

CALL TO ORDER	The meeting was called to order at 5:30pm by John Ungersma M.D., President.
PRESENT	John Ungersma, M.D., President M.C. Hubbard, Vice President Denise Hayden, Secretary D. Scott Clark, M.D., Treasurer Peter Watercott, Member
ALSO PRESENT	John Halfen, Administrator Robbin Cromer-Tyler, M.D., Chief of Staff Douglas Buchanan, District Legal Counsel Sandy Blumberg, Executive Assistant
ALSO PRESENT FOR RELEVANT PORTIONS	Dianne Shirley, R.N., Performance Improvement Coordinator
OPPORTUNITY FOR PUBLIC COMMENT	Doctor Ungersma asked if any members of the public would like to comment on any items of interest. No comments were heard.
CONSENT AGENDA	The proposed consent agenda for this meeting contained the following items: <ol style="list-style-type: none">1. Approval of the minutes of the December 19, 2012 regular meeting (<i>action item</i>)2. Approval of the financial and statistical reports for the month of November, 2012 (<i>action item</i>)
ADMINISTRATOR'S REPORT	It was moved by M.C. Hubbard, seconded by Denise Hayden, and passed to approve the proposed consent agenda items as presented.
ORTHOPEDIC SERVICES UPDATE	Mr. Halfen reported orthopedic surgeon Mark Robinson, M.D. will begin practicing essentially full-time at the Bishop orthopedic clinic no later than January 24 th . Four of the employees formerly working in the Bishop office as employees of Mammoth Hospital will continue on as employees of Northern Inyo Hospital (NIH). Doctor Robinson continues to recruit for a second orthopedic surgeon to join the Bishop practice, which is now known as Sierra Crest Orthopedics and Neurology.
SAFETY	Mr. Halfen called attention to the Security report for the month of November 2012, which revealed no new Security issues of significance.
PHYSICIAN RECRUITMENT	Mr. Halfen also reported that Administration continues to recruit for a second OB/Gyn physician to join the practice of Lara Jeanine Arndal, M.D.. Roger Brecheen, M.D. is expected to provide locums OB/Gyn coverage during the month of February, with the intent of possibly joining the practice full-time. Mr. Halfen additionally noted that Catherine Leja, M.D. is now practicing at NIH's Rural Health Clinic.

REVENUE BOND
REFINANCE

Mr. Halfen additionally reported that plans to refinance the Districts' 1998 revenue bonds at a lower interest rate are moving forward and should be finalized by the end of January. The refinance will save the District around \$800,000, and it is estimated that the bonds will be reissued at an interest rate of (approximately) 3.86 percent.

ANTHEM BLUE CROSS
CHIEF OF STAFF
REPORT

Mr. Halfen also stated he has signed a Letter of Intent for Anthem Blue Cross to become the hospital's preferred Managed MediCal Network. He has also signed letters of intent with two other insurance companies, but he expects Anthem Blue Cross to be designated as our preferred network.

PROCEDURES AND
PROTOCOLS

Chief of Staff Robbin Cromer-Tyler, M.D. reported following careful review and approval by the appropriate committees, the Medical Executive Committee recommends approval of the following hospital-wide policies and procedures:

1. Standardized Procedures of NIH RHC nurse Practitioners:
 - a) *Emergency Care Policy for the Nurse Practitioner*
 - b) *Laboratory and Diagnostic Testing*
2. Protocols for NIH RHC Physician Assistants
 - a) *Emergency Care Policy for the Rural Health Clinic Physician Assistant*
 - b) *Laboratory and Diagnostic Testing Policy for the Rural Health Clinic Physician Assistant*

OLD BUSINESS

CEO SUCCESSION
PLAN UPDATE

It was moved by Peter Watercott, seconded by Denise Hayden, and passed to approve all four procedures and protocols as requested.

