

**HUMBOLDT GENERAL HOSPITAL
DISTRICT BOARD OF TRUSTEES
NOVEMBER 19, 2019 REGULAR MEETING
SARAH WINNEMUCCA CONFERENCE ROOM**

BOARD PRESENT:

JoAnn Casalez, Chairman
Michelle Miller, Secretary
Bill Hammargren, Member
Gene Hunt, Member
Alicia Cramer, Member
Ken Tipton, County Comm. Member

Kent Maher, Legal Counsel

BOARD ABSENT:

None

MEDICAL STAFF PRESENT:

Robert Johnson, PA
Rommel Adajar, MD

STAFF PRESENT:

Karen Cole, Interim CEO
Darlene Bryan, CNO
Sandi Lehman, CFO
Duane Grannis, Maintenance Director
Rick McComb, Interim IT Director
Lisa Andre, Quality Director
Rick Roche, Interim HR Director
Kim Plummer, Controller
Robyn Dunkhorst, ED Director
Jeanette Grannis, PAD
Brittney McCraney, Communication
Theresa Bell, Materials Management Manager
Becky Tissue, Flight Manager
Tori Stephen, Materials Management
Lori Zarate, Payroll
Lorrie Merion, OB Manager
Rachel Merion, MM
Jessica Villarreal, Administrative Assistant
Sheri Lund, Receptionist
Hannah Kohler, RN

GUESTS:

Ashley Maden (Humboldt Sun), Nicole Maher (Public Relations Director), Judy Adams (Auxiliary), Millie Custer, Andrew Stephen (EMS), Mike Sheppard (Owners Representative), Fergus Laughridge, Efrain Castillo, Paul Schlehr (American Legion), Ardella Main (A&H Insurance), Nanette Chalupa (A&H Insurance), Tracy Neeley (A&H Insurance), Onetta Fanlo (A&H Insurance), Joan Hall (NRHP), Holly Hanson (NRHP), Christine Bissell, Sharlet Berentsen, Susan Rorex (Auxiliary) and Lewis Trout.

CALL TO ORDER:

Board Secretary Miller called the November 19, 2019 board meeting to order at 5:30 p.m.

PUBLIC COMMENT:

Paul Schlehr, American Legion representative, said the local Veterans appreciated the luncheon provided by Humboldt General Hospital and presented a certificate to the HGH Employees Committee.

Lewis Trout commended Interim CEO Cole for the recruitment efforts and pharmacy remodel progress and hopes for a successful contract to be negotiated with Cole.

Becky Tissue, MedX AirOne flight nurse, commented on the MedX AirOne helicopter history and of the readiness and response times benefit with keeping the service in Winnemucca.

Tracy Neeley, A&H Insurance, stated the pricing regarding the health insurance dependent coverage information was updated. Neeley introduced Nanette Chalupa who handles open enrollment and education and Ardella Main who handles claim information.

Holly Hanson, NRHP, explained the structure and history of NRHP, which is a consortium of twelve rural Nevada hospitals since 1987 with a mission of supporting members through shared services. Hanson commented on the offered services and programs, including: federal grants; improvement initiatives; FLEX grants; and, the property insurance program, noting that NRHP can confidently meet the hospital insurance needs going forward.

Sharlet Berentsen said she is a thirty year resident of Winnemucca and is pleased with hospital staff, the hospital board and the progress with getting new doctors. Berentsen welcomed Alicia Cramer.

MEDICAL STAFF – HOSPITAL DEPARTMENT REPORTS:

Medical Staff report:

Board member Hunt said he attended the last medical staff meeting, noting that the new pain management physician was present and explained his approach to pain management.

Administration Department report:

CFO Lehman reported Cerner went live on November 11 and presented an overview of the program and services. Board member Miller asked about patient wait times and access to the patient portal. Nicole Maher, Community Relations Director, advised they are waiting a couple weeks to push the use of the patient portal while the staff trains. It is anticipated December 4 will be the big push. Lehman commented on the Quest reference lab interface, radiology interface and self-pay statements. They are unable to merge the existing statements and are looking at other avenues to come up with one statement. Interim CEO Cole noted they are working hard to come up with a solution.

