

**EASTERN PLUMAS HEALTH CARE DISTRICT
MEETING OF THE BOARD OF DIRECTORS
Thursday, October 24, 2019
9:30 A.M.
Loyalton Skilled Nursing Facility
Conference Room, Loyalton, CA**

Minutes

- 1. Call to Order:**
The meeting was called to order at 9:42 am by Director McGrath.
- 2. Roll Call:**
Present: Dr. Paul Swanson, Gail McGrath, Harvey West, Teresa Whitfield and Nichole Johnson.
Absent: none
Staff: Jayne O’Flanagan, Acting CEO; Katherine Pairish, CFO; Rhonda Grandi, Director of Clinics; Eric Bugna, Chief of Staff and Ashlie Preston, Executive Assistant
Visitors: Approximately 13 visitors were present at the start of the meeting.
- 3. Consent Calendar:**
Discussion was held regarding policies. No changes were made. Director Swanson motioned to approve the consent. A second was made by Director Whitfield. None opposed, the motion was approved.
- 4. Board Chair Comments:**
Director McGrath commented on the beautiful drive out to Loyalton.
- 5. Board Comments:**
Director West commented on the beautiful floor remodel in the Portola Skilled Nursing Facility and suggested a remodel of the guest restrooms. Director McGrath stated that the guest restrooms are to be remodeled soon. Director McGrath passed a project binder compiled by Mr. Peiler around documenting all of the main projects his department has been working on.
- 6. Public Comment:**
A member of the public asked about and reminded the Board that Loyalton still does not have a pharmacy. Director McGrath commented that EPHC is not currently pursuing a public pharmacy, but is hopeful that services will be provided in the future.
- 7. Auxiliary Report:**
The Auxiliary is still trying to find someone to replace Janie McBride as she has moved. No report was given.
- 8. Chief of Staff Report:**
Dr. Bugna commented on data regarding healthcare as a part of GDP in the amount of approximately 4 trillion. The Institute of Medicine thinks about 25-30% of that is wasted on administrative complexity and pricing failure. Dr. Bugna commented on the difficulty

of providing pharmacy services in small towns and how they are closing. Director McGrath commented on how much more control we have on patient care as a smaller facility.

9. Audit Presentation:

Jerrell Tucker of JWT & Associates, LLP, presented the results of the 2018-2019 audited financials. Mr. Tucker stated that 1) EPHC has received an unmodified opinion; 2) there were not material weaknesses or significant deficiencies identified relating to the Hospital's internal controls and there were no reportable findings; 3) there were no audit adjustments and 2 late client entries, total P&L impact was \$577k decrease, cost report and capital asset write-off of \$554k and \$23k, and; 4) there were no difficulties encountered with Management in performing our audit and there were no disputes or disagreements with management during the course of the audit. Mr. Tucker commented on our conservativeness, stating that we are well reserved and in very strong financial position. Discussion was held. Director McGrath commented that we are doing well, better than we have in the past, and that it is necessary that we keep our growth at the right pace to keep EPHC and our community strong.

10. Committee Reports:

- Finance Committee

Director Swanson commented on the audit discussion held and recommended that the Audit be approved. Director West seconded that recommendation. Director Swanson commented on EPHC's improvements with patient volume up and the increase in morale. Director Whitfield commented on the benefit of providing staff support.

11. Policies

Director Swanson reviewed the policies in the Medical Executive Committee and the CAH Committee and recommends the following policies to the Board for approval:

- Blood Draw at the Request of Law Enforcement (CHP)
- Communication Needs Policy
- Contracts: Processing & Execution Thereof
- Death Reporting and Procurement of Death Certificates
- Emergency Assessment and Treatment (EMTALA) Policy
- Exposure Control Plan
- Firearms and Weapons
- Hospital Visiting Hours
- Inappropriate Patient Behavior
- MRSA Surveillance Program
- Nurse Practitioner and Physician Assistant Supervision and Scope of Practice
- Patient Appointment Failure
- Patient Assessment/Reassessment and Care Planning
- Patient Registration During Computer Down Time
- Release of Information Copying Costs
- Waived Testing

Discussion was held regarding making the "Blood Draw at the Request of Law Enforcement (CHP)" policy more specifically inclusive of all peace officers. This policy will be removed from the list, revised and approved at a later date. After discussion Nicole Johnson motioned

to approve the policies. A second was made by Director Whitfield. None opposed, the motion was approved.

