

CALL TO ORDER

Northern Inyo Healthcare District (NIHD) Board Chair Mary Mae Kilpatrick called the meeting to order at 5:30 p.m.

PRESENT

Mary Mae Kilpatrick, Chair  
Melissa Best-Baker, Vice Chair  
Jean Turner, Secretary  
Ted Gardner, Treasurer  
Stephen DelRossi, MSA, Chief Financial Officer / Interim Chief Executive Officer  
Allison Partridge RN, MSN, Chief Nursing Officer / Interim Chief Operations Officer  
Adam Hawkins, DO, Chief Medical Officer  
Alison Murray, Chief Human Resources Officer  
Sierra Bourne, MD, Chief of Staff

OPPORTUNITY FOR  
PUBLIC COMMENT

Chair Kilpatrick reported that at this time, members of the audience may speak on any items not on the agenda on any matter within the jurisdiction of the District Board. Public comments shall be received at the beginning of the meeting and are limited to three minutes per speaker, with a total time limit of thirty minutes for all public comment unless otherwise modified by the Chair. The general Public Comment portion of the meeting allows the public to address any item within the jurisdiction of the Board of Directors on matters not appearing on the agenda. Public comments on agenda items should be made at the time each item is considered. Public comments were heard from the following:

- Pam Mitchell

NEW BUSINESS  
AD HOC COMMITTEE  
REPORTS

Chair Kilpatrick called attention to Ad Hoc Committee reports.

Governance Committee: Jean Turner reported she is currently a committee of one due to Jody Veenker's resignation. Ms. Turner reported she attended the annual ACHD conference. She distributed ACHD handouts of particular interest to her and stated the Board may want to consider use of these documents, which included ACHD Governance versus Management/Staff Matrix of Responsibilities, ACHD Board of Directors Calendar of Time Sensitive Business, Conflicts of Interest, and Board Member Code of Conduct. The Board members agreed they look like useful documents that could be incorporated with NIHD policies. Ms. Turner was directed to work with Compliance Officer Patty Dickson.

HR Committee: Chair Kilpatrick reported she met with Chief Human Resources Officer Alison Murray regarding evaluation of the Interim CEO, and she appreciates the guidance.

CISA CYBERSECURITY  
ASSESSMENT

Chair Kilpatrick called attention to the Department of Homeland Security Cyber and Infrastructure Security Agency (CISA) Cybersecurity Assessment. ITS Director Bryan Harper introduced Bob McNeal, Team Lead RPT, who presented.

- Mr. McNeal reported CISA was contracted to perform a remote penetration test, which looked at the internet-facing environment and checked for vulnerabilities.
- The scope of the assessment included 66 IP addresses.
- The goal was to act as an independent set of eyes to look at the environment from the perspective of an attacker.
- The assessment identified two medium, one low, and two informational level findings.
- Chair Kilpatrick asked ITS Director Bryan Harper if the IT department is currently addressing the findings. Mr. Harper stated they have either already been addressed or are addressing now.
- Compliance Officer Patty Dickson asked Mr. McNeal how NIHD compares to benchmarks. Mr. McNeal stated overall this is a very clean environment.

REVENUE CYCLE  
REPORT

Chair Kilpatrick called attention to the Revenue Cycle Report. Interim CEO DelRossi reported:

- Even though RSM has completed their initial work, there is still work to complete in the revenue cycle to make improvements; this is a multi-year program. Staff continue to find and correct issues on daily basis and they are continuing to use RSM as contract labor to help with technical aspects.
- Since RSM started, the percentage of revenue in AR greater than 90 days has decreased from approximately 52.7% to 45.8%. The benchmark is 15%.
- AR days has decreased from 94 to 86 days. The goal is 37- 45 days with an interim goal of 48 days and we hope to be there within a year.
- They are continuing to correct Cerner issues. Staff have become better at identifying breaks, but do not yet have the technical expertise to fix the breaks.
- They have placed approximately \$3,000,000 into bad debt collections, and will place another several million in October. Those will be worked over the next six to twelve months to increase cash revenue. This is cash that has not previously been worked.
- UASI has been auditing the providers and working with the coding department and CMO Dr. Hawkins. The purpose of their audits is to find ways to increase revenue by appropriate coding or to reduce denials by improper documentation. They have gotten through most of the clinics and will be starting with the Emergency Department next.
- They have completed education of 28 providers.
- They have noted an increase in daily revenues and are working

with departments to develop a way to reconcile charges on a daily basis. Daily reconciliation has not been done before and they hope to find missing revenues through the process.

