

CALL TO ORDER The meeting was called to order at 5:35 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
Robbin Cromer-Tyler, M.D., Chief of Staff
Douglas Buchanan, District Legal Counsel
Sandy Blumberg, Administration Executive Assistant

ALSO PRESENT FOR
RELEVANT PORTION(S) Dianne Shirley, R.N., Performance Improvement Coordinator

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.

CONSENT AGENDA
(APPROVAL OF
MINUTES AND
FINANCIALS) The proposed consent agenda for this meeting included the following items:

1. Approval of minutes of the April 18, 2012 regular meeting (*action item*)
2. Approval of minutes of the April 23, 2012 special meeting (*action item*)
3. Approval of the Financial and Statistical Reports for the month of April 2012; John Halfen (*action item*):
 - *Cash balances fell along with accounts payable. There were no other significant changes to the Balance Sheet*
 - *All sources of patient revenue were consistent with budget, but Year-To-Date gross revenue is still significantly under budget*
 - *There were no substantial prior period adjustments*
 - *Salaries are running slightly ahead of budget due largely to the last McKesson push to "Go Live". Overall Expenses were \$210K under budget*
 - *Monthly Operating Income was \$243K, \$89K over budget, with a Year-To-Date net income of \$2,159,000, or \$1,006,000 over budget*

It was moved by Denise Hayden, seconded by John Ungersma, M.D., and passed to approve all three consent agenda items as presented.

ULTRASOUND
PURCHASE FOR ER OR
RHC Mr. Watercott called attention to item 8C under the New Business section of this agenda, a request to purchase an ultrasound machine for use in the Emergency Department or in the Northern Inyo Hospital (NIH) Rural Health Clinic. Jennie Walker, M.D. addressed this item, explaining that there are five hospital departments that will need ultrasound equipment

ADMINISTRATOR'S
REPORT

once we move into the new hospital building. At this time the hospital owns three machines, intends to rent one more, and would like to purchase the fifth. After determining which existing machines will work best in the different hospital departments, this agenda item originally referring to a potential purchase for the Rural Health Clinic (RHC) will in reality likely be a purchase of ultrasound equipment to be used in the Emergency Department (ED). Dr. Walker described the machine being proposed for purchase, and noted the anesthesiologists may also use the equipment from time to time, and it can also be used in place of a bladder scanner. The Emergency Department currently shares ultrasound equipment with the Medical Surgical floor; however in the new building this will not be possible because of the location of those two departments. It was additionally noted that \$30,000 originally donated by the Northern Inyo Hospital Auxiliary for the purpose of purchasing a bladder scanner will instead be used to help offset and pay for nearly half of this \$62,000 purchase. Following review of the information provided it was moved by D. Scott Clark, M.D., seconded by M.C. Hubbard, and passed to approve the purchase of SonoSite ultrasound equipment for use in the NIH Emergency Department or RHC as requested.

BUILDING UPDATE

Rick Casa with Turner Construction Company provided the building project update, stating that the new hospital building is a first-class facility which is absolutely state-of-the-art. The final certificate of occupancy for the new building is expected on May 31st, and exterior landscaping work is now underway.

RECRUITING UPDATES

Mr. Halfen reported there is nothing new regarding our search for an orthopedic surgeon, and Dr. Russell Donnelly has not been in contact following his recent visit. At this time we are continuing our efforts to recruit for a new orthopedic surgeon; for a part-time hospitalist; and for a family practice physician for the Rural Health Clinic.

H.I.S. UPDATE

Mr. Halfen additionally reported the McKesson Hospital Information System (HIS) implementation went relatively well, however it will take a long time for all of the bugs to be worked out, and for hospital staff and the Medical Staff to fully learn how to use the new system. If we had waited longer to implement the system we would have missed out on 40% of the Meaningful Use dollars available to us, and it is only thanks to an incredible amount of hard work on the part of hospital staff and our physicians that this conversion was able to happen.

CHIEF OF STAFF
REPORT

Chief of Staff Robbin Cromer-Tyler, M.D. reported following careful review and approval by the appropriate committees, the Medical Executive Committee recommends Board approval of the following hospital wide policies and procedures:

1. Vapotherm
2. Initial Ventilator Settings

3. Circumcision
4. Newborn Screening Test
5. BiliChek Transcutaneous Bilirubin Testing
6. Influenza Vaccination Policy
7. Employee Tuberculosis Surveillance
8. Bloodborne Pathogens

It was moved by Ms. Hayden, seconded by Ms. Hubbard, and passed to approve all eight hospital wide policies and procedures as recommended.

Doctor Cromer-Tyler also called attention to the following three reports, which were presented as information items only:

1. *Pharmacy and Therapeutics Committee Adverse Drug Event Report, Year End 2011*
2. *Medication Error Reduction Program, Annual Report for 2011*
3. *Pharmaceutical Care Report for 2011*

Doctor Cromer-Tyler then reported following careful review and consideration the Medical Executive Committee recommends appointment to the NIH Provisional Medical Staff with privileges as requested for the following:

- A. Board-certified cardiologists Theodore Berndt, M.D.; Thomas DaVee, M.D.; Richard Seher, M.D.; and Robert Swackhamer, M.D.; affiliated with Renown Medical Center, with telemedicine privileges as requested to remotely read echocardiograms
- B. Board-certified internist and hospitalist Sudhir Kakarla, M.D., with privileges as requested.
- C. Board-certified radiologist Natalia Zarzhevsky, M.D. with privileges as requested.

