



**Regular Meeting of the Board of Directors
Wednesday May 24, 2017
7:30 am
Mark Twain Medical Center Classroom 2
San Andreas, CA**

Unapproved Minutes

Mark Twain Health Care District Mission Statement

“Through community collaboration, we serve as the stewards of a community health system that ensures our residents have the dignity of access to care that provides high quality, professional and compassionate health care”.

1. Call to order:

The meeting was called to order by President Lin Reed at 7:30am.

Dr. Smart invited the group to use the new PA system and thanked Sam Cook (sound engineer for The New Christy Minstrels) for mentoring the purchase and use.

2. Roll Call:

Present for roll call was Lin Reed, MBA OTR/L; Randy Smart, MD; Ann Radford, FNP; Susan Atkinson, MSW and Debbie Sellick CMP.

3. Approval of Agenda: Action

Ms. Radford moved for approval of the agenda. Dr. Smart provided a second and the motion passed 5-0.

4. Public Comment on matters not listed on the Agenda:

Hearing None.

5. Consent Agenda: Action

- **Un-Approved Meeting Minutes for April 19, 2016:**
- **Correspondence:**
 - CUSD Ed Foundation - Thank You (4-17-2017)

Mr. Radford moved to approve the Consent Agenda. Ms. Atkinson provided her second and the motion passed 5-0.

6. Unfinished Business:

- Calaveras County Health and Human Services Agency (HHS):
 - Exploring Future Collaboration Possibilities Between MTHCD, Behavioral Health and MTMC:

Ms. Atkinson: Attended the May 9th meeting that is headed up by District 2, Supervisor Jack Garamendi (in attendance). Needs were discussed such as needing psych beds at the hospital, a better perception of the clients, more collaboration from the hospital, a better bridge from mental health to getting primary care. The group would like a representative from the hospital on the board. Maybe Calaveras could do as Kern County did by aligning with UCLA providing a student scholarship for a Psychiatrist to rotate in/out. Positive is hearing that Dr. K takes patients and there is a nurse in ED that is very helpful. CHP, Angels PD and American Legion also provide resources.

- Update on Palliative Care Grant:

Ms. Atkinson: Kim LaVallee, RN at MTMC is the representative working on a grant to plan for palliative care. Sierra Nevada has a palliative program and is a partner in this project. Calaveras doesn't have the staff for a program. Amador/Calaveras Hospice and Tuolumne County Hospice are not interested due to Medicare funding. Palliative care can benefit those with diabetes, COPD, dementia or liver disease to name a few. The program needs a trained provider with an emergency navigation program to hook the patients up with a provider (usually a social worker) and then do follow-up to avoid repeat visits to the ED.

7. New Business:

- Consider a Health Care Slogan for the District:

Dr. Smart: Thanked Bob Diehl and Ed Gonzales of the Space Committee for the great office space that is now the District Office. The next step is getting a sign to mark the District office so our visitors can find us. The Board reviewed several sign options and want to add a logo. Each Board member will review the slogan options in today's Board pkt. and submit up to 5 choices to the Admin. Assist. to be compiled and brought back to the Board for approval.

Ms. Reed: Introduced Gary Spaugh who was very instrumental in the lease with that is now in its 27th year. He is again working on the negotiation team working for a future lease with our current partner, Dignity. The negotiations are going very well and Gary has always been a great advocate for Calaveras County.

Dr. Smart: If you look at pictures of the hospital history going back to 1980 you will see Gary in many of them. It was different times back then as the hospital was going bankrupt and Gary's efforts, then and now, are much appreciated.

- **Communication Plan / Facebook:**

Dr. Smart: The District now has a Facebook page.

8. MTHCD Reports:

A. Executive Director:

- **Re-Negotiate Contract Medical Office Building:**

Mr. Blitz: The leases expire in Aug. and Sept. and he expects to have details to bring to the June Board Meeting.

- **Workshop on Communication for Board:**

Ms. Reed: The Ad Hoc Personnel Committee will be looking for an outside expert in the field of ballot measures. Mr. Blitz has contacted HFS/Wipfli for a proposal. The hope is to present to the Board at the June meeting and have the training in July.

B. Presidents Report:

- **Association of California Health Care Districts (ACHD):**

Ms. Reed: ACHD will be voting on proposed by laws in June and she has the ballot.