Jean Turner asked if the timeline is the same for all the goals listed. Interim CEO DelRossi stated yes with the exception of the goal for AR days which is an 18-month timeline.

Compliance Officer Patty Dickson asked for clarification on auditing for documentation and missing charges. Interim CEO DelRossi stated the purpose of the audits is to make sure the work the providers have done is appropriately documented so it can be billed at the right level.

#### CHIEF EXECUTIVE OFFICER REPORT

Chair Kilpatrick introduced the Chief Executive Officer Report. Interim CEO DelRossi reported the Executive Team, working with management and staff, continue to look for and evaluate ways of making meaningful changes to the hospital to provide for long-term stability.

- Removal of surgery trailer is complete. They have started work on moving Rehab to the PMA building, and the move should be complete by the end of the year.
- The new Urologist and General Surgeon are doing well; their schedules are filling up.
- The Executive Team will start work next week on the Master Plan to chart a course for the next three years. They will be looking at services, expenses, and the footprint of the building to ensure we are maximizing everything possible to yield the best reimbursement and the best flow for the patients.
- Cardiology service has begun and Dr. Rowan's schedule is starting to fill up. NIHD has capacity for three days per month for cardiology. Chair Kilpatrick stated this service line is valuable and will be very good for the community.

Jean Turner asked for an update on the return on investment of the Birch St building. Interim CEO DelRossi stated it may be best to sell this building as it is mainly used for storage. Some of the space is rented out, but the return is minimal and the building is a net draw. Mr. DelRossi will give more specific information at the next meeting.

Chief of Staff Dr. Bourne mentioned there is no other large meeting space. Ms. Turner responded there are other public entities with large meeting spaces that we could explore. Ted Gardner noted the City of Bishop's meeting site is something to look into.

#### CHIEF FINANCIAL OFFICER REPORT

Chair Kilpatrick introduced the Chief Financial Officer report.

FINANCIAL &  
STATISTICAL REPORT

Interim CEO Del Rossi introduced Controller Andrea Mossman to provide the financial update.

Ms. Mossman reported July had a net loss of \$423,000, and an operating loss of \$672,000. Net revenue compared to last July was very close, within \$40,000. The main difference between last July and this July was our expenses increased by \$322,000. The increase in expenses is due to negotiated wage increases, professional fees for anesthesia locums, and supply costs. If this continues, our FY 2024 loss would be about \$5,000,000 and the operating loss would be about \$8,000,000. Last year we were in violation of the bond covenant to make a profit. A second year of loss would put us at risk to have the bonds called. The goal for FY 2024 net loss is to be \$2,000,000 at most which would yield a profit after depreciation is factored in.

Ms. Mossman reported on key performance indicators:

- Cash on hand – We must have a minimum of 75 days’ cash on hand to be in compliance with our bond covenants. Our lowest point was in March when we had 48 days’ cash on hand and we have gotten that up to 103 days as of July. The number of days of cash on hand has gone up due to average daily expenses decreasing by 7%. Unrestricted cash is up 19% due to the revenue cycle team’s work in conjunction with the RSM project.
- Wage costs – This includes benefits and contract labor and is by far our highest expense. In July, wages were 59% of our total expenses, which is down from 66%. The decrease is attributed to a significant decrease in total FTEs and contract labor rates were negotiated down by our HR department. Contract labor rates are down 23% compared to FY 2023 average.

Ms. Mossman gave an update on the FY 2023 audit. They are having weekly meetings with the new firm, CliftonLarsonAllen (CLA). CLA is very supportive and it is a great partnership. CLA will be on site next week and will meet with leadership and Madam Chair. The accounting department is still working through challenges of cleaning up FY 2023 and prior, but is on track to have financial statements by the deadline of November 30th.

Ms. Mossman discussed current headwinds and tailwinds.