Interim CEO Cole reported: Dr. Adajar began internal medicine services on October 7; Dr. Wesley began pain management services on November 13-14 with 18 patient visits and returns December 18-19 with 14 patients currently scheduled; and, the Dr. Draper and Dr. Lindstrom podiatry clinic will begin in January. Perry Guthrie is providing services in the walk in clinic. Dr. Subha Rajan, an FP/OB provider, will start next April and Dr. David Masuck, an FP provider, will start next fall. A site visit is planned in January for Dr. Muhad who is currently an FP resident at Mercy Medical Center in Iowa. Raafat Khani, DO, and Pamela Sherwill-Navarro, NP are providing services in the clinic. A site visit with Brittani Smith, MD, FP/OB, is scheduled for December 1. Staff is currently looking for a CRNA, an OR Manager and an OB Manager. Cole gave updates on the remodel of pharmacy, physical therapy and cardiac rehab, noting the pharmacy painting is completed and the glass, cabinetry and lighting are installed. The pharmacy inspection is planned December 9-11 and the move-in is anticipated on December 13. The PT and cardiac rehab construction will start when the pharmacy is moved.

CONSENT AGENDA:

The consent agenda consisted of board meeting minutes for October 22, 2019 and the medical staff applications for appointments, reappointments, provisional and temporary privileges for: Bejal Patel, MD, provisional-pediatrics; Pamela Sherwill-Navarro, NP, Provisional-Family Practice; Raafat Khani, DO, Provisional-Family Practice; Landon Mouritsen, CRNA, Provisional-Anesthesia; Sara Fryberger, MD, Provisional-Pediatrics; Dana Marks, MD, Active Staff-Emergency Medicine; Merleen Grover, APRN-CNM,

Active-Midwife; Sara Thorp, DO, Active-FP/OB; Alvaro Galvis, MD, Active-Pediatrics; Monica Mann, MD, Active-Pediatrics; and, Joel McReynolds, MD, Active-Internal Medicine.

Motion by board member Hammargren and second by board member Miller to approve the consent agenda. Motion carried unanimously.

FINANCIAL REPORTS:

There were no reports.

BUSINESS ITEMS-OTHER REPORTS:

1. Hospital Administration-Emergency Services / proposal for amending the agreement with MedX AirOne regarding medical staff services and communications center services / Board

Board member Hammargren said he asked for this item to be on the agenda and explained the history of the hybrid program. About a year and half ago they looked at the program and the actual costs of providing services, which resulted in an amendment to the contract to increase the costs reimbursement. Since then MedX has increased their service areas. Hammargren and Interim CEO Cole were approached a couple months ago about the situation. Thereafter, Joel Hochhalter, MedX AirOne principal, provided a letter and indicated it would be better for MedX to provide the paramedics (which are currently provided by the district). Hammargren noted the district could take the position that the remaining three years of the contract must be performed, or, if the district is a good business partner, they will work with MedX on a satisfactory solution. Hammargren said it is important to understand that it's not HGH's helicopter and service. Current employees who may be displaced by a change in the way the services are provided may want to consider positions with MedX. Hammargren said he is proud of the HGH-MedX partnership in doing something no one else has done in this area, and he takes exception to the comments about how it's always about the money and that Hochhalter doesn't care. The expectation when undertaking a business is to make money. The program has benefited everyone in Humboldt County. Hammargren commented on the 90-day letter from Hochhalter notifying of the termination of services. Board chairman Casalez reminded that this is a request for an amendment to the air ambulance services contract and the board has no say in how MedX runs its business. Cole stated there are fourteen affected staff members and administration is looking into what we can be done with employees. Hammargren stated he can't stress enough that if the board doesn't allow Cole and Legal Counsel Maher to speak with Hochhalter it could jeopardize the entire program.

Motion by board chairman Casalez second by board member Hammargren to have Interim CEO Cole discuss the air ambulance services contract with Joel Hochhalter and report back to the board. Motion carried unanimously.

2. Hospital Administration-Personnel / proposals and recommendation for employee health care benefits insurance coverage / HR Director- Administration

Interim HR Director/COO Roche gave a presentation of the proposed health care plan renewal. Board member Cramer disclosed to the board chairman that she sells insurance products but does not sell large group insurance plans and she will participate in the discussion and action of this item. Roche went over the proposals. CFO Lehman explained the plans and considerations. Staff recommend selecting the Aetna plan due to lowest cost, reduced dependent coverage cost, comprehensive data analytics, focus on wellness and the offset for COBRA. Interim CEO Cole said dependent coverage was discussed internally and the suggestion is to take the savings and use them to help benefit or reduce the dependent coverage cost to employees. Aetna had the highest data analytics which is important going forward. Lehman commented on the effect of the savings on the spouse and children premium costs.

