

2. ROLL CALL:

Donna Nicely, Barbara Willey, Gail McCarthy, Jack Roberts and Rob Robbins were present. Also present were John Friel, CEO, and Shelly Egerer, Administrative Assistant. Absent was Gail McCarthy.

3. FLAG SALUTE:

Board Member Robbins led the flag salute, all present participated.

4. ADOPTION OF AGENDA:

President Nicely called for a motion to adopt the agenda as presented. Motion by Board Member Willey to adopt the agenda as presented. Second by Board Member Robbins to adopt the agenda as presented. President Nicely called for the vote. A vote in favor of the motion was 4/0.

- Board Member Robbins – yes
- Board Member Willey- yes
- Board Member Roberts- yes
- President Nicely - yes

5. RESULTS OF CLOSED SESSION:

President Nicely reported that the all reports were unanimously approved in Closed Session:

- Chief of Staff Report
 - Initial appointment:
 - Pamela Powers, NP – Emergency Medicine
 - Kenneth Vanderbeck, PA – Emergency Medicine
 - Amanda Holden, MD – Emergency Medicine
 - Elmer Hilo, DMD – Dentistry
 - Jessica Woods, RDH – Dental Hygienist
 - John Kuri, MD – Orthopedic Surgery
- Risk Management Report
- QI Management Report

President Nicely called for the vote. A vote in favor of the motion was 4/0.

- Board Member Robbins – yes
- Board Member Willey- yes
- Board Member Roberts - yes
- President Nicely - yes

6. PUBLIC FORUM FOR OPEN SESSION:

President Nicely opened the Hearing Section for Public Comment on Open Session items at 3:03 p.m. Hearing no request to make public comment, President Nicely closed Public Forum for Open Session at 3:03 p.m.

7. DIRECTORS' COMMENTS:

- President Nicely, stated this was the end of four years for herself and Barbara Willey; Rob Robbins end of 2 year term, the district has had tremendous growth; President Nicely thanked staff for their hard work and provided flowers, Nicole Wheeler, Shelly Egerer, Mary Norman, and Sheri Mursick.
- President Nicely introduced Ron Vigas, new RVP with QHR for our district. Also thanked staff for the hard work on continuing to ensure the Hospital is in compliance with State Regulations and congratulated staff on the CAH Recertification and the "No Findings"; thanked Garth for his great CFO reports, John for joining the institution and hosting a great party. The Board also welcomed the newest Board Member Jack Roberts.
- Board Member Robbins welcomed Jack Roberts, and thanked staff for the fabulous results of the CAH Recertification.
- Board Member Willey welcomed Jack Roberts to the Board and had a lovely time at the Auxiliary Luncheon, the Christmas Employee Party, had great food and a good time, and had a lovely evening at the Friel Christmas Party.
- Board Member Roberts stated that staff did a great job on the survey; we are doing right for the community and hospital.

8. INFORMATION REPORTS:

A. Foundation Report:

- Ms. Walsh was not present.
- President Nicely stated that Ms. Walsh will be stepping down as the Foundation President.

B. Auxiliary Report:

- Ms. Dick reported that the Auxiliary donated \$18,775 which includes the Polar Plunge, new wheel chairs, SNF lunches, Pink Glove Video Dance and new chairs for the patient rooms.
 - New fundraisers are being discussed.
 - 26 members at this time.

9. CONSENT AGENDA:

- A.** November 09, 2016 Board of Directors Meeting Minutes: Shelly Egerer, Admin. Assistant
- B.** October/November 2016 Planning & Facilities Report: Michael Mursick, Plant Manager
- C.** November 2016 Human Resource Report: Erin Wilson, Human Resource Director
- D.** October 2016 Infection Control Report: Heather Loose, Infection Preventionis
- E.** Policies and Procedures:
 - (1) Case Management – Nondiscrimination of Hospital Referral to Home Health Agencies
 - (2) Case Management – Transportation – SNF Residents
 - (3) Dietary – Blender Cleaning Procedure
 - (4) Dietary – Portion Control
 - (5) Dietary – Thermometer Calibration
 - (6) FHC – Unna Boot
 - (7) FHC – Wrist Splint – Application
 - (8) SNF – Restorative Nursing Program
 - (9) SNF – Use of Hoyer Lifts in Public Hallway

President Nicely called for a motion to approve the Consent Calendar as presented. Motion by Board Member Robbins to approve the Consent Calendar as presented. Second by Board Member Willey to approve the Consent Calendar as presented.