12. Chief Nursing Officer Report:

Ms. O'Flanagan read a statement provided by Ms. DiNicholas. Ms. DiNicholas' report was as follows:

We had several providers out last week which caused a temporary drop in ancillary services. As of Monday of this week we are trending back to our new normal of very busy in all service lines. On Monday we had 3 patients in the acute floor and 2 admissions before 5 o'clock for a total of 5. We have a swing patient coming as soon as she is released for rehabilitation. Jim is really excited about this patient because it represents a patient that we can provide all levels of rehabilitation; physical therapy, occupational therapy and speech therapy. Previously we could not support the residents of our community that required all three modalities. This is awesome for EPHC! The SNF's are again adding to the resident population working through the waiting list. We had a resident discharge from Loyalton, a big win for the Rehabilitation crew, nurses and support staff to enable this patient to go home. Donna Dorsey, Dr. Swanson and I attended the transfer symposium at Renown last week and we came away with excellent resources and a better understanding of expectations both on our end and their end. The new van has been an amazing asset to enhancing the resident experience at both Portola and Loyalton. Of the 5 students from Feather River we now have 3 new licensed LVN's and of the other 2, 1 is waiting results and the other test on Nov 23. The staff has proven month after month they can rise to any challenge.

13. Clinic Director Report:

Ms. Grandi reported the clinic has seen 369 new patients since January 1, 2019 with an average of about 1.76 new patients per day. The PRIME reporting was concluded as well as the baseline data for the newly added project for chronic non-malignant pain management, we did receive notification that the comprehensive reviews were completed and the IGT transfer has been requested. We should receive the full payment of \$675k by the end of November. Ms. Grandi reported on our final year of PRIME, ending on June 30, 2020 and the quality incentive program (QIP) that will occur for a 6 month period from July 1 to Dec 31, 2020 followed by a 5 year program that will begin on January 1, 2021. The approval process will be much slower and the payment timeline will be one of the challenges. Ms. Grandi and Ms. Leal attended the National Association of Rural Health Clinics Conference earlier in the month. The emphasis was on policies and all staff familiarizing themselves with them. Ms. Grandi stated there is an onsite HIPPA training coming up for the clinic providers, management and staff are invited to attend as well as board members. Ms Grandi reported that Dr. Aggarwal's last day will be January 17th. An onsite interview was conducted with a Primary Care Physician from Idaho. Tracy Studer gave a report on Behavioral Health services provided in the local schools and children's services. Ms. Studer reported that Sierra and Plumas County are providing very good services at the schools and to children. Director West asked if the principals of the schools thought that the services provided was adequate enough, commenting that maybe the addition of a community health nurse could help or weather our Behavioral Health program could provide more service. Ms. Studer stated that Plumas County has 3-4 school nurses who travel, and suggested speaking with the Superintendent of schools. Ms. Studer reported that treating children is a specialized service and that Plumas Rural Services provides this service.

14. HR Director Report:

Ms. O’Flanagan reported that Human Resources has a new hire starting November 4th. Today the representative from Valic is on site in Portola to introduce a new program to allow employees to better plan their retirement. Ms. O’Flanagan and Ms. Pairish met with Valic and agreed to scheduled quarterly meetings to review the retirement plan and to bring a report to the board once a year. We will be implementing auto enrollment in the retirement plan on January 1, 2020, as well as an Employee Assistance Program with Met Life to offer counseling visits through an 800 number free of charge to employees. EPHC does not receive any information regarding those services. Met Life also provides support for managers who are dealing with difficult employees. Management Training will begin in November and be mandatory for all managers. More training will continue in December and January. The Holiday Party will be on Saturday, December 7. Invitations will be going out in the mail.

