

- CALL TO ORDER The meeting was called to order at 5:30 pm 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
- ALSO PRESENT John Halfen, Administrator
Douglas Buchanan District Legal Counsel
Sandy Blumberg, Executive Assistant
- ALSO PRESENT FOR
RELEVANT PORTION(S) Adam Brown, Legal Counsel, Lang Richert & Patch
Matt Quall, Legal Counsel, Lang Richert & Patch
Dianne Shirley, R.N., Performance Improvement Coordinator
- ABSENT Robbin Cromer-Tyler, M.D., Chief of Staff
- OPPORTUNITY FOR
PUBLIC COMMENT Mr. Watercott 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 5:31 pm Mr. Watercott announced the meeting was being adjourned to
closed session to allow the Board of Directors to confer with legal counsel
regarding pending litigation based on a stop notice filed by Strocal, Inc.
(Government Code Sections 910 et seq., 54956.9).
- RETURN TO OPEN
SESSION AND REPORT
OF ACTION TAKEN At 5:51 pm the meeting returned to open session. Mr. Watercott reported
that the Board took no reportable action.
- CONSENT AGENDA The proposed consent agenda for this meeting included the following:
1. Approval of minutes of the May 16 2012 regular meeting; and the
May 31 2012 special meeting (*action items*).
2. Approval of the Financial and Statistical reports for the month of
April, 2012 (*action item*), with the following notes:
• *The Hospital incurred a 308K loss during the month of April*
• *Patient service revenue was off by 457K due to a 377K variance*
from budget in routine inpatient service revenue
• *Operating expenses exceeded budget by 118K, mostly due to the*
McKesson conversion, which caused a 104K overage in salaries
• *The Balance Sheet was unavailable due to Paragon conversion*
issues
3. Resolution 12-05, Annual Appropriations Limit (*action item*).
4. Acceptance of resignation of Asao Kamei, M.D. as Medical
Director of the Hospitalist Program (*action item*).
It was moved by Denise Hayden, seconded by M.C. Hubbard, and passed

to approve all consent agenda items as requested, with a change being made to the attendance section of the May 31st special Board meeting.

NIH EMPLOYEE
SURVEY

Mr. Halfen requested that agenda item 12G be addressed next, in order to allow the presenter to not have to stay for the duration of the meeting.

Human Resources Director Georgan Stottlemire introduced Terry Gooch Ross, a consultant qualified to conduct an employee satisfaction survey for Northern Inyo Hospital (NIH) if one is desired. A survey has not been done for the past couple of years, and management will pursue the option further if the Board is interested. (Managers exited the meeting at this point, in order to allow Ms. Ross to discuss this topic with the Board.)

ADMINISTRATOR'S
REPORT

Ms. Ross presented her resume and qualifications, and stated that if the objective of a survey is to make recommendations for improvement in management processes, she recommends an approach that involves conducting confidential interviews with employees. She also recommended that the Hospital not conduct an employee survey until Spring of 2013, in order to allow the dust to settle following the Hospital Information System (HIS) conversion, and also from the upcoming move into the new hospital building. Ms. Ross asked that the Board discuss the possibility of a survey amongst themselves, and contact her if they are interested in having her pursue this topic further.

BUILDING UPDATE

Mr. Halfen reported the new hospital building is essentially finished, and at this time exterior landscaping work is being completed. Opening ceremonies have been planned for employees; for dignitaries; and for the general public; and the Hospital will also hold an appreciation dinner for Turner Construction management and employees.

ORTHOPEDIC
SERVICES AND
PHYSICIAN
RECRUITMENT
UPDATE

Mr. Halfen reported there is no significant update on the subject of physician recruitment; however he has been discussing the possibility of sharing orthopedic services with Mammoth Hospital CEO Gary Boyd and with Mark Robinson, M.D.. The Hospital continues to actively recruit for Internal Medicine physicians and for Hospitalists, and it is hoped that we can acquire a part-time hospitalist in the near future in order to help ease the existing physician rotation. Dr. Kamei commented that we truly have a great core of hospitalist physicians; however we do not have enough of them, which causes him to personally take on too many rotations at the expense of his own private practice. Dr. Kamei also noted that he tendered his resignation as Director of the Hospitalist Program with regret, but if additional physicians are obtained to help out he may be willing to continue on as Director of the program.

SECURITY REPORT

Mr. Halfen also called attention to the Security Report for the month of April 2012, which revealed no significant security issues.

