

**HUMBOLDT GENERAL HOSPITAL
DISTRICT BOARD OF TRUSTEES
MARCH 22, 2022 REGULAR MEETING
MEETING VIA TELECONFERENCE—VIDEOCONFERENCE—IN-PERSON**

BOARD PRESENT:

Michelle Miller, Chair
Alicia Cramer, Vice-chair
JoAnn Casalez, Member
Gene Hunt, Member
Ken Tipton, County Comm. Member
Lewis Trout, Member

Kent Maher, Legal Counsel

ABSENT:

None

MEDICAL STAFF PRESENT:

Veronica Janhunen, MD, Chief of Staff
Jeff Meter, MD

STAFF PRESENT:

Robyn Dunckhorst, Interim CEO
Kim Plummer, CFO
Bertha Higbee, Interim CNO
Alicia Wogan, Executive Assistant
Angela Giese, Chief Human Resources Officer
Shelly Smith, Controller
Diane Klassen, Radiology Director
Sara Otto, Chief Compliance Officer
Kevin Grannis, EMS
Cody Bright, Pharmacy
Sandi Michaels, Clinical Informatics
Rachel Lara, Infection Control (via phone)
Andrew Loveless, EMS Chief
Theresa Bell, Project Manager
Kelly Pullin, Business Office Manager
David Johnson, IT
Duane Grannis, Maintenance Manager
Jeanette Grannis, Revenue Cycle Manager
Jessica Villarreal, Credentialing Coordinator

GUESTS:

Milli Custer (via phone); Lori Meter.

CALL TO ORDER:

Board chair Miller called the March 22, 2022, board meeting to order at 5:30 p.m.

PUBLIC COMMENT:

There were no public comments.

TRUSTEE COMMENT:

There were no trustee comments.

MEDICAL STAFF – HOSPITAL DEPARTMENT REPORTS:

Medical Staff report:

Chief of Staff Janhunen said all appointments and reappointments for this month were approved.

Administration Department reports:

- a) CEO report: Interim CEO Dunckhorst reported on: (1) tentative budget and Board budget meeting being set up for April 19, 2022 at 5:30 pm; (2) transition to chronic COVID management; (3) strategic plan for 2022; and, (4) the resignation of Sara Otto as CCO with her last day on April 6, 2022.
- b) Financial report: CFO Plummer went over the balance sheet and explained cash did not decrease from the prior month and that AR did increase, but not at the rate as it has in the past. Plummer

presented the February income statement, average daily cash inflow, monthly cash inflow, cash outflow, and DNFB. Business Office Manager Pullin went over SSI training and said that the clean claim rate is 74%. Plummer continued with: ratios; admits; patient days, daily average census; and clinic visits. Board member Trout noted that the cash inflow and cash outflow for the month of February showed a negative of 2.6 million dollars. Plummer reviewed budget areas where budget augmentation may be necessary. Trout expressed concern that there is a continuing trend, not a good trend, of losing funds and asked if they are looking at a ten million dollar augmentation based on current trends. Board member Casalez does not believe the trend is in the negative, even though there is a deficit, the deficit is shrinking and management and staff are finding ways to balance by saving money in other areas. Interim CEO Dunckhorst noted augmentation is specific to operating budget expenses only, it does not have anything to do with revenue. Plummer concurred and explained there are steps being implemented to reduce AR and collect more funds. Dunckhorst advised it will be six-weeks minimum for something to change if things are perfect, which they are not; the process takes time, particularly when the billing was brought in house. Pullin explained there is a very new staff, and staff has been calling to collect payments, which has not been done in a long time. Board member Tipton asked when new patients will have correct bills. Pullin said the bills are reviewed by staff prior to them going out and systemic issues and incorrect things are being fixed. Dunckhorst noted a team met with a Washington hospital that had the same pathway to learn what worked for that facility. Trout stated the measure of success will be the number of billing complaints coming down. Board member Cramer stated she has not had as many complaints as in the past. CCO Otto said there have not been as many complaints to staff as in the past.