- Board Member Roberts stated that he had questions on the Human Resource Report and asked that this item be moved to New Business Item E.

President Nicely amended the motion to approve the Consent Calendar with the Human Resource Report being moved to New Business Item E for discussion. Second by Board Member Roberts to approve the Consent Calendar with the Human Resource Report being moved to New Business Item E for discussion. President Nicely called for the vote. A vote in favor of the motion was 4/0.

- Board Member Robbins – yes
- Board Member Willey- yes
- Board Member Roberts - yes
- President Nicely - yes

10. OLD BUSINESS:

- None

11. NEW BUSINESS*

A. Discussion and Potential Approval of the Following:

- (1) Fiscal Year 2016 Audited Financial Statement
- (2) Fiscal Year 2016 Cost Report

- Mr. Tucker reported the following:
 - No material weakness identified.
 - No reportable findings.
 - No difficulties with management.
 - IGT continues – Prop 52 passed
 - 2nd cost report for CAH benefit hospital approximately \$200,000.
 - PPS reconciliation – clinic rate approved \$500,000 this is the retro rate.
 - SNF clawback issues have been settled- \$650,000 liability on District. books; removed from your books.
 - USDA Loan shows on the district books.
 - District is moving forward in making money.
 - Revenue Cycle seems to be looking good, write off collections look good.
 - Cash has increased and AR is decreasing.
 - CAH has benefited the District.
 - Cost Report shows \$191,000 receivable.
- Board Member Robbins reported that the Finance Committee went through the Audit and Cost Report and recommends Board approval.
- Administration asked the Board for Approval in order for John Friel, CEO to sign Cost Report authorization documents.

President Nicely called for a motion to approve the FY 2016 Audited Financial Statement and 2016 Cost Report presented and authorized John Friel, CEO to sign Cost Report Documents. Board Member Robbins motioned to approve the FY 2016 Audited Financial Statement and 2016 Cost Report presented and authorized John Friel, CEO to sign Cost Report Documents. Second by Board Member Willey to approve the FY 2016 Audited Financial Statement and 2016 Cost Report presented and authorized John Friel, CEO to sign Cost Report Documents. President Nicely called for the vote. A vote in favor of the motion was 4/0.

- Board Member Robbins – yes
- Board Member Willey - yes
- Board Member Roberts - yes
- President Nicely – yes

B. Discussion and Potential Approval of Matthew Pautz, D.O. Amendment to On Call Agreement:

- Mr. Friel reported the amendment for Dr. Pautz contract was discussed in Closed Session and asked the Board for approval.

President Nicely called for a motion to approve the Mathew Pautz, DO Amendment to On Call Agreement presented. Board Member Roberts motioned to approve the Mathew Pautz, DO Amendment to On Call Agreement presented. Second by President Nicely to approve the Mathew Pautz, DO Amendment to On Call Agreement presented. President Nicely called for the vote. A vote in favor of the motion was 4/0.

- Board Member Robbins – yes
- Board Member Willey - yes
- Board Member Roberts - yes
- President Nicely – yes

C. Discussion and Potential Approval of an Un-Budgeted Capital Expenditure for a Laser Unit (Physical Therapy Department):

- Mr. McKinney reported that he presented the information for the Class 4 Laser Unit to the Finance Committee; additional information was requested to be brought to the Board for potential approval of the purchase.
- Mr. McKinney provided the following information:
 - 133 patients have received treatment for the unit; more than 80% are currently receiving treatment.
 - Leasing is 5 year 4.75% interest rate.
 - Shows positive return on investment.
 - Provide future revenue stream.
 - Only clinic within 100 miles that has laser unit.
 - Attachments have to be used for Medicare to reimburse.
 - Unit is used for Pain Management Patients.
- Mr. Hamblin reported Prime Project is a program and the district will receive money from this program but is not specific to the unit, a cost center has been set up to monitor incremental cost. Mr. Hamblin reported that additional revenue will help fund the purchase of the laser and will grow the patient care and move numbers in the right way.
- Further discussion and comments were provided by the Board; unit will be good for Pain Management Patients, receiving a lot of good publicity, and confirmed that physicians are aware of the unit and referring patients to our PT Department.

