



Regular Meeting of the Board of Directors

Wednesday Jan 25, 2017

7:30 am

Mark Twain Medical Center Classroom 2

San Andreas, CA

Un-Approved 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 7:34am

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

Dr. Smart: Asked that a seismic report be provided then moved to approve the agenda. Ms. Radford provided a second and it passed 5-0.

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

Hearing none.

5. Consent Agenda: Action

- Un-Approved Minutes for December 16, 2016 Special Board Meeting:
- Un-Approved Minutes for January 13, 2017 Special Board Meeting:
- Correspondence
 - Michael F. Dean, Attorney with Meyers / Nave: Letter of Resignation (Dec. 27, 2016)

Dr. Smart moved to approve the consent agenda, seconded by Ms. Atkinson and the motion passed 5-0.

6. New Business:

A. Resolution 2017-01: Action:

- **Resolution to Accept the Canvass for the November 8, 2016 General Election:**

Ms. Reed: General Election Canvass (Exhibit A) of Resolution 2017-01 was presented in the Dec. 16, 2017 Board Meeting pkt. The resolution was received later from the County and is being presented for action.

Dr. Smart moved to approve Resolution 2017-01. Ms. Radford provided a second and it passed 5-0.

7. Unfinished Business:

A. California Health Care Foundation (CHCF):

- Request for proposal Update - Developing Rural Palliative Care Access in CA – Planning Grant:

Ms. Atkinson: The grant was approved on Dec. 16. Sierra Nevada is a partner and Mr. Diehl will be part of the planning team in Sacramento on Jan. 31, 2017. Many agree there is a need for rural palliative care. More information will follow as the program evolves.

Ms. Sellick: Is passionate about Hospice and would like to see the money stay local allowing MTMC staff to be trained.

Dr. Smart: Once the planning is done and a program has been developed the District may want to provide support.

B. LAFCO MSR-SOI Final Report - John Benoit:

Ms. Reed: The MSR draft was done. Legal reviewed and made some correction so all is done.

Mr. Blitz: Attended the Jan. 23rd meeting where the MSR was up for review. The report was well received and the LAFCO Board was complimentary of the District.

8. MTHCD Reports:

A. Executive Director:

Mr. Blitz: Has focused on getting acquainted with the community i.e.: Public, Mental and Behavior Health. Later today he will meet with the Dir. of Human Services to identify needs in the community. Linda Winn of Public Health suggested there are many needs in the community and that a town hall meeting might be a way to learn of those needs.

Ms. Toepel, Common Ground: Suggested it usually takes collaboration of as many as 5 agencies to get grant money and locally Medi-Cal drives behavioral health so many don't get the care they need.

Mr. Blitz: Is doing research regarding the future of the VS Clinic. There needs to be considering of what has been done prior in terms of finance, how is the hospital doing and the needs of the community.

B. Presidents Report:

Ms. Reed: Planning will begin in the next few months for the District's Strategic Plan.

- **ACHD updates:**

Ms. Reed, Ms. Sellick and Mr. Blitz will be attending the leadership academy Feb. 2/3. The attendance figures are way up so more opportunity to network.

- **MTMC Corp. Board:**

Ms. Reed: Ms. Atkinson has taken the place of (retired) Ken McInturf on the MTMC Corp Board. Dave Woodhams still serves on the Corp. Board at the pleasure of the District members on the Corp Board.

Ms. Atkinson: Went over the MTMC Crop. Board "sample" agenda. The handout was provided so members could see a typical agenda.

Ms. Reed and Ms. Atkinson provided the following report to reflect the MTMC Corporate Board Meeting of Jan. 24, 2017

Ms. Atkinson reviewed items 1-4 and Ms. Reed went over items 5-8.

1. The board reviewed hospital quality, medical staff, financial and operational issues from the months of November and December. A sample board agenda is furnished to give an overview of the type of business usually discussed. As can be seen from the page number references, the board packets often contain 100+ pages of supporting detail.
2. Hospital administration met with the Foundation (fundraising) board to finalize and approve a "test fit" of the new Angels Camp clinic, and the Foundation board voted unanimously to board-designate the first portion of dollars to finance phase 1 of the project. An RFP goes out this week to select the general contractor, and that selection will be finalized in February.
3. Chief Medical Officer, Dr. Lonnie Smith, shared continuing changes and improvements in the Clinic setting such as expanding hours and holiday coverage.
4. CEO Bob Diehl described current recruiting efforts in the clinical areas: Mark Twain Medical Center is currently recruiting for several locum tenens (i.e., temporary) physicians and mid-level providers to fill short-term vacancies in some of the Clinics and in the hospital. Longer-term recruitments are also underway to attract mid-levels and physicians to Calaveras County.

5. Representatives from the Administration team will be attending a Jan. 25 meeting of the California Hospital Association on the subject of Assembly Bill 2024, voted into law effective Jan. 1, which now allows Critical Access Hospitals to directly employ physicians. Dignity Health has already developed a template for such physician employment arrangements, and Mark Twain may be one of the first (if not the first) to take advantage of this new approach. It is expected to be another method for Mark Twain Medical Center to differentiate itself from other facilities competing for physicians, and give good candidates one more reason to live and work here.
6. CFO Chris Roberts reviewed mid-year financials. After being on pace to budget July through November, the month of December saw financial losses. However, he reminded the board that while MTMC is behind budget, it is a significant improvement over last year at this time. Operating income and investments combined are \$3.26 million ahead of last fiscal year through December. EBIDA is tracking below budget but is \$2.1 million better than last year to date.
7. Strategic planning will be occurring next month as well as a board self-evaluation.
8. New Board member Susan Atkinson was invited to attend the Finance Committee in order to gain a more in depth orientation to the hospital financial status.