Ms. Reed: Drew attention to ACHD supported AB 1728 (Committee on Local Government - pg. 21 of pkt.) which requires Health Care Districts to create and maintain a website, adopt an annual budget and adopt policies to provide assistance or grant funding to ensure funding is spent on health care services consistent with the mission and purpose of the District. Our District already comply.

Ms. Reed: The Annual conference will be in September and Dr. Smart Ms. Sellick and she plan to attend.

Ms. Reed: If you wish to make a nomination for Health Care District or Trustee of the year you can find information in your pkt. (pg. 26).

Ms. Reed: Encourages everyone to sign up for the 100 Million Healthier Lives to raise awareness for health and wellness. There is a 1-day work shop (July 13) that is tied to the Stanford Model. For more info see the ACHD website.

Ms. Reed: Thanked the Board for really stepping up to all the extra duties during these busy months. She also thanked Mr. Diehl saying moving the office was huge, she really appreciates the access, will be excited to get the District sign and be able to invite the public in to visit.

Mr. Diehl: Graciously accepted Ms. Reed's thank you and has approved the sign.

C. Corp. Board Report:

Ms. Reed: It is a tight turn-around because the Corp Board met yesterday. Ms. Atkinson reviewed items 1-4 and Ms. Reed reviewed items 5-8.

MTMC Board Report May 22, 2017

1. The board welcomed a new member, Chuck Kassis who replaces the recently retired Cindy Holst. Chuck is the current CEO of Dignity's Mercy Merced Medical Center, which also has a series of Rural Healthcare Clinics, and brings over 34 years of healthcare experiences.
2. The Finance Committee (which meets the week before the board) welcomed a new member, Kim Miranda who replaces the recently retired Ken McInturf. Kim is the current CFO of Dignity's "north state" region which includes the hospital in Redding and the Critical Access Hospital in Shasta. Kim's addition to the committee creates some new opportunity for sharing best practices with Shasta, which faces similar challenges.
3. A progress update was given on the potential affiliation discussions between Dignity Health and CHI, a large not-for-profit hospital provider mostly east of the Rockies. The discussions are progressing and are reported to be 90% of the way toward a potential "definitive agreement." CHI brings deep experience in smaller, rural settings and the administration of Critical Access Hospitals.
4. An update was also given on the development of the new clinic in Angels Camp. The General Contractor, DesCor builders, will go to bid in early June to select the subcontractors. The application for Conditional Use Permit was submitted in early May; if that were to take 3 months (a worst case scenario), the construction could start in early August. Also submitted in May was the application to CalTrans regarding a new traffic signal at the intersection of Highway 4 and Stanislaus Ave. With the same 3 month worst-case, this would mean that a new light could be in place in September/October. So far the project timeline has not missed a milestone, and the opening date for the new clinic is set for late March, 2018
5. An initial draft version was shared of a hospital strategic plan, to cover fiscal years 2018-19-20. The plan will be discussed in detail at the June meeting with an eye toward finalizing at the July meeting. It is intended to be a living document, with quarterly report-outs given by staff to the board.
6. As the board does each session, recent credentials and privileges of the medical staff were reviewed. One noteworthy addition is long-time Calaveras County physician Dr. Mike Kifune, now semi-retired from his service with M.A.C.T., who has applied for outpatient privileges to begin seeing patients at Mark Twain's clinic in Arnold.
7. Also per custom, the board reviewed the hospital's financials as forwarded by the Finance Committee the prior week. Highlights include:
 - a. The hospital was meeting budget and achieving positive EBIDA through the first half of the fiscal year, but has shown shortfalls in recent months. The board discussed with staff the major factors in current performance, and the improvement plans in place to restore to breakeven-plus.
 - b. The largest areas of variance are inpatient admissions, clinic visits, and surgeries. The board and the finance committee reviewed and discussed current efforts recruiting physicians and mid-level providers; modifying clinic operations; and using locum tenens and part time surgeons to round out the surgical services offering after the departure earlier this year of MTMC's primary surgeon.
 - c. While the hospital has saved over \$4 million in expenses compared to prior year, the emphasis now is on growing the revenue side.
 - d. One recent example is the introduction of the swing bed program. At its current budgeted level, 1.5. Average Daily Census, this program will add approximately \$500K to the bottom line.