- Board Member Roberts clarification budgeted capital expense, could use out of operating budget.

President Nicely motioned to approve the purchase of the Class 4 Laser for \$31,972.52. Second by Board Member Robbins to approve the purchase of the Class 4 Laser for \$31,972.52. President Nicely called for the vote. A vote in favor of the motion was 4/0.

- Board Member Robbins – yes
- Board Member Willey - yes
- Board Member Roberts - yes
- President Nicely – yes

D. Discussion and Presentation of the Studer Group:

- Ms. Norman stated Studer Group is a management and coaching program, provides tool, website, books and seminars.
 - 10% discount – cost is \$61,000 for purchase with a 3 year commitment.
 - Access to leadership evaluation.
 - Group training.
 - Virtual coaching.
 - Monthly calls with CEO to ensure alignment.
 - Assist managers to speak with same language and ensure we are in alignment as a team.
 - 25 Managers will receive training.
- Mr. Hamblin stated there are several questions that need to be discussed, and a conference was to be scheduled in 2017, Administration and Board Member (s) need to attend to assess the Studer Group this is a \$183,000 for 3 year program.
- Mr. Friel stated he is a firm believer in the system, the team came back and has been implementing some of the recommendations from Studer Group and has been producing good results. Mr. Friel also reported that QHR has identified some agencies that offer the same type of services and information will be gathered and provided to the Board at the appropriate time.
- The Board would like to ensure the employee turnover rate is identified prior to a commitment to the Studer Group in order to ensure that staff that receives training does not relocate and a measurement tool should be looked at.
- Board Member Roberts asked that Administration confirm that 3 bids are not required; it was his understanding that the Government Section Code and District Policy required 3 bids on any items over \$25,000.

President Nicely reported no action required.

E. November Human Resource Report:

- Board Member Roberts requested that this report be pulled due to his opinion that there some items being reported that should be reported only to the CEO and that a comment was made in trusting staff and would like to see more standard information in the report; there are items in the report that he feels the Board does not need to know such as employee evaluations; this is the responsibility of the CEO; HR benefits and Union Negotiations is what the Board should be informed of. Board Member Roberts stated he is not in favor of being in the district's every day business; that is why we have a CEO.

- President Nicely stated that these items should be monitored by the Board and that in the past licenses, evaluations and other pertinent information was not being kept updated and caused many unnecessary issues. The HR Committee will be looking at Policies, Union Negotiations and ensuring that licenses are current. the

President Nicely called for a motion to approve the November Human Resource Report as presented. Motion by Board Member Roberts to approve the November Human Resource Report as presented. Second by Board Member Willey to approve the November Human Resource Report as presented. President Nicely called for the vote. A vote in favor of the motion was 4/0.

- Board Member Robbins – yes
- Board Member Willey - yes
- Board Member Roberts - yes
- President Nicely – yes

12. ACTION ITEMS:

A. Quorum Health Resource Report:

(1) December QHR Report:

- Ms. Brooks reported the following:
 - On site Coding & Compliance Review at the Clinic was completed; hopeful to present to Board in January.
 - Mary Norman attended Compliance Boot Camp.
 - Trustee Education: there are webinars available.
 - Orientation will be completed with new Board Member Jack Roberts
 - Cameron Egerer attended Purchasing Training.
 - Rolling out a Quality Score Card.
 - Electronic Board Packet Roll Out; will share the information with Administrative Assistant.
- Board Member Robbins asked if there were other changes with QHR that would affect the district; since recent changes take effect December 31.
- Mr. Vigas stated that there are several clients in the West and QHR's effort is to expand; no decision has been made on a new CEO at this time, there are no other changes in the QHR structure.
- Board Member Roberts stated that there are several risks by not being California focus and has concerns about having training out of California.

President Nicely motioned to approve the QHR Report as presented. Second by Board Member Willey to approve the QHR Report as presented. President Nicely called for the vote. A vote in favor of the motion was 4/0.