Ms. Reed: Reported excellent scores on the Quality Report prepared by Katherine McCoy, CME. She will make the report available to anyone that requests a copy.

Ms. Sellick: Would like to see the hospital have more exposure in the community reporting all the good things about the hospital i.e.: a quarterly flyer.

9. Committee Reports:

A. Finance Committee:

- Approval of November 2016 Financial Statements: **Action**

Ms. Radford: Is leading the Finance Committee and finds it eye opening and a big job to fill (retired) Mr. McInturf's shoes. In keeping with district transparency, she will be interviewing community members to find someone interested in joining the Committee.

Dr. Smart: The narrative of the financial report states the utility savings started in Sept. 2016 when the hospital started reimbursing the District for all utilities except CPPA. Dr. Smart would like to refer this item to the Finance Committee so they can find a way to show the figures on a financial report.

Ms. Atkinson: Would like to see the Finance Committee research the possibility of consolidating propane companies in hopes of getting a better price.

Dr. Smart moved to approve the financial statements. Ms. Atkinson provided a second and the motion passed 5-0.

C. Golden Health Awards Update:

Ms. Radford: This afternoon five applicants will be selected and then honored at the Feb. 8th Golden Health Awards Luncheon in the Educational Center.

D. Ad-Hoc Personnel Committee:

Ms. Reed: The District only has one employee and is in the process of developing a job description.

E. Ad-Hoc Real Estate:

- **Update on Valley Springs Clinic:**

Dr. Smart: Explained the complicated process of building a clinic i.e.: The Committee has been meeting frequently and has included Gary Hicks, USDA Loan Consultant, as well as District attorney, Colin Coffey, to determine the scope of the project, financing and a business plan to present to USDA. The MTMC Corp. Board gave the District a letter of commitment capped at \$20k per month. Consideration is now needed to build a clinic to serve the community and still stay solvent.

Mr. Blitz: Plans to present a business plan within a couple of weeks so the District will know what it can build and still pay the loan. Considering the project's time-line there are two paths (1) start building by Sept 28, 2017 or extend the loan into 2018. There is another option that the District could run the clinic. JR Krieg and Chris Roberts have been very helpful in providing data so he can prepare a pro forma to spell out the viability.

Ms. Atkinson: Requested an updated project time-line be included in Board pkts.

Dr. Smart: Many options have been presented to the Committee such as: (1) the District builds the clinic and leases it to the MTMC Corp. Board as in the past model. But what if Dignity doesn't want to run it? (2) Attorney Coffee suggested the Board run the clinic so that needs to be explored with consultants and to consider the liability. (3) the District could build the clinic then lease it and even subsidize it.

Ms. Reed: The District is still considering the current model with the Dignity partnership. It is a critical project and timing is everything so it may be necessary to call special Board meeting(s) as needed. She is glad to have Mr. McInturf (retired Board Member) stay on the Ad-Hoc Real Estate Committee.

F. Ad-Hoc Lease Committee:

Ms. Reed: The Committee has been meeting weekly and are awaiting the Quorum Assessment to learn how they might move forward. To be proactive the Committee has asked Mr. Blitz to move forward with an RFP to engage other possible partners.

10. Board Comment and Request for Future Agenda Items:

Ms. Reed asked and Ms. Sellick agreed to join Ms. Radford in the Mark Twain Health Care District – Ken McInturf (ad-hoc) Student Scholarship Committee.

Ms. Radford: The ad-hoc committee will focus on students interested in health care careers. Feed-back from past recipients indicates college students prefer laptops so the Committee will consider giving laptops instead of the iPads.

Dr. Smart: Requested a seismic report showing any necessary upgrades and completion date requirements.

Mr. Roberts: Will provide the seismic report however nothing is due until the yr. 2030.

Dr. Smart: Pointed out that the ACHD newsletter included an invitation to join CAPP (Californians Allied for Patient Protection). This is a coalition of organizations that support the Medical Injury Compensation Reform Act (MICRA), the California law which limits punitive damages against physicians. MICRA comes under attack nearly every state election cycle by the trial attorneys. Dr. Smart suggested that the board join CAPP in support of protecting MICRA. The board agreed and an application will be filled out.

Ms. Reed introduced Dennis Mills, Board of Supervisor.

11. Next Meeting:

A. February 22, 2017

12. Closed Session:

Non-Disclosure agreements in lease negotiations.
If necessary, other issues that require closed session.

The Board moved into closed session at 8:41am.

13. Reconvene to Open Session:

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

The Board returned to open session at 10:33am reporting the Board approved the annual personnel review of the Administrative Assist.

14. Adjournment:

Dr. Smart moved to adjourn the meeting at 10:39am. Ms. Radford provided the second and the motion to adjourn passed 5-0.