8. Several operational elements were discussed in the board meeting:
 - a. One such element was the recent conversion of E.D. medical groups. This transition saved MTMC a potential \$750K annual increase in subsidy costs which the former group was demanding. Most of the existing physicians have chosen to stay at Mark Twain and come to work under the umbrella of the new group, Emcare.
 - b. Another was the implementation of the new E.D. Navigator program. The navigator is a grant-funded staff member who will be based in the Emergency Department and will work specifically with patients covered by the local managed Medi-Cal plan (California Health and Wellness) to ensure that they are connected with a primary care physician and have an appointment set up for follow-on care before they leave the hospital. The navigator will also be helping with discharge phone calls to be certain the patients understand and are following their discharge instructions and care plan. This program holds the potential to improve outcomes, reduce readmissions, and increase visits to the clinic system.
 - c. The hospital recently implemented a full-time, 24-7 security officer presence. This is a final part of an overall plan to increase security, such as adding locking mechanisms, improving campus lighting, putting new video cameras in place with longer video storage capacity, and making sensitive areas of the campus inaccessible to intruders. While the presence of security officers adds a cost to the hospital, it is an extra layer of safety that many of our staff members and community members have advocated for and have welcomed enthusiastically.
 - d. The hospital administration team continues the recently-reinstated practice of rounding on physicians with the help of twice-monthly visits from our MDR (Market Development Representative), Brian Price. As Brian visits local doctors' offices he often brings a Mark Twain specialist physician with him to discuss the services they offer and to clarify referral patterns. Brian also harvests feedback from these doctors about workflows or questions/concerns regarding the hospital. This program is being met with positive feedback from community providers.

Lin Reed President MTHCD and MTMC Board member
Susan Atkinson MTHCD Board member and MTMC Board member

Mr. Diehl: Enjoyed being the first person in the audience to use the new PA system and excited to be adding a navigator program in ED. In essence it will "bubble wrap" the patient giving them needed services and when not helping the Calaveras version of California Health and Wellness can assist patients with insurance.

9. Committee Reports:

A. Finance Committee:

- **Approval of April 2017 Financial Statements:** Action:

Ms. Radford: Is enjoying and learning a lot by leading the Finance Committee.

- **Present Draft 2017-2018 Budget:**

Mr. Blitz: The draft budget presented today is pretty much the same as the previous year with a few exceptions i.e. Management Consulting Fees will go down early in the budget year when a permanent executive director is hired. He sees a positive of (+/-) \$716k and had recommended the Community Grants line-item be increased from \$170k to \$400k for the new budget year.

Ms. Radford: The Committee took a more conservative approach raising the amount from \$170k to \$200k because there are many unknown costs i.e. lease dissolution, building the VS clinic coupled with the District possibly independently running the VS clinic or what if there was another emergency like the Butte Fire therefore the Committee suggested the funds be earmarked for such unknown events. If anyone has recommendations for the budget please send them to the Admin. Assist. before the next Finance Committee meeting (June 8, 2017).

Mr. Reed: Met with the District's Attorney (Colin Coffey) and learned it's a standard practice to earmark funds.

Dr. Smart: Expressed his concern for the hospital going broke if the loss trend was continued with the minority interest (pkt. pg. 36).

Mr. Roberts: Thought it unlikely they would go broke because there are positive things behind the scenes taking place i.e.: a change in the ER doc, swing beds. Trends don't show deferred maintenance or the effects of the Butte Fire.

Ms. Atkinson moved to approve the April Financials. Dr. smart gave a second and the motion passed 5-0.

B. Ad Hoc Community Grants:

Ms. Atkinson: The Ad Hoc Community Grants Committee will be meeting to rewrite the grants policy. The policy (#23) won't support fund raising and will be more about addressing direct needs. Once written and Board approved one can consider it a blank slate applying for the first time. The Committee will also consider unannounced visits to see what the organizations have to offer.

Mr. Garamendi: Suggested monies put toward public health will keep people out of the emergency room.

Ms. Radford: The Policy (#23) will call for more accountability as well.

