policy* as presented

POLICY AND PROCEDURE MANUALS

Mr. Halfen noted that per regulations established by the Joint Commission on Accreditation of Hospital Organizations (JCAHO), the following policy and procedure manuals were present at this meeting for review and annual approval by the Board:

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|----------------------|----------------------------|
| 1. Central Supply    | 12. Mammography & MSQA     |
| 2. Emergency Room    | 13. Med-Surg Unit          |
| 3. Employee Health   | 14. MRI Safety             |
| 4. ICU Unit          | 15. Nuclear Medicine       |
| 5. Infection Control | 16. Nursing Administration |
| 6. Mammography       | 17. OB Unit                |
| 7. Outpatient Unit   | 18. Rural Health Clinic    |
| 8. PACU Unit         | 19. Safety                 |
| 9. Radiology         | 20. Staff Development      |
| 10. Pediatric Unit   | 21. Surgical Services Unit |
| 11. Radiation Safety |                            |

It was moved by Doctor Phillips, seconded by Ms. Hubbard, and passed to approve the policy and procedure manuals as presented.

REMOTE ACCESS  
POLICY

Mr. Halfen noted the policy and procedure titled “*Remote Access Policy*” was included in the Board packet but will not be approved at this meeting.

RADIOLOGIST  
COVERAGE  
AGREEMENT

Mr. Halfen called attention to a proposed Agreement for Radiologist Coverage with John Nesson, M.D.. The agreement is largely the same as the previous version, but provides better clarification of guidelines regarding adequate coverage by the Radiologist. It was moved by Doctor Phillips, seconded by Ms. Hubbard, and passed to approve the proposed Agreement with Radiologist John Nesson M.D. as presented.

NIH AUXILIARY  
BYLAWS REVIEW

Mr. Halfen referred to an updated version of the Northern Inyo Hospital Auxiliary (NIHA) bylaws, which was presented for review and approval of the District Board. It was moved by Doctor Ungersma, seconded by Ms. Hubbard, and passed to approve the Auxiliary bylaws as presented.

BLOOD CULTURE  
INSTRUMENT  
REPLACEMENT

Mr. Halfen also referred to a proposal to purchase a new Blood Culture Instrument for the Lab, at a total cost of \$43,875.00. The instrument currently being used at the Hospital is nine years old, and its computer controller is soon to be obsolete and non-supported. If the new instrument is purchased and installed to coincide with the Laboratory moving to the new Support building, it will save the Hospital over \$8,000 in moving and installation costs. It was moved by Ms. Hubbard, seconded by Doctor Ungersma, and passed to approve the purchase of the new blood culture instrument as presented.

FLYING OF POW FLAG

Mr. Halfen called attention to a letter received from Mr. Terry Bowers, who objects to the Hospital flying a POW/MIA flag at the Hospital’s main entrance. Mr. Bowers stated his opinion that many POW’s and MIAs captured during the Vietnam war were dishonorable service personnel who do not deserve to be glorified by displaying a flag in their honor. Following discussion and careful consideration it was determined that the majority opinion is that the flag is supportive of war veterans and is a positive rather than negative symbol. It was moved by Doctor Ungersma, seconded by Doctor Phillips, and passed to take no action to remove the flag currently being flown.

PATIENT SECURITY  
SYSTEM

Mr. Halfen referred to the *Manageware* proposal for purchase of the patient security system recently installed at NIH. The proposal provides details on the system and shows the total cost to be \$48,145.00. It was moved by Ms. Hubbard, seconded by Doctor Ungersma, and passed to approve purchase of the patient security system as presented.

CONTRACT  
MANAGEMENT  
SOFTWARE

Mr. Halfen also referred to a proposal to purchase contract management software for the purpose of making management of Hospital contracts easier. NIH currently has over one hundred contracts to manage, and at a cost of \$3,500 the software would save enough employee time to make it well worth the investment. It was moved by Ms. Hubbard, seconded by

Doctor Ungersma, and passed to approve the purchase of the contract management software as presented.

RHC CALL  
CONTRACTS

Mr. Halfen called attention to proposed agreements for physician call coverage at the NIH Rural Health Clinic (RHC). The proposed contracts are renewal agreements with no changes from the previous versions. It was moved by Doctor Ungersma, seconded by Ms. Hubbard, and passed to approve the RHC call coverage agreements as presented.