Board member Miller remarked that if the census changes, the costs change. Cole said if there is no desire to pay a portion of the dependent coverage costs, they do not have to offer that benefit. Miller said she would like accurate numbers and asked about issues with Aetna. Lehman responded. Board member Cramer noted that service from the broker makes a lot of difference. Board member Hunt asked about the A&H comment that the numbers may be skewed. Roche said that is not accurate because NRHP and A&H had the same figures. Miller said she was informed by Anthem that NRHP was given a bundled bid and is concerned the proposals are not apples to apples.

Tracy Neeley for A&H stated the rates are going to be similar and some of the plans are different. Neeley noted the 45% loss ratio is exceptional. The reason A&H doesn't have an Aetna quote is because their rep quit and they are behind. All the carriers are good, but there have been some issues in the rural areas with Aetna. Nanette Chalupa for A&H commented on their caring about the community, providing service to clients and educating insureds. Neeley said through education about the high deductible health plan, they have placed over 80% of their insureds on the plan. The A&H representatives offer over 100 years of experience and they service over 300 group clients. Neeley explained the reason rates are different is sometimes due to different information being given, but she doesn't know why the (A&H and NRHP) numbers are different. Miller asked what the hospital should be looking for in relation to broker services. Cramer said education is important and HSA is an example. Neeley suggested the services they provide will transfer liability to A&H and away from HGH. Miller asked about an education timeline and if they can be available onsite for the employees. Neeley responded yes and added that they help with such things as Medicare applications, doing follow-ups, offering a health fair, doing price comparison between plans if someone needs a particular service, and assisting with claims for benefits.

Joan Hall, NRHP president, said NRHP has been in business for 30 years with the sole purpose of serving the members, including HGH. Holly Hanson with NRHP has done an excellent job of servicing member health care matters. Hanson stated the broker doesn't have to be big to be good and commented NRHP services go above and beyond what is required. The NRHP rates quoted do not include bundling. Hanson spoke with Aetna to assure they are contracted with HGH. The evidence is in the rates, the carriers advised her that they received the exact same information from both groups. NRHP knows HGH and enjoys working with it. Miller asked about education services. Hanson shared information about how NRHP schedules employee education and the benefits fair, noting NRHP is available to come out more often if there is a need. Board member Tipton asked about the many years that the insurance services have not been bid out. Hanson said she has questioned CEOs in the past about bidding the services and there was no desire to bid them. Board chairman Casalez asked about the other hospitals they serve. Hanson stated there are three and they also offer other service lines but they only do hospitals. Due to the limited number of clients, they get her full attention. Hunt asked about not having full-time staff. Hall stated there are six full-time employees, and although Hanson wears multiple hats, she provides a lot of attention to the NRHP health care services.

Miller confirmed that companies are contacting both providers. Tipton stated he appreciates and likes what A&H has done with providing services to the City and County, noting there have been reductions in pricing each year. Hunt advised he has spent 30 years in the title insurance business and a big key is selling service. The cost numbers should be looked at carefully. Board member Hammargren noted there is a lot of information to consider but the employees need insurance on January 1, 2020. Cramer feels A&H offers a bigger team, but NRHP has provided great service. Cramer asked if there was a second choice. Lehman advised that staff did not have a second choice. Roche advised all the companies were good. Lehman commented about the payers and some of the difficulties and complications which are encountered. Hammargren asked about numbers being different by ten to twenty-five thousand

dollars and if there is something missing. Hanson replied that she spoke with the companies and the information was the same but the difference could be in the commissions. NRHP was informed the proposals were due October 15, which is when NRHP turned in their offer which included a customized plan for lab cost sharing and zero cost on radiology expenses. Hammargren asked if surveys were submitted to employees. Roche said they were not.

HGH employees Charles Paddock, Hannah Kohler and Gricelda Soto commented on their experiences with the employee health care insurance services.

