

**HUMBOLDT GENERAL HOSPITAL
DISTRICT BOARD OF TRUSTEES
JUNE 25, 2019 REGULAR MEETING
SARAH WINNEMUCCA CONFERENCE ROOM**

BOARD PRESENT:

Michelle Miller, Secretary
Bill Hammargren, Member – by phone
Gene Hunt, Member
Ken Tipton, County Comm. Member

Kent Maher, Legal Counsel

BOARD ABSENT:

JoAnn Casalez, Chairman
Jennifer Hood, Member

MEDICAL STAFF PRESENT:

Paul Gaulin, M.D.

STAFF PRESENT:

Karen Cole, Interim CEO
Darlene Bryan, CNO
Sean Burke, EMS Director
Sandi Lehman, CFO
Duane Grannis, Maintenance Director
Mike Bell, IT Director
Lisa Andre, Quality Director
Rick Roche, Interim HR Director
Jason Mercier, Revenue Cycle Director
Robert Johnson, Practice Administrator
Kim Plummer, Controller
Alicia Wogan, Executive Assistant
Bryn Echeverria, Radiology Manager
Diane Klassen, Radiology Manager
Theresa Bell, Materials Management Manager
Tori Stephen, Materials Management
Kanjana Gillespie, Account Payable
Jeanette Grannis, PAD
David Simsek, Pharmacy Manager
Jeremy Hurst, FNP-C
William Stephen, EMS

GUESTS:

Ashley Maden (Humboldt Sun), Judy Adams (Auxiliary Member), Susan Rorex (Auxiliary Member), Nicole Maher (Public Relations Director), Millie Custer, Stephen Romero (POOL-PACT), Wayne Carlson (POOL - PACT), Tracy Neeley (A and H Insurance), Scott Rottman (A and H Insurance), Marianne Dente (A and H Insurance, Hailey Vess and Lewis Trout.

CALL TO ORDER:

Board member Miller called the June 25, 2019 board meeting to order at 5:34 p.m.

PUBLIC COMMENT:

Lewis Trout commended the hospital employees who helped with the veterans D-Day Memorial ceremony and at the Senior Center.

MEDICAL STAFF – HOSPITAL DEPARTMENT REPORTS:

Medical Staff report:

Chief of Staff Gaulin explained physicians applying for privileges and noted medical staff is finishing their review of the peer review procedure under the new bylaws.

Administration Department report:

EMS Director Burke advised EMS is seeking a grant for the Community Paramedicine program. Approximately a dozen patients are currently enrolled in the program. EMS works closely with other rural hospitals helping to provide expertise for their programs and also does QA and site visits. The program was recognized nationally at the recent Flex conference.

Interim CEO Karen Cole noted: Dr. Janhunen (Pediatrics) will be arriving in August; Dr. Alex Curtis (FPOB) is expected to start in September; and, Dr. Rommel Adajar (Internal Medicine) plans to be here in October. Administration is in discussion with Dr. Gordan Grim (OBGYN) through a referral from Dr. Langevin. Cole said she spoke with Board member Tipton to inquire if the County can advocate on behalf of the hospital with the State Board of Medical Examiners to determine if the licensing process can be expedited. The delay in licensing makes it difficult for recruitment in the smaller communities. Tipton said the County discussed the matter and will have it put on a future agenda for consideration. Cole advised the Medical Staff Bylaws will be reviewed by her and legal counsel Maher then sent to Medical Staff for review and, thereafter, to the board for review and final approval. The Pharmacy remodel project architects will be here tomorrow. Maher advised there have been some modifications to the schedule and the start date will be in August or September. Cole thanked Dr. Mull for his services at the Clinic; he will be retiring July 5, 2019. Radiology Manager Bryn Echeverria is retiring June 27, 2019, and Cole expressed appreciation for her years of service. The new Radiology Manager is Diane Klassen. A third pharmacist was added to the staff and is working out well. Jason Mercier has been added to the staff as the Revenue Cycle Director. CRNA candidates will be here this week and administration is looking to reduce the number of travelers and locums. Dr. Martin Johns, Emergency Room Director, has had two visits at Winnemucca since he assumed the Director position. Johns has done good work in assessing and working with staff, including peer review. Cole will be meeting with Envision to discuss hospital expectations with billing, quality reports and progress benchmarks.