CONSENT AGENDA: Motion by board Tipton and second by board member Trout to approve the board meeting minutes for: December 28, 2021 and February 22, 2022; Medical Staff applications for appointments, reappointments, provisional and temporary privileges for: James Clark, MD, Active-Emergency Medicine; Aaron Heckelman, MD, Active-Emergency Medicine; Sapandeep Khurana, MD, Consulting-Psychiatry; Rommel Adajar, MD, Active-Internal Medicine; George Mardini, MD, Active-Pathology; Andrew Wesely, MD, Active-Pain Management; Robert Pearson, MD, Consulting-Sleep Medicine; Stephanie Runyan, DO, Consulting-Teleradiology; and, Robert Johnson, PA-C, Allied Health-PA with the addition of Orthopedics.

Warrants disbursed - Monthly expenditures, and Quality report summary. Motion carried unanimously.

BUSINESS ITEMS-OTHER REPORTS:

1. Hospital District / performance evaluation of Interim CEO Robyn Dunckhorst / Board of Trustees

Board member Trout stated there seems to be a consistency among board members that Dunckhorst has exceeded expectations, evaluation scores of 4 (out of 5) heavily dominate her performance, and there are items she can improve on along with items she is excelling at. In Trout's opinion, Dunckhorst deserves and should be given a B+ after four months of learning the many aspects of the job especially the business side of things, which is positive. Her overall performance score is about a 4.2, which is a realistic score at this point. Board chair Miller stated it is difficult to say that Dunckhorst should have a score of 5 (out of 5), noting that Dunckhorst's drive is more than Miller has ever seen, and her commitment to the organization to "get it right" and to do what is best for the organization is exemplary.

Motion by board member Trout and second by board member Miller to approve performance evaluation of Interim CEO Robyn Dunckhorst. Motion carried unanimously.

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2. Hospital District / request for approval of employment agreement with Robyn Dunckhorst for permanent CEO position / Board of Trustees

Board chair Miller stated she and Dunckhorst are working on final language being drafted for a permanent CEO contract, which is planned to be brought back at the next regular board meeting. Miller distributed a memorandum regarding proposed terms for Dunckhorst's contract, and asked the board if they could accept the terms so Dunckhorst will know if permanency is ok. Board member Trout stated the term is for three years, but that physicians have terms for five years, Miller stated that is what Dunckhorst requested. Board member Casalez advised the board changed the terms for CEO contracts to three years after the Parrish contract. Trout asked about benefits, specifically the PTO bank, and whether it will be transferred or added to the new contract. Miller stated it will be transferred and the PTO will continue to accrue the same as for other employees. Sick leave will carry over, subject to a cap. Trout noted that on physician contracts there is a dispute resolution process set forth in detail, but that process is not in this document. Miller explained there will be a mediation clause and opportunity to cure. Miller advised the action before the Board is to accept the term, compensation and benefits provisions, while other items will continue to be negotiated.

Motion by board member Trout and second by board member Cramer to approve the term, compensation, and benefits provisions of the agreement for the permanent CEO position with other items to be negotiated with Robyn Dunckhorst. Motion carried unanimously.

3. Hospital District / request for approval of RFP to solicit for attorney services / Board of Trustees

Board chair Miller advised item will be tabled as it was just received only a few hours ago.

Board member Trout asked who is reviewing the RFP. Miller advised it was provided by Holland and Hart and she will review and collaborate with CEO Dunckhorst regarding the various terms and conditions, then bring it back to the Board. Trout asked why Legal Counsel Maher is not also reviewing the draft proposal for additional input into the process. Miller advised that Maher may be applying and other attorneys who may be applying will be reviewing the RFP prior. In response to Trout commented that Maher has a different status than others potential applicants in his role as counsel to the board. Board chair Miller said she will speak with Dunckhorst about having Maher review an RFP for a position. Miller expressed concern that Maher could be applying for before other possible applicants see the RFP, which she thinks will be considered an unfair advantage. Board member Casalez asked if the RFP is for the hospital or board attorney. Miller said that she was unsure as she had just received the document. Casalez advised if it is for the board, staff will not be reviewing it. Trout asked how it would be an unfair advantage to having Maher reviewing an RFP for board or hospital attorney positions. Miller and Trout agreed that Maher could be provided an edited version without sensitive information on it – not for editing but for review and possible additional input to the board – with the board ultimately reviewing and making a determination on the RFP. There was further discussion. No action was taken.