It was moved by Ms. Hubbard, seconded by Ms. Hayden, and passed to approve all Medical Staff appointments as requested.

OLD BUSINESS

ALLIANCE BANK LINE OF CREDIT

Mr. Halfen reported the terms and conditions for the previously approved Line of Credit with Alliance Bank have undergone minor changes, and they will be discussed at future meeting when we have received exact details on those changes.

NEW BUSINESS

CONSTRUCTION CHANGE ORDER REQUESTS

Rick Casa with Turner Construction Company called attention to the following list of proposed Construction Change Order Requests (C.O.R.'s):

1. COR 307; IB 359, Power for HW Alarm and RFI 1366, \$4,102.83
2. COR 308; Horizontal PDU for IT Room, per NIH request, \$5,344.22
3. COR 309; IB 340, FED Change for Code Clearance, \$7,447.27
4. COR 310; IB 342, Ice Maker Anchorage, \$4,654.66
5. COR 311; IB 354, Ambulance Entrance Door Control, \$4,804.90
6. COR 312; RFI 1236, Casework and Mech-Shades Conflict in Med Surg and ICU, \$905.48

7. COR 313; RFI 1347.1, Ice maker in Casework H2101, \$862.72

8. COR 314; IB 351, Cable Tray and Kitchen Equipment, \$601.92

Mr. Casa explained these COR's constitute odds and ends typically left at the end of a construction project, stating we have almost reached the end of these types of adjustments. Mr. Halfen explained we have nearly used up the budget previously approved by the Board for miscellaneous fixes, so he is asking for Board approval of these items separately in order to leave enough money to pay for any further closeout items without having to call a special meeting of the District Board. It was also mentioned that Mr. Casa is likely to attend the June regular meeting of the District Board in order to discuss Turner's warranty on the new hospital building. It was moved by Doctor Ungersma, seconded by Ms. Hayden, and passed to approve all eight Construction Change Order Requests as requested.

APPROVAL OF 2012-
2013 BUDGET
CALENDAR

Mr. Halfen noted that the Board is typically asked to look at the budget for the upcoming fiscal year at the May Board of Director's regular meeting, but because of the building project and the HIS implementation project he would like to push discussion of next years' budget to the June and July 2012 meetings. It was moved by Ms. Hayden, seconded by M.C. Hubbard, and passed to approve addressing the 2012-2013 fiscal year budget at the June and July 2012 regular Board meetings.

EARTHQUAKE
INSURANCE POLICY

Mr. Halfen opened discussion on the subject of the hospital's earthquake insurance coverage, noting that we did not carry earthquake insurance until 2007 when it became clear that we owned some very valuable medical equipment that would be difficult to replace in the event of a disaster. In light of the fact that the new hospital building is being built to standards that essentially make it "earthquake proof", it might be prudent to drop the building insurance in order to save on the cost of the policy. Following brief discussion it was decided that the contents of the new building, plus the contents of the imaging building will be insured for replacement value, but the structure of the new hospital building itself will not need insurance coverage.

BOARD MEMBER
REPORTS

Mr. Watercott asked if any members of the District Board wished to report on any items of interest. Doctor Ungersma distributed information provided at the Association of California Healthcare Districts (ACHD) annual meeting, on Healthcare Union Issues for employers, as well as updates on the status of pending healthcare legislation.

Mr. Watercott reminded those present that the NIH Foundation is holding a fundraising quilt raffle, and raffle tickets are available for sale through this Thursday. He also noted that the Foundation is providing the funding for the healing garden that is being designed for the new hospital facility.

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.

District Legal Counsel Douglas Buchanan called attention to copies of the original formation documents of the Hospital District, as a matter of interest for those present. The District was initially formed in 1945 by a vote of 665 designates in favor, and 21 votes opposed. Mr. Buchanan also expressed his appreciation of Inyo County Clerk Recorder Kammi Foote, who assisted him in locating these historical documents.

Laboratory Manager Leo Fries commented that hospital staff and Medical Staff deserve high praise for their efforts in relation to the HIS conversion. Carrie Petersen, Controller, also noted that the accounting part of the conversion went amazingly well, thanks only to an enormous effort on the part of hospital staff and the Information Technology (IT) Department. Ms. Hayden also commented that she has high praise for hospital staff, the IT Department, and the Medical Staff in regard to the conversion project as well.

CLOSED SESSION

At 6:30 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)).

**RETURN TO OPEN
SESSION AND REPORT
OF ACTION TAKEN**

At 7:01 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 7:02.

Peter Watercott, President

Attest:

M.C. Hubbard, Secretary