

**HUMBOLDT GENERAL HOSPITAL
DISTRICT BOARD OF TRUSTEES
May 21, 2015 MEETING
SARAH WINNEMUCCA CONFERENCE ROOM**

BOARD PRESENT:

Mel Hummel, Chairman
Ed Hopfer, Secretary
Kevin Chatfield, Member
Michelle Miller, Member (by telephone)
Richard Cook, Member
Marlene Brissenden, County Comm. Member

Kent Maher, Legal Counsel

BOARD NOT PRESENT:

None

STAFF PRESENT:

James Parrish, Administrator
Sandi Lehman, CFO
Eddy Davis, Controller
Darlene Bryan, CNO
Mike Bell, IT Director
Rose Green, HR Director
Leonard Perkinson, M.D.
Alicia Wogan, Administrative Assistant
Pam Wickkiser, Administrative Director
Pat Songer, Administrative Director
Shauna Barsanti, Business Office Manager
Lonnie Hammargren, Clinic Manager
Louis Mendiola, Wellness Coordinator
Melissa Lopez, Administrative Support
Shar Pedersen, Quality Manager
Ken Whittaker, Operations Captain
Debbie Whittaker, Community Paramed. Mgr.
Robin Gillis, Nurse Manager
Theresa Bell, Purchasing Manager
Jana Sperry, Director of Patient Relations
Billie Lucero, Wellness Coordinator
Mark Hummel, IT
Brittany Phillips, Clinic

GUESTS:

Nicole Maher (Public Relations Director), Tony English (ITC Telecom Technology), Braun Mincher (ITC Telecom Technology), Robin Monchamp, Millie Custer, Dr. Kyle Baron (Resident), Lewis Trout, and Joyce Sheen (Humboldt Sun).

CALL TO ORDER:

Board chairman Hummel called the May 21, 2015 board meeting to order at 5:31 p.m.

PUBLIC COMMENTARY:

Lewis Trout stated that he distributed copies of three documents related to attorney services for public organizations. Trout said there are payments on the current warrant list called disbursements and transfers to Communication Creations (Nicole Maher), Kent Maher and Michael Clay Corporation. According to the hospital public records custodian there are no contracts on file and never have been for any of the three parties for whom payment approval is requested. Trout stated if payments are approved in the absence of written contracts the board members are making a willful violation of state law. There are also payments for the board members themselves, which the Ethics Commission has ruled that they may approve, but

Trout believes the Ethics Commission prefers board members should withhold approval for their own checks.

MEDICAL STAFF REPORT:

Dr. Perkinson said medical staff is moving along well, they are gearing up and looking at the effect of having a resident physician here. Perkinson and other medical staff participated in the Every 15 Minute program at Lowry High School which promotes awareness of the risks associated with alcohol and drug use. Debbie Whittaker, EMS, was commended for the outstanding job she did with the program. Medical staff wholeheartedly supports community education. Perkinson noted a second year resident, Dr. Kyle Baron, is currently working with him.

EMS UPDATE:

Administrative Director Songer said for EMS in April there were 209 call outs, 38 inter-facility transports, eight rescues, 106 CPR students, four community paramedics and eight car seats installed. EMS staff participated in the Walk A Mile In Her Shoes event to support the effort at preventing domestic violence. Songer invited everyone to the EMS open house on Saturday for EMS week. A video presentation of the Every 15 Minute program-event was shown.

ADMINISTRATION REPORT:

Administrator Parrish said in April there were five charity care program applications and a total of \$25,244 was paid out. The Patient Access Department assisted 13 patients with Medicaid applications, responded to 915 questions in person and 838 by telephone, and there were seven billing errors handled.

CONSENT AGENDA:

Motion by board member Brissenden and second by board member Chatfield to approve the medical staff appointments-reappointments. Motion carried unanimously.

The minutes of the prior meeting were not available as the IT server with the recording is corrupted and IT has not recovered it while in the process of cleaning the files and moving to a new server.

PRESENTATION REVIEW/ APPROVAL OF FINANCIAL REPORTS:

Board member Brissenden asked in relation to the disbursements and transfers, if it is accurate that there are no contracts with Maher, Communication Creations and Michael Clay Corporation. Administrator Parrish said there are no written contracts with those vendors, and pointed out that of approximately 110 vendors on the first disbursement list, there are only 11 with written contracts, which means approximately 90% of the vendors do not have written contracts. Parrish said he is unaware of any state or federal law that requires a written contract for vendors to be paid. Parrish noted that written contracts for the vendors mentioned will be prepared and suggested that warrants and vouchers be approved in light of the fact that each of those vendors has been with the organization for many years as trusted and loyal vendors. In response to a question from the Board, Legal Counsel Maher said it is up to the board on how they determine to proceed. Maher noted that he has worked with the City of Lovelock since 1997 without a written contract, and with the City of Winnemucca since 1989 without a contract. When the hospital board engaged his services he was advised to submit an invoice and he would be paid. Maher said he is not aware of a state law which requires vendors to have a written contract to be paid. Brissenden said the other vendors are not in question at this time. Maher commented that virtually every vendor paid by Humboldt County and the City of Winnemucca, both public entities, are paid without having a written contract. Board chairman Hummel confirmed with Maher that the hospital board asked him to provide legal counsel services. Maher briefly related the circumstances of how he was hired to provide attorney services to the district. Hummel (a business owner) advised he has many oral contracts. Board member Cook stated he is