4. Hospital Administration / request for approval of employment agreement with Stephen Perry, MD for hospitalist services / CEO-Administration

Motion by board member Hunt and second by board member Miller to approve the employment agreement with Stephen Perry, MD, for hospitalist services. Motion carried unanimously.

5. Hospital Administration / request for approval of independent contractor agreement with Charles A. Stringham, MD for EMS physician director services / CEO-Administration

Board member Trout stated there are a couple of items inconsistent in the contract noting that as written Stringham is an independent contractor rather than an employee. However, in the event of a dispute the contract appears to require Stringham to follow the employee resolution process which provides for

appeal to the physician services director, then to the CEO, then to two appointed members of the Board, rather than to a contract administrator, who would normally be the person to address contractor questions or concerns. In Trout's opinion there seems to be a disconnect, because the procedures appear to be for an employee, not an independent contractor. Legal Counsel Maher said the provision is a procedural method to deal with a dispute, and any procedure desired can be used. Trout believes appeals should be to the CEO and if something is not settled at the CEO level, additional procedural steps could be defined. Board chair Miller commented she does not want to tie the CEO's hands by going through many steps. Trout stated that Exhibit A, item J, the dispute resolution section, needs to be modified.

Motion by board member Trout and second by board member Miller to approve the independent contractor agreement with Charles A. Stringham, MD for EMS physician services subject to a revision of Exhibit A, item J to have the CEO as the person to whom disputes are brought, and if an issue cannot be resolved at the CEO level, mediation will be an appropriate remedy. Motion carried unanimously.

6. Hospital Administration-Radiology / request for approval to purchase C-arm for the operating room / Radiology Manager-Administration

Radiology Manager Klassen stated the price has decreased today to \$193,650. Klassen advised they do about 120 exams a year, which will increase with the addition of Dr. Meter and pain management. There is a recall on the tank of the existing equipment for overheating. The proposed new machine: (1) is easier to move as it is 220 pounds lighter; (2) provides live magnification; (3) has a smaller footprint; (4) is overall more user friendly; and, (5) comes with 100% uptime guarantee. The new C-arm will be used for orthopedic, general and cardiology/vascular surgeries and in pain management procedures. Board member Hunt asked about the service contract. Klassen said it should be in the meeting packet. Board member Tipton asked where the funding is coming from in the budget. Klassen advised it is in the radiology budget. Klassen was not sure when the equipment will be delivered. Medical staff advised the equipment is needed.

Motion by board member Casalez and second by board member Cramer to approve the purchase of the C-arm in the amount of \$193,650 for the operating room. Motion carried unanimously.

7. Hospital Administration-Finance / request for approval to offer a 50% discount for payment of select self-pay accounts / CFO-Administration

CFO Plummer said 2019 was the last time a discount was given and she explained the numbers. The proposal is to offer a 50% discount if a bill is paid in full between April 1 to June 15, 2022. Board member Cramer stated the bills should break out the copay sum, which is now lumped into the total sum. Board chair Miller stated it was successful last time. Cramer asked if staff will be reaching out to the patients. Plummer stated there is self-pay staff that can make calls.

Motion by board member Casalez and second by board member Trout to approve a 50% discount for payment of select self-pay accounts. Motion carried unanimously.

TRUSTEE COMMENTS-STAFF REPORTS:

Board member Cramer thanked CEO Dunckhorst and said she is excited to finish Dunckhorst's contract.

PUBLIC COMMENT:

There was no public comment.

Board chair Miller adjourned the March 22, 2022, meeting of the Humboldt County Hospital District Board of Trustees at 6:46 p.m.

APPROVED:

ATTEST:

Michelle Miller, Board Chair

Alicia Wogan, Executive Assistant