- Headwinds include the challenge of providing accurate and timely financials and legal requirements that impose missed break penalties and a potential minimum wage increase.
- Tailwinds include decrease in revenue cycle days, and increase in cash on hand, decrease in contract labor rates, and continued focus on reducing expenses.

Melissa Best-Baker asked if we have an analysis on the effect of the potential minimum wage increase. Interim CEO DelRossi stated it will

take slightly over 4 years before it impacts us.

Dr. Bourne asked if we are paying more than other institutions percentagewise for benefits. Ms. Mossman stated industry average for total benefit costs is around 30% of wages, and we are at 59%. Dr. Bourne asked why our benefit costs are so high; Interim CEO DelRossi stated we have what is probably considered a rich benefits program, and we take exceptional care of our employees.

It was motioned by Melissa Best-Baker to approve the financial and statistical report, Jean Turner seconded, and the motion passed 4-0.

#### CAPITAL BUDGET REQUEST

Chair Kilpatrick called attention to the Capital Budget Request. Interim CEO DelRossi stated the request for FY2024 is \$1,650,000, primarily pertaining to the plant and facility. Mr. DelRossi stated we will use a break and replace ideology with the equipment inside the building, but there are several high dollar needs.

Jean Turner asked to pull the Birch St property roofing from the list due to the possibility of selling the property.

Melissa Best-Baker asked if the capital budget was included in the budget the Board approved at the last meeting and if we have funds set aside for capital projects. Interim CEO DelRossi responded this capital budget request was not included in the operating budget and we do not currently have funds restricted for capital improvements. He stated in order to maximize the cost report, capital spend should be close to depreciation expense. This request is in line with our depreciation expense of \$150,000 per month.

Melissa Best-Baker asked if it is realistic to plan on implementing all of the projects on the list with regard to contractors and staffing. Director of Facilities Scott Hooker stated yes, they expect to be able to get contractors to do the projects.

It was motioned by Jean Turner to approve the capital budget with the exception of Birch St property roof, Ted Gardner seconded, and the motion passed 4-0.

#### TAG UPDATE

Interim CEO DelRossi reported the TAG Committee has been adjourned while the individual groups continue to work on their list of projects. The committee will reconvene in 6 months to review the effects of what has been implemented.

#### CHIEF NURSING OFFICER / CHIEF OPERATIONS OFFICER REPORT

Chair Kilpatrick called attention to the Chief Nursing Officer / Interim Chief Operations Officer report. CNO Partridge reported on the following:

- The chiller plant is in the final stage, the pharmacy project is on

track for completion by end of year, and they have started to work on the PMA building in order to relocate rehab services.

- Pharmacy hosted the State Board of Pharmacy for their annual inspection. It was an exceptional survey with no findings. The Pharmacy team welcomed a new pharmacist.
- Employee Health is well into employee flu shots. Their goal is to increase the vaccination rate from last year.
- Infection Control recently completed our CDPH survey, which looks at validating the data and the way in which we monitor items within the hospital that focus on infection control. The survey produced exceptional results, exceeding all state expectations.
- Diagnostic Imaging is working on promoting the mammography program for Breast Cancer Awareness Month in October. Also, they have recently upgraded a component of our CT ability which will allow us to start offering coronary/calcium scoring, a screening test that will show coronary/artery disease prior to having any symptoms.
- The Lab had a four-day joint commission survey. The department did very well with a couple opportunities for improvement and they received full laboratory accreditation for all of our lab services.
- Cardiopulmonary has a new echo trainee who is learning how to do cardiac echos and is doing a great job.
- Perioperative department is excited to welcome Dr. Wiles and Dr. Davis, who are great additions to the surgical teams. The department has successfully implemented new anesthesia machines. They have also deployed a new ultra sound machine with specific functionality for urology in the OR.
- Perinatal is excited to announce the Auxiliary has chosen to purchase two new X3 monitors that will attach to infant warmers. These monitors will allow us to be prepared for any emergency that arises during the birthing process related to the infant.
- Emergency Department continues to focus on our code stroke program.

Ted Gardner asked what suite rehab is moving into in the PMA building. Scott Hooker stated they are moving into suites B and C.