15. CFO Report:

Summary

For the month of September 2019 EPHC posted gross revenue of \$3,424,202. This was over budget by \$254,241. We posted a net loss for the month in the amount of \$102,127 and budgeted for a net loss of \$342,638.

Revenues

Total Inpatient revenue was over budget by \$145,460. Skilled Nursing revenue was over budget by \$2,772. Outpatient revenue was over budget by \$93,503 and Clinic revenue was over budget by \$15,278.

Expenses

Total operating expenses for the month were under budget by \$3,032.

Salaries and Benefits were under budget by \$55,472 with purchased services being over budget by \$44,087.

Repairs & Maintenance were under budget by \$5,178.

Supplies were over budget by \$2,482.

Other expenses were under budget by \$8,146. These include training, travel, and dues and subscriptions.

Revenue Cycle

Gross Accounts Receivable ended the month at \$5.9M. Gross Accounts Receivable days at September 30, 2019 were 47. We budgeted 53 and best practice is 55. Our collection rate for August was 68%. We budgeted 53.82%.

Balance Sheet

Total Assets at September 30, 2019 were \$20,979,518. At the end of September 30, 2018 they were \$17,685,449 -An increase of \$3,294,069 or 18.63%. Total Fund Balance increased from \$8,630,821 to \$13,058,054 -An increase of \$4,427,233 or 51.30%.

Additional Information

We incurred additional one-time expenses in the month of September in the amount of \$117,775, mostly for campus-wide improvements, software and our annual license. This amount was expensed and of course impacted cash. Days cash on hand at September, 2019 was 91. September 30, 2018 days cash on hand was 61. We are continuing to be as conservative as possible with cash outlay in order to maintain the required balance to fund upcoming IGT's (Intergovernmental Transfers). We anticipate our PRIME IGT to take place in November. We have not received notification from the State of the final funding amount, but we should be hearing from them within the next few weeks. Last year we

funded \$337,500 and received \$675,000 back. We anticipate PRIME will be higher this year.

16. Management Reports:

Mr. Boyd reported on Windows 10 and issues being resolved as well as ongoing IT projects and new subscriptions services being researched. The Dentrax server is ready and in place. Mr. Boyd reported on the JB Dev scheduling additions and functionality. The California Tele Health Certification was done. The IT Departments main fan went down requiring IT to be onsite 24/7 to monitor temperatures. Ms. O’Flanagan thanked Mr. Boyd and Mr. Lara for their work in keeping the server room going.

Mr. Peiler presented the portfolio that was circulated at the beginning of the meeting. Mr. Peiler reported on completed and ongoing projects, including the flag pole, slurry seal, campus wide painting, roofing project, the traveler house, and the Loyaltan shower room remodel as well as concrete replacement. Director McGrath commented on how great the employee restrooms look.

17. CEO Report:

Ms. O’Flanagan reviewed the Aspen Architect agreements and will be scheduling a planning meeting to review for scope. Ms. O’Flanagan attended a CEO Roundtable meeting in Alturas with other area critical access hospital CEO’s. The plans are moving along for outpatient physical therapy with the Education Center closing December 15 to start the remodel. We have hired a new physical therapist. The Board meetings will move to the Clinic Conference Room beginning in January. Ms. O’Flanagan stated that she has staff working on a plan of action to implement the new logo.

18. Board Comments:

Discussion was held regarding the Board visiting the site and staff communications. The Board will make sure that they have badges when visiting the site and will not visit with more than two at a time.

19. Closed Session:

Director McGrath announced the Board would move into closed session at 11:15 am; pursuant to Government Code Section 54957.

20. Open Session Report of Actions Taken in Closed Session.

The Board returned at approximately 11:16 am and announced:

- I. With respect to Government Code Section 54957.
No reportable action, the item will be continued to the next regular meeting.

21. Adjournment: Director McGrath subsequently adjourned the meeting at 11:16 am.

Approval

Date