Mr. Halfen stated that we have received proposals to conduct a Chief Executive Officer (CEO) search from three top-level recruiters. The Board will review those proposals and discuss them at the February regular meeting of the District Board. A question was asked regarding whether or not management or any members of the Board have experience with any of the three recruitment firms, and Mr. Halfen stated that B.E. Smith brought us Interim CNO Sharon Tourville, R.N., and he has also had a positive past experience with Korn Ferry. Doctor Clark stated that B.E. Smith has placed quite a few executives in small hospitals in the past, and it is his feeling that they may be a good option. Following brief discussion it was moved by Mr. Watercott, seconded by Ms. Hayden, and passed to table the selection of a CEO recruiter to the February meeting of the District Board, in order to allow the Board time to review the information received from the recruiters. Doctor Clark voted against waiting another month to choose a recruiter for the CEO search.

NEW BUSINESS

EMPLOYEE
CONCERNS, FAMILY
AND MEDICAL LEAVE
POLICIES

Doctor Ungersma then called attention to the agenda item involving employee concerns regarding the Hospital's Family and Medical Leave Policies. A sizeable group of NIH employees and members of the public were present to discuss this issue. At the outset, Mr. Watercott and Ms.

Hayden stated that as spouses of NIH employees, they would be required to recuse themselves from discussion of this topic. The following are the main points made regarding concerns about the hospital's existing leave policies:

- Donise Costello expressed her appreciation regarding being reinstated as an employee. She also stated her concern that employees were not informed that the 16 week leave policy would begin to be enforced, when a precedent of non-enforcement previously existed.
- The Hospital's existing leave policies are considered by many to be vague and in need of clarification.
- Allowed leave for per diem employees should be calculated differently than allowed leave for full-time employees.
- NIH Surgery Technician Chris Cauldwell stated she continues to delay needed surgery for fear of being separated from employment
- Statements were made to the effect that employee leave policies mandated by the government were originally created in order to protect the employee, not to force their termination.
- Many employees feel that if they are reinstated to employment following an extended medical leave of absence, their original start date should remain intact and should not be re-set.
- Long term employees feel they should receive consideration commensurate with their years of dedicated service to the hospital.
- Employees who are reinstated following an extended Family or Medical Leave of Absence (FMLA) do not want termination from employment shown on their permanent employment record.
- The employee Personnel Payroll Advisory Committee (PPAC) began discussion of leave policies in the past, and was working on revising them prior to meetings being suspended during the hospital move and during implementation of the hospital's new information system.
- Many surgeries and illnesses require a recovery time of more than 16 weeks. Considering that complications can also arise, perhaps the 16 week period of allowed leave should be extended or considered to be flexible.
- Employees with "old sick leave" and Paid Time Off (PTO) would like to be able to use it toward or in conjunction with their FMLA.
- Hospital leave policies have not been revised for over 10 years.
- Jennifer Scott, M.D. stated her concerns regarding liability issues for physicians when unforeseen complications arise that cause employees to be separated from employment for being absent from work longer than expected.

In response to inquiries from those present, Mr. Halfen explained that management began enforcing the 16 week maximum leave policy to prevent absent employees from remaining "on the books" for unreasonable amounts of time. Doctor Ungersma expressed his feeling that the

existing policies are indeed vague, and should be revisited. It was noted that the PPAC Committee met during the last week, and that the Committee is working on presenting management with suggestions for possible revisions to NIH's existing leave policies. At the end of a lengthy discussion on this topic it was moved by M.C. Hubbard that for the calendar year 2013 employees who return to work following a leave longer than 16 weeks will be reinstated (and their separation expunged), with their original hire date remaining intact. The motion was passed by a vote of 3 yes's and 0 no's, with Mr. Watercott and Ms. Hayden abstaining from the vote. The PPAC Committee will now meet regularly to work toward coming to an agreement with management on leave policies, and the action taken by the Board will allow everyone until the end of 2013 to come up with a solution to this issue.

RECONSIDERATION OF
SEPARATION OF
EMPLOYMENT

Doctor Ungersma then called attention to the agenda item regarding reconsideration of the separation of employment of Donise Costello, LVN. It was moved by Ms. Hubbard, seconded by Ms. Hayden, and passed (unanimously) to approve the reinstatement of Ms. Costello, with all five Board members voting.