- Board Member Robbins – yes
- Board Member Willey -yes
- Board Member Roberts - yes
- President Nicely – yes

B. CNO Report:

(1) October CNO Report:

- Ms. Jex reported the following information:
 - Infection prevention: CDPH consultant was on site
 - Additional education for Infection Preventonist.
 - Safety - December 8 significant training scheduled.
 - T- System: continue to work on glitches and will continue to monitor.

President Nicely called for a motion to approve the CNO Report as presented. Motion by Board Member Roberts to approve the CNO Report as presented. Second by President Nicely to approve the CNO Report as presented. President Nicely called for the vote. A vote in favor of the motion was unanimously approved 4/0.

- Board Member Robbins – yes
- Board Member Willey - yes
- Board Member Roberts - yes
- President Nicely – yes

C. Acceptance of the CEO Report:

(1) October CEO Report:

- Mr. Friel reported the following information:
 - Mammo and CT scanner project:
 - Installations on units were approved by OSHPD.
 - Cost of construction did increase.
 - Return on investment is unknown until we are confident about the construction cost.
 - Public bidding process has to take place prior to committing to a contractor.
 - Public bidding will be advertised in January 2017, in our local paper.
 - Physician recruitment is continuing; Fidelis has been paid by previous Administrator and is assisting in finding a physician that will move to the area full time.
 - Loma Linda Affiliation conference calls are continuing in order to move forward with an agreement. All conference calls for December were cancelled due to the holidays.
 - Renaissance Radiology physicians are being credentialed and the “Go Live Date” is December 19.
 - Organizational Chart has been updated and a copy has been provided to the Board.
 - Surgery Task Force continues but Administration would like to bring in a consultant to review the Surgery Department; surgery needs to be a consistent profitable service. Will follow up with QHR to look for a consultant to review the Surgery Department.
 - Conducted a meeting with CEO w/Heritage and would like to grow that business relationship.
- President Nicely stated that the Finance Committee requested that the bidding process begin a month ago and does not want to wait until after holidays for the bidding process to begin now; Administration needs to begin moving on this project immediately. President Nicely asked that Mary Norman, Risk Manager have a line that shows she can report directly to the Board if there is

a cause to. If the revision can be made and emailed out the Board is good with that instead of bringing back to the Jan. Board Meeting.

- Board Member Robbins stated that the Board is frustrated; we have not accurately portrayed in the timing; last month the Board learned we did not do the process correct which has delayed the project, then after finding out that there was a error on timing and now we are delaying the bidding process due to the holiday, there has been a long term delay. There was trouble obtaining bids, prevailing wage is an issue, local contractors, physicians are telling patients to go off the hill to get mammograms.
- Further discussion took place on the process and the directive of what the Board would like to have Administration begin publishing the appropriate notices. The Board suggested that the bidding process begin this week.
- President Nicely stated that Riverside Community Hospital makes more attempts to have an affiliation then Loma Linda.

President Nicely motioned to approve the CEO Report as presented. Second by Board Member Robbins to approve the CEO Report as presented. President Nicely called for the vote. A vote in favor was unanimously approved 4/0.

- Board Member Robbins – yes
- Board Member Willey - yes
- Board Member Roberts - yes
- President Nicely – yes

D. Acceptance of the Finance Report:

(1) October 2016 Financials

- Mr. Hamblin reported the following information:
 - Surplus of \$89,304 for the month.
 - Net Revenue 3.2% higher than budget.
 - Total Expenses 3.1% under budget.
 - Expenses under budget.
 - Emergency Room visits are over budget.

(2) CFO Report:

- Mr. Hamblin reported the following information:
 - Phone system – continuing to replace main system.
 - Unknown on California Health Care Act

President Nicely called for a motion to approve the October Finance Report and CFO Report as presented. Motion by Board Member Robbins to approve the October Finance Report and CFO Report as presented. Second by Board Member Willey to approve the October Finance Report and CFO Report as presented. President Nicely called for the vote. A vote in favor was unanimously approved 4/0.