C. Ad Hoc MTHCD Ken McInturf Student Scholarship Committee:

Ms. Radford: Will be presenting two certificates this evening at the Bret Harte Union High School Awards Night.

Ms. Atkinson: The students will be receiving certificates good for laptops to further their education in a human health field.

D. Ad Hoc Lease Committee:

o Update on Quorum Assessment:

Dr. Smart: The Committee contacted Quorum requesting more specific information. Quorum has met the request and expects to deliver the report to the Committee in about 3 weeks.

- **Update on Lease, Evaluation and Negotiations:**

Dr. Smart's reply to a MTMC staff member: The District is looking at all options from independently run, Adventist, Sutter, MSA with other affiliates etc. The only option not being considered is to sell the hospital. The employees and providers are stakeholders in the negotiation process and they will be invited to give their input.

E. Ad Hoc Real Estate:

- Update on Valley Springs Clinic:

- **Request Approval of Aspen Street Architect Rendering: Action:**

Ezra Ivey: Presented and described the new renderings for the VS Clinic in keeping with the mother lode gold rush theme when considering the look and materials i.e.: window size to mimetic the historic look; corrugated vertical siding; stucco; a flat top roof with a façade to hide the equipment; handy cap will be to code as well as the LED lighting which works well.

Ms. Radford: Learned her request for solar was too costly so wasn't in the design.

Ms. Atkinson: Echoed other Board members by suggesting the rendering needed more work to make it unique to VS.

Mr. Ernest Mikkelsen: Suggested hardy plank, stucco, shutters and rock accents to improve the appearance.

Mr. Van Lieshout: Cautioned holding up the rendering could be a delay getting to planning and design.

Mr. Reed: In an effort to not delay the project asked the Board if they felt they could approve the rendering and let the Real Estate Committee work with Aspen St. to make minor changes.

Dr. Smart made a motion to approve the rendering with the understanding the Real Estate Ad Hoc Committee would work with Aspen St. Architects and Mr. Van Lieshout to bring back an approved rendering to the Board. Ms. Radford provided a second to the motion and it passed. 5-0.

- **Request Approval of Professional Services WO # 02: Action**

Dr. Smart: Work Order # 2 was sent to the District's Attorney for approval in keeping with USDA requirements. He moved to approve WO # 2 subject to the approval of the District's Attorney. Ms. Atkinson provided a second and the motion passed. 5-0.

- **Opinion of Probable Costs:**

Mr. Krieg: Reported there had been no change in the OPC.

○ **Update on Rental Home / Property:**

Dr. Smart: The home is vacant now and a thank you to Mr. Stout for securing the property and cleaning up a big mess in the amount of \$6,500. Now the Board gets to decide to sell as is, fix it and sell it or find a use for it within the mission of the Board.

Ms. Radford: Suggested using the home as housing for a provider or medical student.

● **Field Trip – Information- Special Board Meeting:**

Dr. Smart: Recommends a field trip so the Board can see the property to be ready for the June 21st Special Board Meeting agenda. It will be an action item.

The Administrative Assistant will post an agenda for Friday June 9th for a Special Board Meeting at the property starting at 8am. No action regarding the property will be taken.

10. Board Comment and Request for Future Agenda Items:

A. Announcements of Interest to the Board or the Public:

The Board is considering a slogan to be added to the MTHCD sign.

Mr. Blitz: Understands the District sign (ordering information to follow) and directional signs were graciously offered by Mr. Diehl.

11. Next Meeting:

A. June 21, 2017 which is one week earlier than the usual 4th Wed. of the month.

12. Closed Session:

Ms. Reed: Announced the Board will be going into closed session at 9:22am.

A. Conference with Real Property Negotiators (Govt. Code section 54956.8).
Property: Mark Twain Medical Center, 768 Mt. Ranch Road, San Andreas, CA.
Agency negotiators: Larry Blitz and Lin Reed. Negotiating parties: Mark Twain Medical Center, Inc.; Dignity Health, Inc.; Adventist Health. Under negotiations: Price and Terms of Lease.

B. Interim Executive Director Performance Review:

13. Reconvene to Open Session:

A. Report of Action taken (if any) in Closed Session:

14. Adjournment:

Dr. Smart moved to adjourn the meeting at 10:33am. Ms. Atkinson provided a second and the motion passed 5-0.