

**HUMBOLDT GENERAL HOSPITAL
DISTRICT BOARD OF TRUSTEES
SEPTEMBER 10, 2018 SPECIAL MEETING
SARAH WINNEMUCCA CONFERENCE ROOM**

BOARD PRESENT:

JoAnn Casalez, Chairman
Bill Hammargren, Member
Jennifer Hood, Member
Richard Cook, Member
Ken Tipton, County Comm. Member

Kent Maher, Legal Counsel

BOARD ABSENT:

Michelle Miller, Secretary

MEDICAL STAFF PRESENT:

B. Leonard Perkinson, M.D.
Brad Granath, M.D.

GUESTS:

Susan Rorex (Auxiliary), Melissa Murphy, Joel Murphy, Ashley Maden (Humboldt Sun), Joyce Helens, Mike Elberto, Robin Granath, Judy Adams (Auxiliary), Millie Custer, Nicole Maher (Public Relations Director), Dave Roden (GBC Foundation), Matt McCarty (GBC Foundation), Lisa Campbell (GBC) and Gene Hunt.

CALL TO ORDER:

Board chairman Casalez called the September 10, 2018 board meeting to order at 5:31 p.m.

PUBLIC COMMENT:

Susan Rorex commented that the Harmony Manor residents have produced some good art projects and she urged the board to visit Harmony Manor and view the art.

BUSINESS ITEMS-OTHER REPORTS:

1. Board of Trustees / Humboldt General Hospital (HGH) Community Giving Committee recommendation on Great Basin College (GBC) Foundation request for Humboldt County Hospital District (HCHD) participation in the funding of the proposed GBC Winnemucca Health Sciences Building project / Board Chairman

Board member Hood stated the HGH Community Giving Committee (CGC) had a productive meeting and considered all aspects of the GBC Foundation request. CFO Lehman provided the district financial details at the CGC meeting. Hood said it soon became clear that the committee should not be making a decision on such request and suggested the board as a whole should make the decision. Committee member Nicole Maher summarized the details of the meeting. Matt McCarty, GBC Foundation representative, provided background information regarding the donation request. The Committee is concerned how the proposed

STAFF PRESENT:

Arthur Frable, CEO
Sandi Lehman, CFO
Darlene Bryan, DON
Mike Bell, IT Director
Alicia Wogan, Executive Assistant
Theresa Bell, Materials Management Manager
Lorrie Meiron, OB Manager
Dave Simsek, Pharmacist
Bryn Echeverria, RAD Tech
Debi Bell, Clinics

GBC program will affect the HGH training. McCarty advised that GBC will only provide paramedic instruction and they want to preserve the relationship with HGH EMS. The CGC did not have a quorum at their meeting; however, those present supported a recommendation that the district help fund the building project. Board member Hammargren questioned if there was an EMT course at GBC. McCarty said yes, GBC offers an EMT course. Lisa Campbell, the local GBC Director, said that EMS training is not offered locally, however, historically, GBC partnered with HGH to provide such instruction. Hammargren asked why things changed. Campbell said because it did not lead into a degree program they had trouble filling the class so GBC discontinued it and referred people to HGH. CFO Lehman explained the FY 2018 financial statement which showed an operating loss of \$614,687 and the FY 2019 projection shows a loss of \$3,767,366. Lehman said with the proposed EMR implementation and the delays experienced in payments, the loss could be in the ten to twenty-million dollar range. Lehman noted the EMR was not budgeted. Board member Tipton reminded that the budget does not include net proceeds, which are about 2 million dollars annually. Administrator Frable said the pharmacy addition will cost approximately \$800,000. Tipton asked McCarty about the rumored closing of the GBC nursing program at the Winnemucca campus. McCarty said there are two classes being taught in one classroom and the students feel it is detrimental to their learning. There is currently some training at the HGH ambulance facility; however, the normal ambulance operations create a distraction to the students. GBC considered ending the program, but they plan to continue and if the new building is constructed, they will have ample room. Tipton asked if GBC could provide a guarantee to HGH if money is donated to help fund the building. McCarty stated the only guarantee they could give would be the same guarantee that any business would give. Tipton asked McCarty about his quote in the newspaper on reaching out to local businesses and that they were waiting to see what the hospital would donate before they committed. McCarty said he has contacted at least a dozen businesses and the consensus is that if HGH doesn't donate to the facility and is not willing to be vested in it then it may not be beneficial for the businesses to invest in. McCarty explained the Pennington grant and the conditions of the grant. Board member Cook said brick and mortar classrooms are important for students and that HGH should commit to something substantial. If the facility is built, the students will come. Tipton commented that even though HGH doesn't budget for net proceeds revenues, there is a very high probability the money will be there as it always has been in years past. Board chairman Casalez agreed that a contribution should be made and suggested it was important for every board member to weigh in on the decision. Casalez suggested Lehman should come up with various possibilities for funding. Hammargren commended the committee for their work and for returning the decision to the board; it is a huge decision but it belongs with the board.

