

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

ALSO PRESENT                      John Halfen, Administrator  
Helena Black, M.D. Chief of Staff  
Douglas Buchanan District Legal Counsel  
Sandy Blumberg, Administration 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 comment on any items listed on the agenda for this meeting. No comments were heard.

MINUTES                                The minutes of the December 8 2010 regular meeting were approved, with Mr. Watercott abstaining from the vote.

FINANCIAL AND  
STATISTICAL REPORTS            Mr. Halfen called attention to the financial and statistical reports for the month of November 2010. He noted the statement of operations shows a bottom line excess of revenues over expenses of \$185,276. Mr. Halfen additionally called attention to the following:

- *Inpatient and outpatient service revenue were under budget*
- *Total expenses were under budget*
- *Salaries and wages and employee benefits expense were under budget*
- *Professional Fees Expense was over budget*
- *The Balance Sheet showed no significant change*
- *Total net assets continue to grow*
- *Year-to-date net income totals \$992,580*

Mr. Halfen noted cash and short term investments fluctuated during the month in order to help provide funding for the hospital rebuild project. He also noted the liability side of the balance sheet showed no notable change, and around \$2,000,000 in investments is being liquidated each month in order to help fund the construction project. Interest rates on investments remain low and Administration continues to keep investments diversified in order to protect their net worth as much as possible. Patient service volume was down in all areas; however a profit was realized due to a prior period adjustment of approximately \$300,000 being made. At this time revenue is significantly under budget for the year but Administration hopes

ADMINISTRATOR'S REPORT	it will rebound in the upcoming months. Mr. Halfen also noted gross revenue from surgery is significantly lower than it was at this time last year. Following review of the reports provided it was moved by John Ungersma M.D., seconded by M.C. Hubbard, and passed to approve the financial and statistical reports for the month of November as presented.
BUILDING PROJECT	Mr. Halfen referred to a spreadsheet provided by Turner Construction Company which shows total building project costs including dollars already spent and amounts remaining to be paid. Mr. Halfen emphasized that money will be tight for the remainder of the building project and budgets need to be watched carefully during the next year. At this time it appears the hospital will be able to fund the construction project and have adequate money available to keep hospital operations running smoothly.  Kathy Sherry with Turner Construction Company reported the walls of the new hospital building are being framed and sheet rock work and installation of utilities is currently underway. The main push at this time is installation of the mechanical components for the building. Lathe is going up on the exterior walls and heating and cooling units will be installed in the near future. A question was asked regarding when the building is scheduled to be "unwrapped" and the response was that removal of the plastic will take place when temperatures consistently do not fall below 50 degrees, which is expected to be some time during the month of April or May.
STATE BUDGET	Mr. Halfen commented that the media has reported the State of California's budget relies partially on a ten percent cut in payments made to hospitals; however, in reality the budget relies on a continuation of cuts that have already been made. Additional cuts above and beyond those that have already been implemented are not expected at this time.
PHYSICIAN RECRUITING	Mr. Halfen reported James Englesby, M.D. is working in the Kamei and Hathaway internal medicine practice on a long-term locums basis, and it is hoped the doctor will decide to stay with the practice permanently. Administration is also negotiating with internal medicine candidate Robert Boldy M.D. to come and practice in this area.
FEBRUARY REVIEW	Mr. Halfen advised the Board that at the regular February meeting District Legal Counsel Douglas Buchanan will conduct the annual review of the statutory requirements of the Hospital District Board.
ORTHOPEDIC PHYSICIANS	Mr. Halfen reported he is negotiating with an orthopedic surgeon from Victorville to practice at this hospital, and he hopes to reach an agreement with the physician in the near future. Mr. Halfen will continue to update the Board on the progress of physician recruitment efforts.

CHIEF OF STAFF  
REPORT

Chief Of Staff Helena Black, M.D. reported following approval by the appropriate committees the Medical Executive Committee recommends approval of the policy titled *Requests Regarding Resuscitative Measures, and Physician Orders for Life Sustaining Treatment (POLST)*. *POLST* orders allow patients to direct health care providers in relation to both resuscitative measures and other life-sustaining measures, including medical interventions and artificially administered fluids or nutrition. Following review of the policy it was moved by Doctor Ungersma, seconded by Ms. Hayden and passed to approve the policy titled *Requests Regarding Resuscitative Measures, and Physician Orders for Life Sustaining Treatment (POLST)* as presented.

POLICY AND  
PROCEDURE  
APPROVAL

NEW BUSINESS

ACHD STATEMENT OF  
DIRECTOR DUTIES &  
RESPONSIBILITIES

Mr. Halfen called attention to a correspondence received from the Association of California Healthcare Districts (ACHD) recommending that Healthcare Districts adopt a resolution regarding Director fiduciary duties and their public responsibility to perform their duties in the best interest of the District. Although the elements of this statement are encompassed in several oaths taken by members of the District Board, it was decided that a Resolution will be adopted in accordance with the ACHD recommendation. District Legal Council Douglas Buchanan and D. Scott Clark, M.D. disagreed that a redundant statement of this type is necessary.

HOSPITALIST  
PROGRAM

Mr. Halfen called attention to a sample Hospitalist agreement that is representative of what Northern Inyo Hospital (NIH) has used for the start-up of its new Hospitalist program. The program allows for physician call coverage for inpatients on a rotating weekly basis, and it was initially implemented three weeks ago. Reaction to the program has been 100% positive to date, and it is believed it will be an important recruitment and retention tool for attracting new physicians to this area who are not interested in taking a heavy call schedule. Physician reimbursement is currently \$7,500 per week, however as the program progresses exact details of the agreements may change if deemed appropriate. Mr. Halfen asked for Board approval of the basic components of the sample contract, and it was moved by Doctor Clark, seconded by Doctor Ungersma, and passed to approve the start-up Hospitalist agreement example as presented.

ACTIVE SHOOTER  
POLICY

Mr. Halfen also called attention to a proposed hospital wide policy and procedure titled *Active Shooter Situation Response*, which was created in order to comply with a Joint Commission mandate that hospitals make an attempt to keep undesirable persons off the hospital premises. The policy provides guidance regarding what to do in the event that an active shooter is present on the hospital campus, and it has been added to the hospital's "Rainbow Chart" which summarizes important safety and security issues. An active shooter training drill will take place in the future with the Bishop Police Department participating in the instruction. It was moved by Doctor

Ungersma, seconded by Ms. Hayden, and passed to approve the *Active Shooter Situation Response* policy and procedure as presented.

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 he was present at today's hearing to plead an anti-slap case on behalf of the Hospital District, and he was very impressed with the performance of Hospital legal counsel Michael Popcke, Esq.. No other comments 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 listed on the agenda for this meeting, or on any items of interest. He also reported the NIH Foundation's annual fundraiser *Groundhog A-Go-Go* will be held on February 2, and he invited everyone present to attend the event.

CLOSED SESSION

At 6:35 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)).
- D. Conduct CEO Annual Performance Evaluation (Government Code Section 54957).

RETURN TO OPEN  
SESSION AND REPORT  
OF ACTION TAKEN

At 8:00 p.m. the meeting returned to open session. Mr. Watercott announced that the Board took no reportable action.

PUBLIC COMMENT

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 8:00 p.m..

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Peter Watercott, President

Attest:

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M.C. Hubbard, Secretary