

**HUMBOLDT GENERAL HOSPITAL
DISTRICT BOARD OF TRUSTEES
SEPTEMBER 23, 2014 MEETING
SARAH WINNEMUCCA CONFERENCE ROOM**

BOARD PRESENT:

Moe Hanzlik, Chairman
Mel Hummel, Secretary
Ed Hopfer, Member
Kevin Chatfield, Member
Marlene Brissenden, County Comm. Member

Kent Maher, Legal Counsel

BOARD NOT PRESENT:

STAFF PRESENT:

James Parrish, Administrator
Sandi Lehman, CFO
Darlene Bryan, CNO
Leonard Perkinson, M.D.
Mike Bell, IT Director
Alicia Wogan, Administrative Assistant
Shouping Li, M.D.
Melissa Lopez, Administrative Support
Pam Wickkiser, Administrative Director
Ed Mohr, Anesthesia
Jackie Gonzalez, OR Manager
Lonnie Hammargren, Clinic Manager
Ken Whittaker, EMS
Debbie Whittaker, EMS
Craig Prest, Maintenance Director
Shar Pedersen, Quality Director
Rita Clement, ED & Inpatient Director

GUESTS:

Nicole Maher (Public Relations Director), Mike Sheppard (Owners Representative), Richard Cook, Paul Gaulin, M.D. (Rural Physicians Group), Marsha Colby (Hospital Auxiliary), and Louis Trout.

CALL TO ORDER:

Board chairman Hanzlik called the September 23, 2014 board meeting to order at 5:31 p.m.

PUBLIC COMMENTARY:

There was no public commentary.

MEDICAL STAFF REPORT:

Dr. Perkinson advised that medical staff is functioning well, and their meetings have been restructured to include a discussion on peer review.

EMS UPDATE:

Administrator Parrish said this item will be postponed because the EMS Director is out of town.

Administration Report:

Administrator Parrish said in August there were four charity care program applications. The Patient Access Department assisted 13 patients with Medicaid applications, responded to 689 questions in person and 440 by telephone, and there were 23 questions about billing. Board member Chatfield inquired as to why there were more questions this month. Sandi Lehman, CFO, said specific questions are not tracked. Chatfield said he is interested in understanding what questions are being asked. Board member Brissenden said she has

received complaints about billing and suggested the matter be on the next board meeting agenda. Parrish advised it will have to be on the November due to the timing of collections.

Parrish presented: (1) two letters of compliments from patients; (2) a letter and photo from REMSA regarding the Honor Guard presentation in Reno; (3) a recall alert certificate; and, (4) a Burning Man art car photo donated by the Gary Echeverria family.

CONSENT AGENDA:

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

PRESENTATION REVIEW/ APPROVAL OF FINANCIAL REPORTS:

Administrator Parrish presented the August 2014 financial report and graphs summarizing the report. Board member Chatfield inquired about ancillary services. Parrish and CFO Lehman responded that nothing stands out, but they will look at it again.

Motion by board member Hummel and second by board member Brissenden to approve the August 2014 financial reports as presented.

DISCUSSION / ACTION ON ITEMS OF BUSINESS & OTHER REPORTS:

1. Contract for replacement of portion of roof for the main hospital building / Administrator

Administrator Parrish advised there is a section of roof near the boiler room that needs replaced. Two bids were received; one from Lavoie Roofing and the other from Porter Roofing, with Porter Roofing being the low bidder at \$22,948. Mike Sheppard, Owners Representative, advised that Porter Roofing completed the acute remodel roof and did a good job.

Motion by board member Chatfield and second by board member Hopfer to accept the bid from Porter Roofing in the amount of \$22,948 for the roof replacement. Motion carried unanimously.

2. Contract for placement and installation of medical and health care services modular medical clinic building on railroad property site / Administrator

Administrator Parrish requested approval of a contract with US Modular to place and install the modular medical clinic building unit on the railroad property site in the sum of \$98,532. The project was budgeted at \$100,000. Only one bid was received. Mike Sheppard, Owners Representative, provided the background of the project and the involvement of US Modular. Board member Chatfield asked if the setup cost was included in purchase price of modular unit. Sheppard explained that the building purchase was bid separately. Chatfield asked if the bid proposal includes complete set up, and Sheppard responded that it does. Sheppard explained the delivery and set up schedule, and the crosswalk lighting schedule.

Motion by board member Hopfer and second by board member Hummel to approve the agreement with US Modular to install the modular clinic unit in the amount of \$98,532. Motion carried unanimously.