CONSENT AGENDA:

Motion by board member Tipton and second by board member Hunt to approve the consent agenda as presented which includes the May 10, 2019, May 11, 2019 and May 28, 2019 Board meeting minutes and the Medical Staff applications. Tipton abstained from the May 10, 2019, May 11, 2019 and May 28, 2019 minutes as he was not present at the meetings. Motion carried unanimously.

FINANCIAL REPORTS:

CFO Lehman presented the May 2019 financial reports. Board member Tipton asked if the District will be able to offer discounts in the future when the Cerner program is in place. Lehman advised Cerner will not be doing the self-pay billing, it will be done internally. If the District determined to offer discounts, that will be at the discretion of the board. Jason Mercier, Revenue Cycle Director, was introduced. Lehman reported the LTC daily room rates will change effective August 1, 2019. The rate changes are based on data from Nevada Medicaid (DHCFP) and as recommended by NRHP. The Harmony Manor daily rate will be \$310.00 and the Quail Corner daily rate will be \$325.00. There is a prompt pay discount of 15% for self-pay residents. The applications and documents for the District to accept Aetna Insurance have been submitted through an expedited process. The charge master pricing review is currently focusing on the radiology charges.

Motion by board member Tipton and second by board member Miller to approve the May 2019 financials as presented. Motion carried unanimously.

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BUSINESS ITEMS-OTHER REPORTS:

1. Hospital Administration / Nevada Public Agency Insurance Pool (NPAIP) liability insurance program / renewal proposal and premium payment from fiscal year 2019-2020 funds / POOL

Mary Ann Dente and Scott Rottman with A and H Insurance explained the liability insurance proposal, noting LiCon covers the EMTs which were removed from the policy last year to eliminate double coverage. The deductible (each occurrence) options and premiums are a \$10,000 deductible with a premium of \$272,034 for option one, and a \$25,000 deductible with a premium of \$253,972 for option two. The last claim submitted by the district was probably three or four years ago. Rottman reminded that during the facility remodel projects, the POOL provides up to \$10,000,000 in course of construction coverage. CFO Lehman recommended the \$25,000 deductible option due to the good claims history.

Motion by board member Hunt and second by board member Miller to approve the NPAIP liability insurance renewal proposal with a \$25,000 deductible and \$253,972 premium. Motion carried unanimously.

2. Hospital Administration-Budget / proposal to augment the fiscal year 2018-2019 budget and/or transfer funds / CFO-Administration

CFO Lehman said the budget was not augmented last year and it ended up coming back to the board. The CFO and Controller have been monitoring expenses closely and are projecting a needed budget augment of \$2,000,000. The support information for the requested augment was explained. Lehman requested the board approve the augment which will increase the expenses budget to \$52,573,030.

Motion by board member Tipton and second by board member Hunt to approve budget augmentation as presented and requested by CFO Lehman. Motion carried unanimously.

3. Hospital Administration-Pharmacy / pharmacy remodel project / proposal to purchase Biochemguard exhaust biosafety cabinet for containment and removal of mists, vapors and particulates / Pharmacy Director-Administration

Pharmacy Manager Simsek stated that the board requested the pharmacy remodel project be constructed as economically as possible. If the exhaust cabinet is purchased prior to the July 1, 2019 budget cycle it can be built and staged in time with no delay (and additional cost) in the construction process. Legal Counsel Maher said the purchase funds will come out of the construction budget.

Motion by board member Miller and second by board member Hammargren to authorize the purchase of the Biochemguard exhaust biosafety cabinet as presented. Motion carried unanimously.

4. Hospital Administration-EMS / proposal to purchase eleven new Zoll cardiac monitors to replace outdated-unsupported cardiac monitors / EMS Director-Administration

The item was tabled.

5. Hospital Administration-Radiology / proposal to purchase a fluoroscopy and digital radiography system for radiology / Radiology Director-Administration

Interim CEO Cole said staff recommends the equipment purchase be re-bid because it was recently learned that equipment is available which meets the requested specifications at a significant cost difference from the quotes received. The potential for cost savings is in the best interest of the public. Legal Counsel Maher stated all bids should be rejected and staff authorized to rebid the purchase. There may also be another piece of equipment within the budgeted amount which has more patient versatility and a separate proposal request for that equipment may be advisable.

Motion by board member Miller and second by board member Hunt to reject all bids for the fluoroscopy and digital radiography system in the public interest and to authorize staff to rebid the proposed purchase as discussed. Motion carried unanimously.