Motion by board member Hammargren and second by board member Hunt to approve A&H Insurance as the broker and Anthem as the insurance carrier for employees. Motion carried unanimously.

3. Hospital Administration-Remodel Project / proposals for cafeteria area remodel project / acceptance of proposal for cafeteria area remodel project / Owners Representative- Administration

Owners Representative Sheppard said the project proposal is in the meeting packet and the details have been discussed with Interim CEO Cole and Sletten Construction. Sheppard suggested the board approve a change order for \$324,569 to the current project, add \$24,415 for the repair of the existing make-up air unit and include a ten percent contingency.

Motion by board member Hammargren and second by board member Miller to approve change order for the cafeteria rebuild at a not to exceed cost of \$400,000. Motion carried unanimously.

4. Hospital Administration-EMS / determination that ambulance vehicles are no longer required for public use and authorization to dispose of the vehicles / CFO

CFO Lehman reported on the Dodge Charger and Ford Crown Victoria vehicles which have reached the end of their useful life and are proposed to be disposed of.

Motion by board member Hammargren and second by board member Miller to make determination that vehicles use by EMS are no longer required for public use and to authorize staff to dispose of the vehicles. Motion carried unanimously.

5. District Administration / proposals to provide administrative management services for the hospital district administrator-chief executive officer position and to implement a plan to select and employ a permanent administrator-chief executive officer / Board of Trustees

Board chairman Casalez stated there has been discussion about and gratitude expressed for the job Interim CEO Cole has done for the district and reminded that she came on an interim basis. There was a lot of work and hard decisions had to be made, and there have been some excellent changes and improvements. Board member Miller asked to hear from Cole. Cole stated it's been a wonderful opportunity and commented on her retirement from full-time employment a couple of years ago and the decisions she and her husband made at that time. In order to be true to herself and her husband, she will continue in an interim capacity and not on a permanent basis, but she will help with the recruitment effort for as long as needed. Cole thanked the board for the help she has received. Casalez proposed that the services of BE Smith be used to recruit a CEO since BE Smith provided Cole, and that Cole be used to help with the recruitment.

Motion by board member Casalez and second by board member Hammargren to approve moving forward with BE Smith to begin a permanent CEO search with Karen Cole remaining as the Interim CEO. Motion carried unanimously.

6. District Administration / Western Regional Trustee Symposium / Administration

Interim CEO Cole stated information on the Symposium scheduled for June 10-12, 2019 in Reno, Nevada is in the meeting packet and encouraged all to attend. In response to a question from the board, Legal Counsel Maher advised the entire board can attend such function without violating the open meeting law.

TRUSTEE COMMENTS-STAFF REPORTS:

Board member Tipton welcomed newly appointed board member Cramer and thanked Interim CEO Cole for her hard work.

Board member Hunt said he believes the board moved in the right direction on the health insurance.

Board chairman Casalez advised with she will appoint new board member Cramer to the community giving committee and welcomed her to the board.

Board member Miller welcomed Cramer and thanked Interim CEO Cole for her hard work.

Interim CEO Cole recognized Rick McComb for the outstanding job he has done.

PUBLIC COMMENT:

A&H representative Tracy Neeley thanked the board and advised she will have the companies sharpen their pencils.

Audie Douglas, an HGH flight service employee, said a different (air ambulance services) contract will change the relationship with the HGH staff. She has worked with third party staffing; the flight crew cannot go in and help the hospital.

Hannah Kohler, an HGH employee, thanked the board for the insurance, and commented that if the air ambulance service is lost, she will no longer work on the flight crew. Some good nurses will be lost.

Gricelda Soto, an HGH employee, said if the air ambulance service is lost it will change a whole department and will impact the community.

Lewis Trout stated as a resident after hearing the pros and cons he believes it is appropriate to have a contingency plan for the helicopter services.

Robyn Dunkhorst, ER manager, said she has been here for twenty years and works closely with flight team; there is something significantly different from staffing with your own personnel. The flight service and the assistance they provide when not flying will no longer exist.

Board chairman Casalez adjourned the November 19, 2019 meeting of the Humboldt County Hospital District Board of Trustees at 7:58 p.m.

APPROVED:

ATTEST:

Joanne Casalez, Board Chairman

Alicia Wogan, Executive Assistant