3. EDIS software purchase for Emergency Room Department / Administrator

Administrator Parrish explained that the EDIS software will allow electronic health records in the ER (which currently the ER does not have) and it will allow communication with the HMS system used by the other departments in the hospital. The software is budgeted at \$375,000, and the purchase price is \$290,000. Rita Clement, ED & Inpatient Director, gave a presentation on the software. Board member Chatfield asked Clement if she has used the system. Clement said she has used a demonstration system, and the nursing staff looked at the Elko hospital system. Mike Bell, IT Manager, gave an overview of the system. Dr.

Perkinson provided input on the use of the system by staff. Clement explained that the current process is cumbersome, time consuming and has more probability of error. There was further discussion on the system.

Motion by board member Chatfield and second by board member Hummel to approve purchase of EDIS software from Medhost in the amount of \$250,000 for the license fee, \$40,000 for pre-implementation, post-implementation, training and support services, and \$3,750 for the monthly maintenance fee. Motion carried unanimously.

4. Nuclear medicine equipment purchase for radiology department / Administrator

Administrator Parrish noted the purchase was budgeted to replace leased equipment with purchased equipment in the amount of \$391,000. A financial analysis of the equipment use shows the net revenue will increase from \$558,228 in 2014, to \$612,387 in 2015, and to \$695,614 in 2016. The equipment purchase was budgeted at \$525,000. Additionally, having new equipment will allow the hospital to increase to five days a week operation. Parrish explained the financials, and Pam Wickkiser, Administrative Director, gave presentation on the clinical use of the equipment. Board chairman Hanzlik inquired on the compatibility with existing equipment. Wickkiser said the new equipment will work with other equipment much better. The current machine is a 2000 model and the expected lifespan of the new machine is about ten years.

Motion by board member Hopfer and second by board member Chatfield to approve the purchase of the GE Discovery nuclear medicine equipment in the amount of \$391,000. Motion carried unanimously.

5. Authorization to negotiate agreement to provide orthopedic surgicalist services / Administrator

Administrator Parrish said providing orthopedic services on a full time basis has been a goal for some time. There are two groups interested in providing the service, and both groups explained their respective proposals at the last board meeting. Parrish reviewed the financial analysis of providing the orthopedic services, and explained the cost-benefit to the district. Parrish recommended negotiating an agreement with the Synergy Surgicalists (Synergy) group. Board member Brissenden commented that there is, in her opinion, a trust factor with the Rural Physician Group (RPG) because they already have a relationship with the hospital. Board member Chatfield asked if the hospital will get to choose doctors. Parrish said no, the arrangement will be similar to the hospitalist services, but the service providers do have to be credentialed by medical staff. Board member Hummel asked if there will be defined surgeries in the contract. Dr. Perkinson advised they (orthopedic surgeons) do totally different surgeries (than regular surgeons). Hummel said he believes Synergy made a better presentation and, although he likes the work RPG has provided, he believes it is best to not have all services through one provider. Parrish noted he has discussed the orthopedic services with the physical therapy group, and they do not feel there will be any differences with their cases because currently patients are having the surgical procedures in Reno and returning to Winnemucca for their physical therapy services. Chatfield said he agrees with Hummel that Synergy had a good presentation and it is best to not be dependent on one provider for all the contracted services. Perkinson noted that it will take a large initial outlay of resources, which will not be an impact to Synergy because they currently provide surgery services. Board chairman Hanzlik remarked that he has concern because RPG will have to put a program together since they do not currently provide surgery services, as contrasted to the Synergy which is already set up. Board member Hopfer said he favors Synergy due to their presentation.

Motion by board member Hummel and second by board member Hopfer to approve administration and legal counsel to negotiate a contract with Synergy Surgicalists to provide orthopedic surgery services. Motion carried with Hanzlik, Hummel, Chatfield and Hopfer voting aye and Brissenden voting nay.

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6. Physician Recruitment / Administrator

Administrator Parrish advised he had the opportunity to converse with nurse practitioner Jeremy Hurst who has signed a contract and advised he is still planning to start November 3, 2014 as scheduled. A letter of intent was offered to a nurse practitioner and administration is waiting for return of the signed letter, and it is hoped there will be a contract submitted for approval at the October board meeting. An interview is scheduled for the end of October with a family practice obstetrician.

HOSPITAL BOARD OF TRUSTEE COMMENTS / STAFF REPORTS:

Board member Hopfer commented that he inspected the hospital facilities and operations at Burning Man, and they are phenomenal.

PUBLIC COMMENTARY:

There was no public commentary.

Board chairman Hanzlik adjourned the September 23, 2014 meeting of the Humboldt County Hospital District Board of Trustees at 7:54 p.m.

APPROVED:

ATTEST:

Maurice Hanzlik, Chairman

Alicia Wogan, Administrative Assistant