6. Hospital Administration-Materials Management / proposal to purchase refurbished forklift for materials management / Materials Management Director-Administration

Materials Management Manager Bell said the current forklift in use has a rated capacity of 3,300 pounds and frequently it is handling loads that are 5,000 pounds or more. There is a safety issue with continuing to use the existing equipment, and it is at the end of its useful life. The purchase of another forklift is in the 2020 budget. Staff believes the Toyota equipment is the best product and they have been considering purchase of a refurbished unit. There is a refurbished Toyota unit available now, and if the purchase is approved and the unit is still available, the purchase can be made next week after the new budget year begins. The old forklift will be sold. The equipment purchase is budgeted at \$25,000; the refurbished forklift that staff is considering sells for just under \$25,000. The value of old forklift is approximately \$2,000.

Motion by board member Tipton and second by board member Miller to approve the purchase of a used forklift as presented at a cost not to exceed \$25,000. Motion carried unanimously.

7. Hospital Administration / proposal to employ and enter into an employment agreement with Rommel Adajar, M.D. to provide internal medicine services / Administration

Interim CEO Cole stated Dr. Adajar will provide internal medicine services and has agreed to the terms as outlined in the proposed agreement which is included in the meeting packet. Adajar is excited to come to Winnemucca and has given notice to his current employer. He will be available in October, 2019.

Motion by board member Hammargren and second by board member Hunt to enter into an employment agreement with Rommel Adajar, M.D. as presented. Motion carried unanimously.

8. Hospital Administration / ratification of employment agreement with Robert Westling, M.D. to provide resident physician supervision services for Resident Clinic and Walk-In Clinic / Administration

Board member Miller advised it is her understanding that the proposed agreement for Dr. Westling to provide the supervision services cleared up some of the terms. Legal Counsel Maher stated the board initially agreed to the proposed basic terms but thereafter some issues arose and significant time has been spent negotiating other aspects of the contract. Maher requested ratification of the contract which has been signed by Dr. Westling.

Motion by board member Tipton and second by board member Hunt to approve the contract with Robert Westling, M.D. as presented. Motion carried unanimously.

9. Hospital Administration / proposal to use the professional services of and enter into an employment agreement with Robert Westling, M.D. to provide medical director services for Harmony Manor and Quail Corner long term health care facilities / Administration

Interim CEO Cole stated that with the unexpected departure of Dr. Grant, the services of Dr. Westling were used to provide medical director services for the hospital long term health care facilities. Staff and Dr. Westling have reached an agreement on most of the terms for Westling to provide such services. The proposed agreement can be terminated on relatively short notice if the services can be provided in the future by one of the new hire physicians. Legal Counsel Maher noted the termination provisions are

similar to the electrocardiogram services contract where either party can terminate with a 30-day notice. Maher explained there are a couple details they are trying to work out but the basic terms have been agreed upon. If the board authorizes staff to work out the details, the contract can be approved and does not need to come back to the board. Cole said Westling's services are appreciated and as is his willingness to help take care of the residents.

Motion by board member Hunt and second by board member Hammargren to approve the agreement with Robert Westling, M.D. as presented and authorize staff to negotiate the remaining terms of the agreement. Motion carried unanimously.

10. Hospital Administration-EMS / proposal to authorize termination of the memorandum of understanding between Humboldt General Hospital EMS and City of Reno to provide Reno Fire Department with two reserve ambulances / EMS Director- Administration

EMS Director Burke stated in 2016 the hospital transferred two reserve ambulances to Reno Fire Department for their use as they attempted to rebuild their EMS program. The district now has use for the ambulances which were assigned to Reno and desires to put them back into service, particularly for the upcoming Burning Man event.

Motion by board member Tipton and second by board member Miller to authorize termination of the MOU between the hospital and City of Reno and to authorize the Chairman or CEO to sign the letter of termination. Motion carried unanimously.

TRUSTEE COMMENTS-STAFF REPORTS:

Board members Miller and Hammargren thanked everyone for their patience in getting through the lengthy agenda.

PUBLIC COMMENT:

There were no comments.

Board chairman Miller adjourned the June 25, 2019 meeting of the Humboldt County Hospital District Board of Trustees at 6:32 p.m.

APPROVED:

ATTEST:

Joanne Casalez, Board Chairman

Alicia Wogan, Executive Assistant