

- CALL TO ORDER                    The meeting was called to order at 5:34 p.m. by Peter Watercott, President.
- PRESENT                            Peter Watercott, President  
John Ungersma, M.D., Vice President  
M.C. Hubbard, Secretary  
Denise Hayden, Treasurer  
D. Scott Clark, M.D., Director  
Charlotte Helvie, M.D., Immediate Past Chief of Staff
- ALSO PRESENT                    John Halfen, Administrator  
Douglas Buchanan, Hospital District Legal Counsel  
Sandy Blumberg, Administrative Secretary
- ALSO PRESENT FOR  
RELEVANT PORTION(S)            Dianne Shirley, R.N. Performance Improvement Coordinator
- PUBLIC COMMENTS  
ON AGENDA                        Mr. Watercott asked if any members of the public wished to address the Board on any items listed on the agenda for this meeting. Area resident Marilyn Briggs was present to register a concern regarding patient services in the Northern Inyo Hospital (NIH) Radiology Department. Ms. Briggs was assured that her concerns would be addressed and she would receive a response to them in a timely manner; however it was noted the concerns may be a result of misinformation received from an outside party.
- MINUTES                            The minutes of the June 16 2010 meeting were approved.
- FINANCIAL AND  
STATISTICAL REPORTS            Mr. Halfen called attention to the financial and statistical reports for the month of May 2010. He noted the statement of operations shows a bottom line excess of revenues over expenses of \$44,256.00. Mr. Halfen additionally called attention to the following:
- *Inpatient service revenue was under budget, and outpatient service revenue was over budget*
  - *Total expenses were over budget*
  - *Salaries and wages and employee benefits expense were all over budget*
  - *Professional fees expense was under budget*
  - *The Balance Sheet showed no significant change*
  - *Total net assets continue to grow*
  - *Year-to-date net revenue totals \$2,604,527*
- Mr. Halfen reviewed the status of the hospital's investments, which remain stable at this time. Carrie Petersen, Controller, noted that the Hospitals' MediCal reimbursement rate will increase as a result of the filing of the Hospital's most recent cost report. Following review of the information provided it was moved by M.C. Hubbard, seconded by

- ADMINISTRATOR'S REPORT Denise Hayden, and passed to approve the financial and statistical reports for the month of May 2010 as presented.
- BUILDING UPDATE John Hawes with Turner Construction Company reported the last of the slab for the new hospital building and the central plant has been poured; central plant walls will go up next; then concrete for the second floor and roof will be poured. Once those portions of the project have been completed concrete for the sidewalks and curbs will be poured; then the closing in of the new hospital building will begin. Kathy Sherry, also with Turner Construction Company noted Turner recently received Office of Statewide Healthcare Planning and Development (OSHDP) approval of design change orders that were submitted.
- WE CARE PROGRAM UPDATE Mr. Halfen reported that *We Care* program services will only be offered to area (local) residents at this time, but it is possible the program will be expanded to allow more individuals to participate in the future.
- CHIEF OF STAFF REPORT Charlotte Helvie, M.D., Immediate Past Chief of Staff reported the Medical Staff requests that the hospital purchase a dedicated email and document server for Medical Staff use (with a service agreement put in place between the Hospital and the NIH Medical Staff) for the purpose of ensuring the highest possible level of confidentiality of physician correspondences. Mr. Halfen agreed with the intent of the purchase but noted his feeling that it may not accomplish all that the Medical Staff hopes that it will, and he stated that further investigation on this topic may be warranted. Following discussion and in consideration of the fact that the costs associated the purchase may be larger than it appears at the outset; the Board determined that this topic should be revisited in the future once more research has been conducted into the available options and exact specifications and cost of the equipment proposed for purchase has been determined. It was also suggested that the possibility of the Medical Staff using a virtual server might be investigated as well.
- Doctor Helvie also reported a letter of resignation from the NIH Medical Staff has been received from orthopedic surgeon John Perry, M.D., who will be relocating his practice out of this area.
- OLD BUSINESS
- ACTUARIAL VALUATION AS OF JANUARY 1, 2010 Mr. Halfen referred to the Milliman (pension plan) Actuarial Valuation as of January 1, 2010 which is prepared for the District on an annual basis. The report shows the Hospital's pension plan is appropriately funded at approximately 125% of the accumulated benefit obligation, and that NIH's plan is currently well above the minimum funding requirement. As a result of the annual valuation Milliman recommends the District fund the plan at a rate of \$240,000 per month for the upcoming fiscal year. Mr. Halfen asked the Board to accept the audit and approve the funding level

- as suggested, and it was moved by Ms. Hubbard, seconded by John Ungersma, M.D. and passed to approve the Milliman actuarial valuation and funding rate as recommended.
- NEW BUSINESS**
- HIGH SIERRA ULTRA MARATHON** Marie Boyd, R.N., race director for the Bishop High Sierra Ultra Marathon was present to report that this years' race was once again a great success. Ms. Boyd thanked hospital administration; Stacey Brown M.D.; aid station workers; and race participants for doing their part to help make the event successful, and she reported that this year the race raised \$10,500 for the NIH Foundation. The Board thanked Ms. Boyd for her tireless dedication to this fundraising event, and noted that the race is a creative undertaking that promotes the Hospital and the Hospital Foundation in a uniquely positive way.
- CHARITY CARE AND UNDOCUMENTED PERSONS** Mr. Halfen reported that the topic of charity care in regard to undocumented persons will be discussed at the next regular meeting of the District Board.
- ELECTION OF DISTRICT BOARD TREASURER** Mr. Watercott noted that as a result of the departure of Board Member Michael Phillips, M.D. an election is necessary to select a new District Board Treasurer. Mr. Halfen noted it would be helpful to select a treasurer who is in town on a regular basis and who is easily available to sign documents when needed. Following brief discussion it was moved by Mr. Watercott, seconded by Doctor Ungersma, and passed to elect Denise Hayden to be the new treasurer of the District Board. The Board thanked Ms. Hayden for her willingness to accept the responsibilities associated with this position.
- 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 that Senate Bill (SB) 726 (which addresses the possibility of hospitals being allowed to employ physicians passed the State Assembly, however changes made to the legislation will require that it be sent back to the Senate Committee for approval. Doctor Ungersma asked that as many interested persons as possible submit letters of support for SB 726 to their representatives at their earliest convenience. He additionally noted he will continue to update the Board on the progression of the proposed legislation.
- OPPORTUNITY FOR PUBLIC COMMENT** In keeping with the Brown Act, 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.
- CLOSED SESSION** At 6:40 p.m. 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 action filed by John Nesson M.D., against Northern Inyo County Local Hospital District and other Defendants (Government Code Section 54956.9(a)).
- C. Confer with legal counsel regarding action filed by Stephen Johnson and Elizabeth Monahan-Johnson against Northern Inyo County Local Hospital District and other Defendants (Government Code Section 54956.9(a)).

RETURN TO OPEN  
SESSION AND REPORT  
OF ACTION TAKEN

At 6:50 p.m. the meeting 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 6:51 p.m..

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Peter Watercott, President

Attest:

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M.C. Hubbard, Secretary