Jean Turner asked if CNO Partridge provided our infection rate. Ms. Partridge stated she did not have the rate, but we do a good job with a very low infection rate.

#### CHIEF OF STAFF REPORT

Chair Kilpatrick called attention to the Chief of Staff report. Dr. Bourne presented the Medical Executive Committee (MEC) report.

#### POLICIES

Dr. Bourne provided an overview of the policies and procedures for approval.

1. *Chemical Hygiene Plan for Clinical Laboratory*

2. *DI – Communication of Mammography Results to the Patient*
3. *Diagnostic Imaging – Peer Review Policy*
4. *Infection Prevention Plan*
5. *Standardized Procedure – Furnishing Medications/Devices Policy for the Nurse Practitioner or Certified Nurse Midwife*
6. *Standardized Procedure – Laboratory and Diagnostic Testing Policy for the Nurse Practitioner or Certified Nurse Midwife*
7. *Standardized Procedure – Management of Acute Illness Policy for the Nurse Practitioner or Certified Nurse Midwife*
8. *Standardized Procedure – Management of Chronic Illness Policy for the Nurse Practitioner or Certified Nurse Midwife*
9. *Standardized Procedure – Management of Minor Trauma Policy for the Nurse Practitioner or Certified Nurse Midwife*
10. *Standardized Procedure – Minor Surgical Procedures Policy for the Nurse Practitioner or Certified Nurse Midwife*

Chair Kilpatrick stated the policy approval sheets need to be revised to change President and Vice President to Chair and Vice Chair. Compliance Officer Patty Dickson stated she would make the edits.

Melissa Best-Baker suggested changing “Inyo County Health Department” to “Inyo County Public Health” in the Infection Prevention Plan. Dr. Bourne stated she would ask Medical Staff Director Dianne Picken to make that change.

It was motioned by Melissa Best-Baker to approve the policies with the two changes addressed, Jean Turner seconded, and the motion passed 4-0.

#### MEDICAL STAFF APPOINTMENTS

Dr. Bourne reported the Medical Executive Committee recommends approval of the following Medical Staff appointments:

1. *Elizabeth Haun, FNP (family practice) – APP Staff*
2. *Maria Ramirez, MD (hospitalist) – Courtesy Staff*
3. *James Tur, MD (hospitalist) – Active Staff*
4. *Steven Arbogast, DO (teleneurology) – Telemedicine Staff*
5. *Swati Laroia Coon, DO (teleneurology) – Telemedicine Staff*
6. *Aravind Reddy, MD (teleneurology) – Telemedicine Staff*
7. *Gautam Sachdeva, MD (teleneurology) – Telemedicine Staff*

It was motioned by Melissa Best-Baker to approve medical staff appointments B1-7 as presented, Jean Turner seconded, and the motion passed 4-0.

#### STAFF CATEGORY CHANGES

Dr. Bourne reported the Medical Executive Committee recommends approval of the following Medical Staff category changes:

1. *Joy Engblade, MD (internal medicine) – change from Active Staff to Courtesy Staff*
2. *Monika Mehrens, DO (family medicine) – change from Active Staff to Courtesy Staff*

It was motioned by Ted Gardner to approve the medical staff category changes as presented, Melissa Best-Baker seconded, and the motion passed 4-0.

#### PRIVILEGE FORMS

Dr. Bourne reported the Medical Executive Committee recommends approval of the following privilege forms:

1. *Cardiovascular Disease*
2. *Nurse Practitioner*
3. *Physician Assistant*

It was motioned by Melissa Best-Baker to approve the privilege forms as presented, Ted Gardner seconded, and the motion passed 4-0.

#### MEDICAL STAFF RESIGNATIONS IN GOOD STANDING

Doctor Bourne reported the Medical Executive Committee recommends approval of the following Medical Staff resignations in good standing:

1. *Alissa Dell, NP (family practice) – effective 7/14/23*

It was motioned by Jean Turner to approve the medical staff resignations as presented, Melissa Best-Baker seconded, and the motion passed 4-0.

#### MEDICAL EXECUTIVE COMMITTEE REPORT

Dr. Bourne provided a report of the Medical Executive Committee meeting.