RELATIONSHIP
BETWEEN DISTRICT
BOARD AND PPAC
COMMITTEE

NIH Surgery Technician and PPAC Committee Representative Nita Eddy spoke to the Board about the relationship between the PPAC Committee and the District Board of Directors, noting that she was speaking on behalf of herself and not on behalf of the PPAC Committee as a whole. She reviewed the role and history of the PPAC Committee, and also explained that hospital staff has been under a great deal of stress during the past year, having being faced with many challenges and changes as a result of the move into the new hospital and the change to a new Hospital Information System (HIS). She additionally stated her hope that hospital staff and management take this review of employee leave policies as an opportunity to work together and create something positive out of an unpleasant situation. She asked that the Board become more involved in the PPAC process, and possibly review regular reports from the PPAC Committee in an effort to become more informed on personnel issues and to improve communication between management and staff. Following further discussion, it was moved by Mr. Watercott, seconded by Ms. Hubbard, and passed to approve that the PPAC Committee make regular reports to the Board, and that the Board will review those reports on a regular basis.

G.E. WIRELESS
UPGRADE

Radiology Director Patty Dickson called attention to a proposal to approve a GE Healthcare Contract and purchase of a wireless upgrade for the hospital, in order to move existing hospital equipment to the new orthopedic and neurology clinic. Ms. Dickson explained that when Mammoth Hospital moved out of the orthopedic clinic they took their imagining equipment with them, and it is difficult for the clinic to operate

using the older NIH equipment they are now left with. Ms. Dickson stated after evaluating the available options the best option appears to be doing a digital radiographic upgrade for imaging room 2, in order to move the computed radiography equipment in that room to the orthopedic clinic (at an approximate cost of \$50,000 to \$70,000). It was moved by Mr. Watercott, seconded by Ms. Hubbard and passed to approve the GE contract and upgrade to radiology equipment as requested.

DAISY FOUNDATION AWARDS

Nursing Supervisor Lisa Erwin reported that management would like to participate in the Daisy Foundation award program, which recognizes employees for excellence in Nursing. Hospital management desires to increase its' level of employee recognition, and would like to implement the Daisy program and coordinate it with the Employee of the Month program for non-nursing employees. Ms. Erwin reviewed the history of the Daisy Foundation, which is well regarded by many professional nursing organizations. Ms. Erwin additionally invited the Board to participate in and support the Daisy Foundation program at NIH, also stating that this is an information item only, that does not require action.

NIH EMPLOYEE SURVEY

Human Resources Director Georgan Stottlemyre introduced Vicki Bauer, who was in attendance to present her proposal to conduct a confidential employee satisfaction assessment for the District Board. Ms. Bauer distributed her resume and answered questions from the Board regarding her experience and qualifications to provide an assessment. Her proposal is to conduct a confidential employee satisfaction assessment for the Board, utilizing face-to-face interviews with a sampling of a minimum of 40 to 50 hospital employees. Ms. Bauer explained how she will keep employee input confidential, and it is her estimate that the assessment will cost the District \$4,000 to \$7,000 to complete. Following further discussion, Ms. Bauer stated she is enthusiastic about conducting the assessment and she offered to be paid only if the Board is happy with her final product. It was moved by Mr. Watercott, seconded by Ms. Hubbard, and passed to engage Ms. Bauer to conduct an employee satisfaction assessment with NIH employees, with payment for her services depending on Board acceptance of her final assessment. Doctor Clark voted against selecting Ms. Bauer to conduct the assessment.

EMPLOYEE HEALTH POLICY AND PROCEDURE

Doctor Ungersma called attention to a hospital wide policy and procedure titled "*Health and Safety – Post Offer Physical Examination and Annual Health Screening*". The version of the policy presented includes an update and clarification of an existing policy which applies to pre-employment physicals for incoming NIH employees. It was moved by Mr. Watercott, seconded by Ms. Hubbard, and passed to approve the updated policy and procedure as presented.