CHIEF OF EKG  
DEPARTMENT  
CONTRACT

Mr. Halfen referred to a proposed agreement for the services of Chief of NIH's Electrocardiograph (EKG) Department, Asao Kamei, M.D.. Mr. Halfen noted the current agreement with Dr. Kamei has many deficiencies in the area of compensation to the physician, and that Dr. Kamei is currently not being reimbursed in an equitable manner. The new agreement sets a flat monthly rate for Doctor Kamei's services, with a net payment increase of approximately \$1,800 per month. Doctor Clark noted Doctor Kamei's services are well worth the increase and that an adjustment to his agreement has been long overdue. It was moved by Doctor Phillips, seconded by Ms. Hubbard, and passed to approve the agreement for the EKG services of Doctor Kamei as presented.

ANESTHESIA  
CONTRACTS

Mr. Halfen called attention to proposed agreements for General Anesthesia Co-Medical Director and Professional Services for Doctors Curtis Schweizer, M.D., and John Daniel Cowan M.D.. Significant changes from previous anesthesia agreements include definition of both physicians as Co-Medical Directors, and an increase to the income guarantee of 8%. It was moved by Doctor Phillips, seconded by Doctor Ungersma, and passed to approve the anesthesia Co-Medical Director agreements with Doctors Schweizer and Cowan as presented.

RELOCATION EXPENSE  
AGREEMENT, JOHN  
DANIEL COWAN, M.D.

Mr. Halfen also referred to a proposed Relocation Expense Agreement for Anesthesiologist John Daniel Cowan, M.D.. The agreement is standard for physicians moving to this area to open practice at NIH, and is established once the Board finds there is a need in the best interest of the community to obtain a physician to provide specific services. It was moved by Doctor Ungersma, seconded by Ms. Hubbard, and passed to first approve the need for Doctor Cowan's services, and second to approve the Relocation & Expense Agreement for Doctor Cowan as well.

OB/PELVIC  
ULTRASOUND FOR  
RHC

Mr. Halfen referred to a proposal to purchase General Electric (GE) Ultrasound equipment for use at NIH's Rural Health Clinic. The cost of the ultrasound equipment (which was not budget for previously) totals \$44,170. Discussion followed on the importance of obtaining ultrasound equipment to provide improved patient services at RHC. Lara Jeanine Arndal, M.D. commented on the high quality of the equipment being considered for purchase, and on the ability of the machine to grow with the practice at RHC. She noted the Hospital would be purchasing a base

model machine which could be added to in the future. Doctor Arndal also stated her belief that the equipment would be revenue producing and would improve the standard of patient care at RHC. It was moved by Doctor Phillips, seconded by Ms. Hubbard, and passed to approve the purchase of the GE Ultrasound equipment as presented.

BOARD MEMBER  
REPORTS

Doctor Clark asked if any members of the Board of Directors wished to report on items of interest. Doctor Ungersma reported he recently attended an Association of California Healthcare Districts (ACHD) meeting in Sacramento, where discussion took place on Governor Schwarzenegger's intention to pass a healthcare program during this year. Doctor Ungersma feels this issue bears looking into in more detail and suggested it will be a topic of discussion in the future.

OPPORTUNITY FOR  
PUBLIC COMMENT

In keeping with the Brown Act, Doctor Clark asked if any members of the public wished to address the Board of Directors on items of interest. No comments were heard.

CLOSED SESSION

At 6:54 p.m., Dr. Clark 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 claim received from Xxxxx Xxxx against Northern Inyo County Local Hospital District (Government Code Section 54956.9(a)).
- C. Confer with legal counsel regarding claim received from Landon and Lisa Kleeman against Northern Inyo County Local Hospital District and other defendants (Government Code Section 54956.9(a)).
- D. Confer with legal counsel regarding claim received from Ellen Wilmoth against Northern Inyo County Local Hospital District (Government Code Section 54956.0(a)).
- E. Instruction of negotiator regarding price and terms of payment for the purchase, sale, exchange, or lease of real property (Government Code Section 54956.8).
- F. Discussion with counsel of pending litigation and whether or not the District shall initiate litigation. This discussion will be held under the authority of Government Code Section 54956.9(c).
- G. Discussion with counsel of pending litigation and whether or not the District shall initiate a second litigation. This discussion will be held under the authority of Government Code Section 54956.9(c).

OPEN SESSION

At 7:56 p.m., the meeting was returned to open session. Doctor Clark announced the Board took no reportable action.

PUBLIC COMMENT            Doctor Clark again asked if any members of the public wished to address the Board on any items listed on the agenda for this meeting. No comments were heard.

ADJOURNMENT            The meeting was adjourned at 7:58 p.m.

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D. Scott Clark, M.D., Vice President

Attest:

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Michael Phillips, M.D., Secretary