

- CALL TO ORDER                      The meeting was called to order at 5:35 p.m. by Peter Watercott, President.
- PRESENT                                Peter Watercott, President  
M. C. Hubbard, Secretary  
Michael Phillips, M.D. Treasurer  
Richard Nicholson, M.D., Chief of Staff
- ALSO PRESENT                        John Halfen, Administrator  
Rachel Weksler Attorney at Law, Office of the District Legal Counsel  
Sandy Blumberg, Administrative Secretary
- ABSENT                                 John Ungersma, M.D., Vice President  
D. Scott Clark, M.D., Director
- OPPORTUNITY FOR  
PUBLIC COMMENT                      Mr. Watercott asked if any members of the public wished to address the Board on any items listed on the agenda for this meeting. No comments were heard.
- MINUTES                                The minutes of the January 21, 2009 regular meeting were approved.
- ADMINISTRATOR'S  
REPORT
- FINANCIAL AND  
STATISTICAL REPORTS                John Halfen, Chief Financial Officer reviewed with the Board the financial and statistical reports for the month of December 2008. Mr. Halfen noted the statement of operations shows a bottom line excess of revenues over expenses of \$476,102. Mr. Halfen called attention to the following:
- *Inpatient service revenue was significantly over budget*
  - *Total expenses were over budget*
  - *Salaries and wages were under budget*
  - *Professional fees expense was over budget*
  - *The Balance Sheet showed no significant change*
  - *Year-to-date net income totals \$2,193,879*
- Mr. Halfen noted the average number of days that patient accounts are in receivables is now 57 days. He additionally stated that liabilities show no significant change, and the Hospital's net worth continues to grow steadily. It was moved by Michael Phillips, M.D., seconded by M.C. Hubbard, and passed to approve the financial and statistical reports for the month of December as presented.
- BUILDING REPORT                      Mr. Halfen reported the Hospital is still waiting for the Office of Statewide Healthcare Planning and Development (OSHPD) to approve design plans for Phase II of the building project, and it is hoped that those approvals will be forthcoming in the next couple of weeks. He noted that

Turner Construction has reconciled over 400 design clashes with the use of 3-D Imaging, which has proven to be an invaluable tool in helping to ensure that construction costs do not rise even higher.

**BONDS**

Mr. Halfen noted the second bond issue has not yet taken place, and it is his hope that market conditions will improve before bonds need to be issued in order to help fund Phase II of the building project.

**F.Y.I. SECTION**

Mr. Halfen called attention to a Legislative Advisory from the American Hospital Association (AHA) which reviews key legislation issues affecting hospitals. The advisory reports the effect the Economic Stimulus Bill will have on hospitals, and the effects of the Children's Health Insurance Program Reauthorization Act (SCHIP). Mr. Halfen also noted the Stimulus Bill expands incentives for banks to purchase hospital tax-exempt bonds.

Mr. Halfen noted that following the retirement of William StJean, Kristine Goodwin will serve as interim PACS Administrator for Northern Inyo Hospital (NIH). He also noted that Georgan Stottlemire has replaced Gayla Blua as Human Resources Director, and it is uncertain whether or not the Grant writing and Marketing position Ms. Stottlemire previously held will be filled.

**CHIEF OF STAFF  
REPORT**

Chief of Staff Richard Nicholson, M.D. reported the Medical Staff Executive Committee has made the following recommendations regarding Medical Staff appointments and privileging:

- Extension of the proctoring relationship with Vasuki Sitampalam, M.D. for a three-month period. It was moved by Ms. Hubbard, seconded by Doctor Phillips, and passed to approve the extension of privileges for Dr. Sitampalam as requested.
- Granting of provisional obstetrical privileges as requested for Stacey Brown, M.D., as recommended by Chief of Obstetrics, David Greene, M.D.. It was moved by Ms. Hubbard, seconded by Doctor Phillips, and passed to approve the granting of provisional obstetrical privileges for Dr. Brown as recommended.