RADIOLOGY
ACCREDITATIONS

Radiology Director Patty Dickson reported the American College of Radiologists (ACR) recently accredited NIH's CT program, largely thanks to the hard work and dedication of CT Technician Katie Galvin. She also stated that NIH's Nuclear Medicine program received ACR accreditation this week as well, and that NIH now has the only fully-accredited Radiology Department within hundreds of miles. Ms. Dickson praised Radiology staff for their commitment and hard work, and the Board praised Patty for her exemplary leadership of the department.

QUALITY REPORTS

Mr. Halfen reported the Hospital has already met most of its' required measures for Phase I of Meaningful Use, and our (new) Paragon reports reveal that we are doing very well in almost every area measured.

CHIEF OF STAFF
REPORT

Mr. Halfen stated because Chief of Staff Robbin Cromer-Tyler was not able to be present at this meeting, the policies and procedures listed on the agenda for this meeting will be tabled to the July regular meeting.

CREDENTIALING AND
APPOINTMENTS

He then reported following careful review and consideration the Medical Executive Committee has recommended approval of the following Medical Staff appointments and credentialing:

1. Appointment of OB/GYN Lynn Leventis, M.D. to the Provisional Medical Staff
2. Approval of Emily Marshall, P.A. to assist in the operating room under the Delegations of Services Agreement and written supervision guidelines with supervising physician Tomi Bortolazzo, M.D.

It was moved by John Ungersma, M.D., seconded by Ms. Hubbard, and passed to approve the Medical Staff appointments and recommendations as presented.

MEDICAL STAFF
RESIGNATIONS

Mr. Halfen also noted the Medical Executive Committee recommends acceptance of the following Medical Staff resignations:

1. Natalie Mills, M.D.
2. Vasuki Sittampalam Daram, M.D.

It was moved by D. Scott Clark, M.D., seconded by Ms. Hayden, and passed to accept the Medical Staff resignations as recommended.

MEDICAL STAFF
ELECTIONS

It was also reported (as an information item only) that the Medical Staff election results for the July 1 2012 to June 30 2013 year are as follows:

- Chief of Staff: Robbin Cromer-Tyler, M.D.
- Vice Chief of Staff: Taema Weiss, M.D.
- Immediate Past Chief of Staff: Helena Black, M.D.
- Medical Executive Committee Member-at-Large: Doris Lin, M.D.

NEW BUSINESS

CONSTRUCTION
CHANGE ORDER
REQUESTS

NIH Property Manager Scott Hooker called attention to the following list of proposed construction Change Order Requests (C.O.R.'s), previously approved within the \$100,000 construction allowance:

1. COR 317; Added Employee Time clock at Main Corridor, \$707
 2. COR 318; IB 343, Change locksets in corridors to meet required code, \$9,087
 3. COR 319; RFI 1321 – Door EH101 Operator Attachment. \$7,613
 4. COR 320; IB 356, Added lighting for Existing Central Plant, \$23,477
 5. COR 321; Painting of existing Central Plant ceiling, \$16, 839
 6. COR 322; Added Insulation at ED Sinks per ACO, \$1,159
 7. COR 323; IB 364 Lighting Change from Normal to Emergency Power, \$956
 8. COR 324; Added humidifier control as required by the MEOR, \$3,740
 9. COR 325; RFI 1362 Card Reader at Elevator 1 and 2, second floor, \$6,402
 10. COR 326; IB 360, Circuit Change in OR for lasers, \$1,496
 11. COR 327; Added Controls for Master Alarm Panel and Relays for N and N02, \$7,331
 12. COR 328; IB 300, 344, 345, 350, 352, 357, \$0
 13. COR 329; IB 254 Allowance True Up \$14,905
 14. COR 330; IB 314, Added Signage at ED canopy, \$3,916
 15. COR 332; IB 363, Window at Balcony ILO of railing, \$12,003
- Following brief discussion of the need for each change, it was moved by Doctor Clark, seconded by Doctor Ungersma, and passed to approve all 15 construction Change Order Requests as presented.

FISCAL YEAR 2012-2013
DRAFT BUDGET

Mr. Halfen asked that the Board approve a preliminary Budget Plan for the 2012-2013 fiscal year, including the following two items:

1. A 6.5% across-the-board rate increase effective 7/1/2012
2. An across-the-board 2% Cost of Living Adjustment (COLA) to employee salaries, effective as of 7/15/2012

Mr. Halfen noted as in past years, the Consumer Price Index (CPI) will be reviewed again (for possible adjustments to employee salaries) in January of 2013. He also stated the upcoming fiscal year will be challenging due to proposed cuts to MediCare and MediCal reimbursements for California hospitals. He additionally stated it will also be challenging to budget precisely for the upcoming year, due to expenses that will be incurred relative to the move into the new hospital building; and due to unknown increases to monthly costs such as utilities. Following brief discussion of challenges to next year's fiscal year budget, it was moved by Ms. Hubbard, seconded by Doctor Clark, and passed to approve the two preliminary Budget Plan measures as requested, with Mr. Watcrott and Ms. Hayden abstaining from the vote.