not sure how the impression was obtained that the board wanted contracts, as no one ever asked him. Cook said he would like it on an agenda. Maher agreed if the board wants to discuss the matter it should be on an agenda, and advised if the board wants a written contract, that is not a problem to provide. Chatfield stated that Board member Miller commented about having a written contract, and said he agrees with Miller. Brissenden agreed that the item should be agenzized, and said they may want to put out to bid. Maher noted that considering a written contract is an entirely different issue than discussing whether to put professional services out to bid.

Motion by board member Chatfield and second by board member Hopfer to approve the April 2015 warrants and disbursements as presented. Motion carried with Chatfield, Hopfer, and Hummel voting aye, and board members Cook and Brissenden voting nay.

Administrator Parrish presented the April 2015 financial reports. Board member Chatfield asked if the air ambulance was taken out of the budget. CFO Lehman advised that it was. Chatfield asked about the status of the air ambulance services. Administrative Director Songer said they are currently looking at two potential vendors. Chatfield inquired about the wage survey, and Parrish commented it should be ready to review in the near future. Board member Brissenden asked why there is no dollar amount in the payroll checking under the cash accounts item. Controller Davis and CFO Lehman explained it is an "in-and-out" entry as payroll checks are cashed. Brissenden asked about the HRG self-pay to Sterling Bank. CFO Lehman said when a payment to HRG is received it is deposited into their trust account until they invoice for their services, and upon invoicing they pay to themselves their portion from the trust funds and the balance is paid to HGH.

Motion by board member Brissenden and second by board member Hopfer to approve the April 2015 financial reports as presented. Motion carried unanimously.

DISCUSSION / ACTION ON ITEMS OF BUSINESS & OTHER REPORTS:

1. Administration / purchase of software based IP-PBX telephone system and support services through ITC Telecom Technology / Administrator -IT

Administrator Parrish said HGH has outgrown current telephone system, which is out of production and no longer supported by the manufacturer. A year has been dedicated by the IT department and ITC Telecom Technology to analyze and determine which type of system will work best for HGH, and they are recommending the Zultys system as presented in the meeting packet at a cost of \$376,171.10, which was budgeted at \$380,000.00.

At 6:27 p.m. Board member Miller joined the meeting by conference telephone.

IT Manager Bell and Tony English and Braun Mincher, from ITC Telecom Technology, gave presentations and answered questions. Bell stated the proposed system was observed and inspected by HGH personnel at a site that is using an identical system, and he is satisfied the system will meet the needs of HGH. Mincher noted that software, hardware and training is included in the proposed system which has 20,000 users capability, and, if approved, the system will be installed by August or September.

Motion by board member Chatfield and second by board member Hopfer to approve the purchase of a telephone system in the amount of \$376,171.10 as presented. Motion carried unanimously.

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2. Public hearing on fiscal year 2015-2016 tentative budget and approval of 2015-2016 final budget / Administrator-CFO

Administrator Parrish said at the meeting last Friday, the 2015-2016 tentative budget was explained to the board in detail and questions were addressed, and asked if there were any additional questions. Board member Brissenden asked about the ten million dollars budgeted for ICD-10 if the hospital is not in compliance by October 2015. CFO Lehman explained the procedure when non-compliant bills are submitted, explaining the codes must be correct to receive payment, otherwise payment is delayed. Parrish advised the organization is planning to be ready, and the ten million dollars is set aside to address any cash flow problems coming from payers or if the cash flow slows down.

Board chairman Hummel called for public comment. There was no public comment.

Motion by board member Hopfer and second by board member Chatfield to adopt the fiscal year 2015-2016 final budget as presented. Motion carried unanimously.

3. Physician Recruitment / Administrator

Administrator Parrish said he is working with the physician who visited last month; he has a credentialing packet to complete and has shown great interest.

HOSPITAL BOARD OF TRUSTEE COMMENTS / STAFF REPORTS:

Board member Hopfer asked about the Kracaw clinic status. Administrator Parrish advised CFO Lehman has received documents for review and they will meet with Dr. Kracaw next week to discuss.

Board member Cook said they need to become more deliberative and pay closer attention, noting that at the meeting last month when the helicopter pre-contract was discussed Board member Brissenden didn't get a chance to vote. Cook said he also didn't get a chance to vote on an issue. Board chairman Hummel apologized and asked Cook to let him know next time.

Board member Miller thanked administration and finance for the time explaining and going over the budget during retreat.

PUBLIC COMMENTARY:

There was no public comment.

Board chairman Hummel adjourned the May 21, 2015 meeting of the Humboldt County Hospital District Board of Trustees at 6:55 p.m.

APPROVED:

ATTEST:

Mel Hummel, Chairman

Alicia Wogan, Administrative Assistant