- Board Member Robbins – yes
- Board Member Willey - yes
- Board Member Roberts - yes
- President Nicely – yes

E. Election of BVCHD Board Officers

(1) President:

Board Member Robbins motioned to nominate Donna Nicely as Board President. Second by Board Member Willey to nominate Donna Nicely as Board President. President Nicely called for the vote. A vote in favor was unanimously approved 4/0.

- Board Member Robbins – yes
- Board Member Willey - yes
- Board Member Roberts - yes
- President Nicely – yes

(2) 1st Vice President:

Board Member Willey motioned to nominate Rob Robbins as 1st Vice President. Second by President Nicely to nominate Rob Robbins as 1st Vice President. President Nicely called for the vote. A vote in favor was unanimously approved 4/0.

- Board Member Robbins – yes
- Board Member Willey - yes
- Board Member Roberts - yes
- President Nicely – yes

(3) 2nd Vice President:

President Nicely motioned to nominate Board Member Roberts as 2nd Vice President. Second by Board Member Willey to nominate Board Member Roberts as 2nd Vice President. President Nicely called for the vote. A vote in favor was unanimously approved 4/0.

- Board Member Robbins – yes
- Board Member Willey - yes
- Board Member Roberts - yes
- President Nicely – yes

(4) Secretary:

- Board Member Roberts expressed his concern that the Administrative Assistant should be the secretary to the Board and was not in favor of a Board Member being nominated for this position.
- President Nicely reported that the bylaws state a Board Member is to be nominated and approved as Board Secretary but that she did agree that the Bylaws did need revision to the explanation of the secretary job duties.

President Nicely motioned to nominate Board Member McCarthy as Secretary. Second by Board Member Robbins to nominate Board Member McCarthy as Secretary. President Nicely called for the vote. A vote in favor was unanimously approved 3/1.

- Board Member Robbins – yes
- Board Member Willey - yes
- Board Member Roberts - no
- President Nicely – yes

(5) Treasurer:

President Nicely motioned to nominate Board Member Willey as Treasurer. Second by Board Member Robbins to nominate Board Member Willey as treasurer. President Nicely called for the vote. A vote in favor was unanimously approved 4/0.

- Board Member Robbins – yes
- Board Member Willey - yes
- Board Member Roberts - yes
- President Nicely – yes

F. Election of Committee Members (Chair and Vice Chair)

(1) Planning & Facilities Committee Meeting:

President Nicely nominated herself as chair for the Planning & Facilities Committee and Board Member Roberts as Co Chair. Second by Board Member Roberts to nominate President Nicely as Chair of Planning & Facilities and Board Member Roberts as Co-Chair of the Planning & Facilities Committee. President Nicely called for the vote. A vote in favor was unanimously approved 4/0.

- Board Member Robbins – yes
- Board Member Willey - yes
- Board Member Roberts - yes
- President Nicely – yes

(2) Human Resource Committee:

President Nicely motioned to nominate Board Member Roberts as HR Chair and Board Member McCarthy as HR Co Chair. Second by Board Member Willey to nominate Board Member Roberts as HR Chair and Board Member McCarthy as HR Co Chair. President Nicely called for the vote. A vote in favor was unanimously approved 4/0.

- Board Member Robbins – yes
- Board Member Willey - yes
- Board Member Roberts - yes
- President Nicely – yes

(3) Finance Committee

- President Nicely reported that Barbara Willey, Treasurer is Chair and nominated Rob Robbins as Co Chair. According to the district bylaws the Treasurer is the Chair of the Finance Committee.

President Nicely motioned to approve Barbara Willey and Rob Robbins as Chair and Co-Chair to the Finance Committee. Second by Board Member Roberts to approve Barbara Willey and Rob Robbins as Chair and Co-Chair to the Finance Committee. President Nicely called for the vote. A vote in favor was unanimously approved 4/0.

- Board Member Robbins – yes
- Board Member Willey - yes
- Board Member Roberts - yes
- President Nicely – yes

13. ADJOURNMENT

President Nicely called for a motion to adjourn the meeting at 5:35 p.m. Motion by Board Member Willey to adjourn. Second by Board Member Robbins to adjourn. President Nicely called for the vote. A vote in favor of the motion was unanimously approved 4/0.

- Board Member Robbins – yes
- Board Member Willey - yes
- Board Member Roberts - yes
- President Nicely – yes