Doctor Nicholson also reported as an informational item only that temporary privileges are currently being processed for Virtual Radiology physicians who will provide temporary Radiology coverage at NIH as needed.

Doctor Nicholson additionally reported the Medical Staff and appropriate Committees recommend the following policies and procedures for approval by the District Board:

1. Muscle Biopsy
2. Use of Fentanyl Patches
3. Ventilators in the Emergency Room

4. Versa Med I-Vent
5. Drawing of Arterial Blood Gases
6. Nasotracheal Suctioning
7. Back-Feeding Oxygen
8. Patient-Ventilator System Checks
9. Contact Precautions
10. Multidrug Resistant Organism (MDRO) Control Plan

OLD BUSINESS

It was moved by Doctor Phillips, seconded by Ms. Hubbard and passed to approve all ten policies and procedures as recommended.

REAFFIRMATION OF  
NEGOTIATOR

Mr. Halfen referred to the agenda item regarding reaffirmation of himself as negotiator for the potential acquisition of real property at 2957 Birch Street, Bishop, California. He noted that negotiations concerning the purchase of this property have come to a standstill, and it is his feeling that the agenda item should be removed from Board agendas for the time being. The reaffirmation of Mr. Halfen as negotiator was not made, and this agenda item will be removed from Board agendas until further notice.

NEW BUSINESS

ADVANCE PAYROLL  
CHECK POLICY

Mr. Halfen called attention to the Hospital's current practice regarding payroll check advances for employees. The current practice states that advances on next scheduled payroll checks will be paid only in cases of extreme emergency. Non-emergency vacation leave payroll advances are granted only if requested two or more weeks in advance of the first day of actual vacation. Additionally, early payroll checks are issued in the event of two or more weeks advance written notice in the event of a resignation, and dismissed employees currently receive final paychecks immediately upon dismissal. Mr. Halfen stated there is a certain amount of abuse regarding advance payroll check practices, and he requested the Board approve the guidelines as Hospital policy in order to ensure it is followed in closer detail. It was moved by Doctor Phillips, seconded by Ms. Hubbard and passed to establish the existing Payroll Check Advances guidelines as policy, as requested.

CAPITAL PURCHASE,  
LAB COAGULATION  
ANALYZER

Leo Fries, Compliance and Administration Support Services and Interim Lab Manager referred to a proposal to purchase a Coagulation Analyzer for the Lab at a cost of approximately \$25,000. Mr. Fries stated that the reagent for NIH's current coagulation analyzer has been discontinued, and upon review of current equipment available it has been determined that the Siemens CA560 would be the best analyzer for use at NIH. Following brief discussion it was moved by Doctor Phillips, seconded by Ms. Hubbard, and passed to approve the purchase of the new coagulation analyzer as recommended.

BOARD MEMBER  
REPORTS

Mr. Watercott asked if any member of the Board of Directors 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 address the Board of Directors on any items on this agenda, and/or on any items of interest. No comments were heard.

ADJOURNMENT

At 6:06 pm 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. Instruct negotiator regarding price and terms of payment for the purchase, sale, exchange, or lease of real property (Government Code Section 54956.8).
- C. Confer with legal counsel regarding pending litigation against the District by an employee (Government Code Section 54956.9(a)).
- D. Conduct CEO Annual Performance Evaluation and compensation (Government Code Section 54957).

RETURN TO OPEN  
SESSION

At 6:21 p.m. the meeting was returned to open session. Mr. Watercott reported the Board took no reportable action.

DISCUSSION OF  
CANCELLATION OF  
RADIOLOGY MEDICAL  
DIRECTOR CONTRACT

Mr. Halfen stated that pursuant to a report received from the Medical Staff Executive Committee, hospital Administration recommends the Board terminate the Radiology Medical Director agreement with John W. Nesson, M.D.. It was moved by Ms. Hubbard, seconded by Mr. Watercott, and passed to terminate the contract with John Nesson, W. M.D. as recommended.

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 6:30 p.m..

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Peter Watercott, President

Attest:

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M.C. Hubbard, Secretary