- They held their first provider financial focus group. Conversation continues to focus on documentation and coding. Clinic providers have received one on one feedback from UASI. ED providers' education will start in October.
- Dr. Bourne has suggested to providers they can get required CMEs in the area of coding.
- Providers continue to have medical staff funded socials. They had the last one of the summer at Cardinal Village, and Dr. Davis and Dr. Wiles both attended.

#### CONSENT AGENDA

Chair Kilpatrick called attention to the consent agenda that contained the following items.

- *Approval of minutes of the July 19, 2023 Regular Board Meeting*
- *Approval of minutes of the August 16, 2023 Regular Board Meeting*
- *Chief Medical Officer Report*
- *Department Reports*
- *Approval of Policies and Procedures*
  - i. *Check Signing*
  - ii. *Compliance Program for Northern Inyo Healthcare District*
  - iii. *Employee Complaints and the Grievance Process*
  - iv. *Nursing Certification*



Jean Turner commented on the Compliance Program policy. She stated the policy lists the criteria for Board Members on the Compliance Committee participate in the ACHD Leadership Academy which has not been offered for several years. She suggested this be changed to attending the annual ACHD Conference. Compliance Officer Patty Dickson said she would to make the change to “participation in the last two years at the ACHD Annual Conference.”

Chair Kilpatrick asked for clarification on the check signing procedure. Interim CEO DelRossi stated checks exceeding \$10,000 require two signatures.

Chair Kilpatrick asked CMO Dr. Hawkins what new service lines they are looking at. Dr. Hawkins stated they are looking for service lines that meet community needs as well as generate revenue.

Chair Kilpatrick called attention to the Quality Department’s successful completion of the 2022 audit, for which NIHD will receive \$1,400,000. Dr. Hawkins stated we are applying for 12 metrics for 2023, and preliminary data is positive. If we meet the benchmarks, it will generate up to \$3,300,000.

Chair Kilpatrick noted the RHC phones are now being answered in the administration building which provides a quiet space to communicate with patients. She stated she would like staff to state which clinic has been reached when they answer calls.

In reference to the Marketing Department, Chair Kilpatrick remarked she thinks it is wonderful that we are doing employee town halls, scheduling them for both morning and evening hours. She stated she would like to see community town halls managed in the same fashion with the opportunity for participants to submit questions prior to the event.

It was motioned by Melissa Best-Baker to approve the Consent Agenda with the correction to the Compliance Program Policy, Jean Turner seconded, and the motion passed 4-0.

#### REPORTS FROM BOARD MEMBERS

Chair Kilpatrick opened up Reports from Board Members.

Jean Turner reported she attended the ACHD Annual Conference and she remarked on a session on civility in Board meetings. She suggested the Board consider introducing a statement of civility to get ahead of potentials issues. She noted there were interesting presentations on the future of AI and the use of diagnostics.

Ted Gardner reported he attended the ACHD Annual Conference. He commented on the number of bills in CA that are making it extremely difficult to have a rural health care facility in California.

Chair Kilpatrick reported she attended the ACHD Annual Conference. She also stated the NIHD Board bylaws need some revisions changing “president” to “chair.” Compliance Officer Patty Dickson said she would make the changes.

PUBLIC COMMENTS ON  
CLOSED SESSION ITEMS

Chair Kilpatrick announced at this time, persons in the audience may speak only on items listed on the Closed Session portion of this meeting. She announced there is one case on item b. There were no public comments. Chair Kilpatrick announced there would be no report out.

ADJOURNMENT TO  
CLOSED SESSION

At 7:50 pm, Chair Kilpatrick announced the meeting would adjourn to Closed Session to allow the District Board of Directors to:

- a. Conference with Legal Counsel – Existing Litigation.  
Government Code 54956.9(d)(1). Name of case: Claim # 23-000653M Pavlovsky
- b. Public Employee Performance Evaluation pursuant to  
Government Code Section 54957(b)(1). Title: Interim CEO

ADJOURNMENT

Adjournment at 9:13 p.m.



Mary Mae Kilpatrick, Northern Inyo Healthcare District, Chair

Attest:



Jean Turner, Northern Inyo Healthcare District, Secretary