Board member Hammargren moved and Board member Cook seconded a motion to table consideration of the GBC Foundation request until the regular September board meeting. Motion carried unanimously.

GBC President Joyce Helens explained the Pennington Foundation believes the community could use the grant funds and it is the biggest grant they have ever given. Some other funds have been donated for the project but other potential donors are waiting to see what the community will donate before they commit. Helens said if the board doesn't feel that the project is needed then let GBC know now because they need to make other plans. Even though the community may deserve the facility the question is does the community want the facility. Board member Casalez stated for her it is not an issue of whether the district wants the facilities or not, they are trying to make a responsible decision and they must look at things somewhat differently because they are a district hospital.

2. Hospital Administration / physician recruitment / Administrator

Administrator Frable commented that he and Board member Hammargren were tasked with addressing the sustainability of offering obstetrics services. When this item was placed on the agenda, it was expected there would be information about a successful recruitment of a family practice obstetrics (FPOB) physician;

however, that is not the case. Frable suggested that the public is more interested in the district finding good doctors than helping GBC and he wants to know how important recruiting is to the board. Local FPOB physician Brad Granath recounted his experience practicing in the community and said he has attempted to recruit physicians but it is hard to find candidates who are willing to work as much as is required in this area. The current model of only having two FPOBs is not ideal; a better model is having four FPOBs or having a group of obstetricians and pediatricians. Granath noted that in early January 2019 will be the last day he takes OB calls and there is a concern that if a plan to deal with call is not in place, OB services may be restricted or limited. Granath also noted it is a trend in rural communities that maternity services are not being offered. FPOB Perkinson confirmed that the realities of recruiting are not easy and that the demands of a FPOB practice are extreme. Perkinson suggested the only solution is to offer more money and that at least two more physicians would be needed to sustain a viable FPOB program. Both Granath and Perkinson suggested that the residency program may be a possible source of physicians; however, the demand for resident physicians of any type is significant. Board member Hammargren said he is puzzled because he has not heard that the board does not want to recruit. Hammargren suggested determining if there are services similar to the ones employed with hospitalists and surgical services. Administrator Frable said he wants some direction from the board and believes the focus right now needs to be the OB call services. Hammargren said that management are the experts and if a group exists then the board needs to know that and how much it will cost. There is seemingly a trend of having groups available to provide services. Perkinson said he is not aware of any group doing OB call. Frable asked for a consensus from the board. Hammargren said before he can make a motion he needs some direction from administration about what exactly he is looking for. Board chairman Casalez said she doesn't understand because there has always been recruitment for physicians and the board has encouraged it. Board member Cook he didn't understand how serious the call situation was, but now he does. Frable said it will cost in the range \$30,000 to get started with a recruiting firm. Hammargren said he doesn't recall the board in the past approving a recruitment fee and he believes Frable has authority to recruit if he believes it is necessary. Legal Counsel Maher stated if administration is not comfortable with a contract fee it can be brought to the board, noting that past administrations have shared with the board the costs of recruiting. Board member Hood stated she didn't understand the OB call situation was so serious, but she is supportive of recruitment efforts and is open and receptive to consider any offers that are presented. No action was taken.

TRUSTEE COMMENTS-STAFF REPORTS:

There were no trustee comments.

PUBLIC COMMENT:

Joel Murphy questioned if there was a plan in place for how many physicians are needed. Administrator Frable there are historical statistics, but no projections.

Board chairman Casalez adjourned the September 10, 2018 meeting of the Humboldt County Hospital District Board of Trustees at 7:57 p.m.

APPROVED:

ATTEST:

JoAnn Casalez, Board Chairman

Alicia Wogan, Executive Assistant