

**HUMBOLDT GENERAL HOSPITAL
DISTRICT BOARD OF TRUSTEES
JUNE 28, 2021 SPECIAL MEETING
MEETING VIA TELECONFERENCE—VIDEOCONFERENCE—IN-PERSON**

BOARD PRESENT:

Alicia Cramer, Chair (via phone)
Michelle Miller, Secretary
Ken Tipton, County Comm. Member (via phone)
Lewis Trout, Member

Kent Maher, Legal Counsel (via phone)

BOARD ABSENT:

JoAnn Casalez, Member
Gene Hunt, Member

STAFF PRESENT:

Tim Powers, CEO (via phone)
Cory Burnett, CFO
Kim Plummer, Controller
Mike Bell, IT Director
Alicia Wogan, Executive Assistant
Darlene Mangrum, Revenue Cycle Director
Sara Otto, Chief Compliance Officer
Bertha Higbee, ACNO
Theresa Willis, EMS (via phone)

MEDICAL STAFF PRESENT:

None

GUESTS:

Ashley Maden (Humboldt Sun); Kami Matzek (DZA-via phone); and, Millie Custer (via phone).

CALL TO ORDER:

Board chair Cramer called the June 28, 2021 board meeting to order at 10:00 a.m.

PUBLIC COMMENT:

There was no public comment.

BUSINESS ITEMS-OTHER REPORTS:

1. Hospital Administration / proposal to augment FY 2020-2021 General Fund budget in the sum of \$18,291.527 to increase the appropriations in the fund to account for previously unbudgeted expenses incurred by the Hospital District / CFO-CEO-Administration

Powers asked for questions. Board member Miller requested an explanation of the \$5.4 million in expenses. Powers explained the costs were due to the Covid bonus and the use of Cares Act funds. Board member Trout asked if there were other items under the Covid funds involved to offset other items. Controller Plummer and CFO Burnett responded, with Plummer noting net proceeds of mines was added as it was not budgeted. Trout asked if \$11.8 million is the net transfer amount. Miller asked about employee wages and the costs for travelers. Powers said nurse travelers went from \$80 per hour to \$145 per hour. Currently nurses are \$90 to \$120 an hour. Trout asked when more contract services will go to non-contract services. Powers reviewed the services in each department, noting the lab is the most significant at this time. Plummer distributed information on the professional services contracts. There are two invoices with RPG, one for general surgeons and the other for hospitalists. Hospitalist services will no longer be contracted. Powers spoke with Synergy today about a hybrid model and the increase in pro-fees from the operating room and clinic. Miller asked about the supplies and small equipment expenses. Burnett explained there was higher volume and one case of a high dollar drug that was administered to one patient eight times, resulting in a \$1.2 million expense. Board member Tipton commented the budget projections are not realistic. Money is being spent which is not budgeted, which is illegal under state law. Tipton is very concerned about having to do this. Miller would like to see quarterly or every other month

updates. Miller said when items are brought to the board, whether budgeted or not, there is no requirement to approve the request. There are things that absolutely have to be done for patient care, but other things may have to wait to balance the budget. Burnett stated what is shown is budget to actual in the financial reports. Tipton stated if the budget over expenditure was known in advance, it would have been nice to have been notified. Powers said the MRI being down for 45 days affected revenue. Plummer said she is not sure why insurance was over budgeted. The difference in the rental and lease expenses was due to contracted housing. There was the expense for the mobile kitchen while the existing kitchen was remodeled. Miller questioned how depreciation was miscalculated by \$830,000. Plummer said her calculation was low. Powers explained the depreciation of assets. Miller commented on the \$46,000 in other expenses and the loss of impairment due to the pharmacy being booked as complete and it was not, thus it cannot be an asset. Once it is complete, it can be rebooked. Matzek with DZA said this initial (pharmacy) write off is to get it down to value. The non-operating expenses and donations are due to the payment to GBC. Plummer and Powers explained why the R1 termination was paid all at one time rather than over a period of time. The provider relief fund, the increase in wages and contract labor, the screening clinic and net proceeds of mines were discussed and explained.

Motion by board member Miller and second by board member Trout to approve augmentation to the FY 2020-2021 general fund budget in the sum of \$18,291,527. Motion carried unanimously.

TRUSTEE COMMENTS-STAFF REPORTS:

Board member Miller would like an item on the agenda about the budget status and said again that purchases do not have to be approved just because they are in the budget.

Board member Trout would like monthly information on the billing staff progress and numbers.

Board member Tipton suggested it would be helpful to have the financial information on the Friday before a meeting rather than the day of the meeting.

PUBLIC COMMENT:

There was no public comment.

Board chair Cramer adjourned the June 28, 2021 meeting of the Humboldt County Hospital District Board of Trustees at 10:56 a.m.

APPROVED:

ATTEST:

Alicia Cramer, Board Chair

Alicia Wogan, Executive Assistant