HUMBOLDT GENERAL HOSPITAL
DISTRICT BOARD OF TRUSTEES
MARCH 30, 2019 SPECIAL MEETING
SARAH WINNEMUCCA CONFERENCE ROOM

BOARD PRESENT:
JoAnn Casalez, Chairman
Michelle Miller, Secretary
Bill Hammargren, Member
Jennifer Hood, Member
Gene Hunt, Member
Kent Maher, Legal Counsel

STAFF PRESENT:
Karen Cole, Interim CEO
Sandi Lehman, CFO
Darlene Bryan, CNO
Rose Green, HR Director
Lisa Andre, Quality Director
Mike Bell, IT Director
Bryn Echeverria, Radiology Manager
Kim Plummer, Controller
Alicia Wogan, Executive Assistant
Lorrie Merion, OB Manager
Dan Clack, Respiratory Manager
Robert Johnson, PA

BOARD ABSENT:
Ken Tipton, County Comm. Member

MEDICAL STAFF PRESENT:
None

GUESTS:
None.

CALL TO ORDER:
Board chairman Casalez called the March 30, 2019 special meeting to order at 9:03 a.m.

PUBLIC COMMENT:
There were no comments.

BUSINESS ITEMS—OTHER REPORTS:

1. Hospital Administration / FY2019-2020 budget workshop for presentation, review and discussion of Hospital District revenues, expenditures and funding and budget projections and proposals which may include additions or deletions to personnel, equipment, supplies and services, and tentative approval of the proposed budget subject to final approval and action at the time final budgets are submitted / Administration

Interim CEO Cole presented information on the margin summary and stated significant changes have been made. The new budget includes Pharmacy, Great Basin College and the Cerner conversion. Cole commented on FTE’s and how they are calculated; she discussed with CFO Lehman about calculating them different next year.

CFO Lehman went over volume assumption highlights. There were questions and discussion on when the WIC hours will be extended, are there increases in orthopedic surgeries each year, self-pay in the nursing home and possibly offering a discount if paid in advance, and reimbursements and where things can be changed to get more reimbursements. Lehman explained the rate assumption summary and Cole suggested there are some areas that may need lower prices and some may need increases, which will be presented to

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the Board if changes need to be made. Lehman went over: FTE highlights; expense category highlights; the 340B program; ad valorem and consolidated taxes being budgeted based on projections provided by the Nevada Department of Taxation; net proceeds of mines are not budgeted; Great Basin College (GBC); budget of 3% per Buckhead Capital for interest; and, no grant funding being budgeted. Board member Miller asked about the increase in infection control expenses; Lehman explained it is due to one person working both the IC and Surgery. DON Bryan said GBC indicated the CAN class will be scheduled no matter how many students attend this year. Cole noted there may be some pay adjustments that need to be made and suggested looking at all contracts as there is a lot of money tied up there. Miller said she is concerned with the revenue and expenses for the emergency medical services. Cole explained there are things that can be looked at. Board member Hammargren suggested a work group to consider EMS matters. Board chairman Casalez noted EMS funding is discussed every budget meeting and there should be a better understanding of expenses for community events. Cole suggested possibly considering a remodel of the dietary services area at the same time as the pharmacy to help keep costs down; she thinks it can help employee morale. Cardiac Rehab was discussed; with added providers they are seeing more referrals. There was discussion on: the increase in the Communication Center expenses; Dr. Beckman revenue and expenses; increase in the business office expenses increase due to the Cerner program which still requires servers and hardware even though it is cloud based; the residents clinic program; telehealth services; the doubling of advertising budget due to the Cerner program and adding physicians; rolling over the remaining $45,000 in the community education budget; the website contract which has two more years; and, the business office and administration leases for copiers and other items.

Lehman said the copier contracts will be reviewed and alternatives will be considered. Controller Plummer is looking into account maintenance fees. Casalez noted her business has multiple accounts which lowers the rate. Lehman increased the general fund account balance to avoid the monthly fees. Miller asked about the IT budget and if next year there will be less fees. IT Director Bell said the upgrade this year will carry through and there will less fees in the next budget. The decrease of professional contracts expenses in the HR budget is due to moving the legal expenses. HR Director Green said the Ninth Brain software equipment lease is expensive. Casalez asked about Café RX and expanding services.

Lehman went over the capital budget worksheet summary. Radiology Manager Echevarria explained the fluoroscopy room has been down for almost a year, the 3D mammography machine is at end of service life and the flooring and electrical in the fluoroscopy room need to be replaced. The pharmacy remodel is in the budget. Housekeeping and laundry requested an iron folder. OB Manager Merion stated the new rooms have new fetal monitors; some of the older fetal monitors need replacing due to frequent repairs. The ER pricing has increased due to changing the supplier brand (Zoll) which costs more.

Another budget meeting is scheduled for April 9, 2019 to review the revised tentative budget before submittal by April 15. Casalez appointed workgroups for: EMS-Hunt and Hammargren; Social Services-Hood; Salaries-Casalez; and, LTC-Miller. In the future Casalez asked to have a breakdown on salary and wages to see base salary/overtime/benefits. Merion asked if the Cerner training can be allocated separately.

Motion by board member Casalez and second by board member Hammargren to authorize staff to proceed with changes to the proposed tentative budget as discussed. Motion carried unanimously.

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2. Hospital Administration / proposal to enter into an agreement to engage the professional services of Sridevi Challapalli, M.D. and Ram H. Challapalli, M.D. to provide diagnostic cardiac ultrasound (echocardiogram) analysis and reports services / Administration

Interim CEO Cole stated since Dr. Li has not been working the hospital is unable to read Echo tests which is a service that should be offered to patients. Board member Hammargren questioned if Dr. Li could be used to read the tests while his sentencing is pending because he is still licensed. Legal Counsel Maher explained the proposed contract can be terminated with a thirty day notice and recommends leaving things with Li as they are currently pending a final determination of his status upon sentencing.

Motion by board member Hunt and second by Miller to approve the agreement with Sridevi Challapalli, M.D. and Ram H. Challapalli, M.D. to provide diagnostic cardiac ultrasound (echocardiogram) services as presented. Motion carried with board members Hunt, Miller, Hood and Casalez voting aye and board member Hammargren voting nay.

TRUSTEE COMMENTS-STAFF REPORTS:
Board member Miller thanked staff for their work on the budget.

PUBLIC COMMENT:
There were no comments.

Board chairman Casalez adjourned the March 30, 2019 meeting of the Humboldt County Hospital District Board of Trustees at 11:54 a.m.

APPROVED:

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JoAnn Casalez, Board Chairman

ATTEST:

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Alicia Wogan, Executive Assistant