HOSPICE OF THE
OWENS VALLEY
PROPOSALS

Mr. Halfen addressed the subject of proposals regarding the Hospice of the Owens Valley, which included the following:

1. Potential Hospice merger with Pioneer Home Health Care
2. Discussion of decisions regarding location of the Hospice offices
3. Potential for NIH to develop and incorporate a Homecare and Hospice Division
4. Discussion of other potential roles the District might play in relation to the Hospice of the Owens Valley

Mr. Halfen stated it has become necessary to clarify the relationship between NIH and the Hospice of the Owens Valley (HOV), and to plan for the future of the Hospice. HOV has recently undergone a change of management, and is short of volunteers and in need of a plan to move forward into the future. Discussion followed, which included establishing that the modular building that currently houses the Hospice offices is, in fact, the property of the Hospital District. Current Hospice Director Caitlin Higginbotham and Pioneer Home Health Director Pat West were in attendance to discuss the possibility of a merger between the Hospice and Pioneer Home Health Care, which appears to possibly be in the best interest of the Hospice. Discussion of office space and reorganization took place, and Ms. Higginbotham stated that for legal reasons the Hospice can no longer operate as an auxiliary of Northern Inyo Hospital. At the conclusion of the discussion, Mr. Halfen asked the Board if they were inclined to favor the merger of Pioneer Home Health with the Hospice, or if they thought the details of aligning the Hospice and the Hospital closer should be pursued further. The Board expressed its' appreciation of the importance of Hospice services for our community, and felt that at this stage of discussion it appears it may benefit Hospice most to become aligned with Pioneer Home Health. The Board requested that Ms. West and Ms. Higginbotham work together to produce a business plan outlining the details of the possible merger, and return with that plan to a future meeting of the District Board. Mr. Watercott commented that Hospice workers and volunteers are truly special people, and that the work that they do is an invaluable form of patient care. Mr. Halfen then requested that the Board agree to continue to partially support the Hospice for a period of six months, in order to allow them time to reorganize in the way that will benefit them most. Following further discussion, it was moved by Doctor Clark, seconded by Ms. Hubbard, and passed to approve the hospital continuing to support the Hospice of the Owens Valley until 6/30/13, and absorbing the cost of two full-time Hospice employees (FTE's) for that period of time.

CALIFORNIA SECTION
1115 WAIVER

Mr. Halfen called attention to a grant application proposal for delivery system reform under California's Section 1115 Waiver Delivery System Reform Incentive Pool program (DSRIP); which involves the Hospital District applying for 2.2 million dollar grant. Following brief discussion Doctor Clark voiced his objection to the part of the proposal regarding

NIH credentialing outside radiologists by proxy, stating that the Medical Staff is not likely to approve of such a practice. Following further discussion it was moved by Mr. Watercott, seconded by Ms. Hayden, and passed to approve the 1115 proposal, with the telemedicine credentialing provision being removed from the proposal presented.

POSSIBLE PURCHASE
OF REAL PROPERTY

Mr. Halfen stated that the agenda item dealing with the possible purchase of residential real property will not be considered at this meeting.

BOARD MEMBER
REPORTS

Doctor Ungersma asked if any members of the Board of Directors wished to report on any items of interest. No reports were heard.

OPPORTUNITY FOR
PUBLIC COMMENT

In keeping with the Brown Act, Dr. Ungersma 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. EKG Chief Technician Leslie Manzonie thanked the Board for the decisions they made earlier regarding employee concerns about the Hospital's medical leave policies. No other comments were heard.

CLOSED SESSION

At 9:13pm Doctor Ungersma 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 based on stop notice filed by Strocal, Inc. (Government Code Sections 910 et seq., 54956.9).
- C. Conduct CEO Annual Performance Evaluation (Government Code Section 54957).
- D. Discussion of an employee complaint and disagreement regarding an employment separation (Government Code Section 54957).
- E. Discussion of an employee grievance and appeal of an employee termination (Government Code Section 54957).
- F. Conference with real property negotiator (John Halfen) regarding property located in the District (Government Code Section 54956.8).

At 9:59pm the meeting returned to open session. At that time it was moved by Ms. Hubbard, seconded by Mr. Watercott, and passed to reinstate Carmelita Bloom to employment at NIH pending her acceptance of a settlement option offer.

ADJOURNMENT

The meeting was adjourned at 10:00pm.

John Ungersma, M.D., President

Attest: _____
Denise Hayden, Secretary