DISTRICT BOARD
RESOLUTION 12-02

Mr. Halfen referred to proposed District Board Resolution 12-02 to consolidate the Hospital District Board election with the November General election on November 6, 2012. He explained that election consolidation will save the District approximately \$30,000, and it was then moved by Doctor Clark, seconded by Ms. Hayden, and passed to approve District Board Resolution 12-02 as requested.

DISTRICT BOARD
RESOLUTION 12-03

Mr. Halfen also called attention to proposed District Board Resolution 12-03, to approve the line of credit documents with Alliance Bank of Arizona previously voted on at the May 31st special meeting. The Resolution has been requested (by Alliance Bank) in order to finalize the line of credit transaction. It was moved by Ms. Hubbard, seconded by Doctor Clark, and passed to approve District Board Resolution 12-03 as presented.

DISTRICT BOARD
RESOLUTION 12-04

Mr. Halfen also called attention to proposed District Board Resolution 12-04 which addresses a minor District re-zoning for the November 6 election boundaries. He noted that every ten years District boundaries are reviewed following the census, and adjustments are made to zone boundaries if changes to population numbers warrant it. Mr. Halfen additionally noted that the proposed changes were suggested by the Inyo County Planning Department. Mr. Buchanan discussed possible concerns regarding the proposed shift, however following review of the changes suggested it was moved by Doctor Clark, seconded by Ms. Hubbard, and passed to approve District Board Resolution 12-04 as presented.

PURCHASE OF
ULTRASOUND
MACHINE FOR THE
RADIOLOGY
DEPARTMENT

Radiology Director Patty Dickson called attention to a proposal to purchase a new ultrasound machine for the Radiology Department, at a cost of \$153,000. Ms. Dickson explained our existing machine is ten years old and is considered to be past its useful life. The machine has been serviced frequently in recent times, and as it ages the service contracts are becoming more expensive. The image quality from the current machine is also not ideal, and NIH's radiologists have recommended replacing it with new equipment. Mr. Halfen stated he proposes doing a conditional sale to obtain the new machine, which means it will be financed for a monthly payment of \$32,000. He also noted the ultrasound machine produces a net income of \$1,000,000 for the hospital annually, and that ultrasound volume is increasing. Following review of the information provided it was moved by Doctor Ungersma, seconded by Ms. Hayden, and passed to approve the purchase of a new ultrasound machine for the Radiology Department as requested.

WAIVER OF CONFLICT
WITH NIH
FOUNDATION

Mr. Buchanan requested the Board grant a waiver of conflict of interest to allow him to assist the NIH Foundation in drawing up a contract for the ultra marathon Race Director services of Marie Boyd, R.N.. Mr. Buchanan explained he does not see any practical conflict in him assisting the Foundation in this matter, but a Board waiver is required before he can proceed further. It was moved by Ms. Hubbard, seconded by Doctor Ungersma, and passed to waive a possible conflict of interest regarding the NIH Foundation Race Director Contract with Marie Boyd as requested.

BOARD MEMBER
REPORTS

Mr. Watercott asked if any members of the District Board wished to report on any items of interest. No reports were heard

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 of interest. Mr. Halfen introduced Sharon Tourville, R.N., the hospitals' interim Chief Nursing Officer (CNO) who has contracted with NIH through B.E. Smith. Ms. Tourville stated she feels privileged to be on board at NIH, and she is very impressed with the new hospital building and with NIH staff.

CLOSED SESSION

At 7:15 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 pending litigation based on stop notice filed by Strocal, Inc. (Government Code Sections 910 et seq., 54956.9)
- C. Discussion to determine whether or not to initiate litigation (Government Code Section 54956.9(c)).
- D. Confer with legal counsel regarding potential litigation (Government Code Section 54956.9(c)).
- E. 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)).

RETURN TO OPEN
SESSION AND REPORT
OF ACTION TAKEN

At 7:48 p.m. the meeting returned to open session. Mr. Watercott reported that the Board took no reportable action.

OPPORTUNITY FOR
PUBLIC COMMENT

In keeping with the Brown Act, Mr. Watercott again asked if anyone present wished to comment on any items on the agenda for this meeting or on any items of interest. No comments were heard.

ADJOURNMENT

The meeting was adjourned at 7:49 p.m..

Peter Watercott, President

Attest:

M.C. Hubbard, Secretary