

SOUTHERN INYO HEALTHCARE DISTRICT

Regular Meeting of the Board of Directors-Minutes

Date: Tuesday, February 13, 2018

Time: 4:30 p.m.

Location: RCA Church

550 East Post St

Lone Pine, CA 93545

PRESENT

Jaqueline Hickman, President

Carma Roper, Secretary

Charles Carson, Treasurer

Richard Fedchenko, Director

ABSENT

Mark Lacey, Vice President

OTHERS

Brian Cotter, CEO

Ashley McDow, Attorney (via phone)

Scott Nave, Attorney (via phone)

Chris Marks, IT

I. CALL TO ORDER

A. Mrs. Hickman called the meeting to order at 4:31 p.m.

B. Approval of Agenda

Action: Mr. Fedchenko moved to approve the agenda. Mrs. Roper seconded. All approved.

II. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA

The following provided comment(s) and/or asked question(s):

Lawrence Kraus

John Rothgeb

Kathy Göss

Sandra Spiedel

Matt Kingsley

Doug Thompson

Teresa McFarland

Lynne Bunn

Leroy Kritz

Bill Raffin

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III. BUSINESS ITEMS

A. Consent Agenda

1. Approval of Minutes

- a. Regular Board Meeting Minutes of December 12, 2017.
- b. Regular Board Meeting Minutes of January 9, 2018.
- c. Special Board Meeting Minutes of December 7, 2017.
- d. Special Board Meeting Minutes of December 21, 2017.
- e. Special Board Meeting Minutes of January 11, 2018.
- f. Special Board Meeting Minutes of January 17, 2018.
- g. Special Board Meeting Minutes of January 29, 2018
- h. Special Board Meeting Minutes of February 5, 2018

Action: Mrs. Roper moved to approve the minutes. Mr. Carson seconded.
All approved with corrections/edits.

2. Approval of the Physician Privileges

- a. **Keith Anderson, Ph.D., Psychologist**, Temporary 90 days Medical Staff Privileges
- b. **John Holden, Radiologist**, Extended Medical Staff Privileges
- c. **John Swift, Radiologist**, Extended Medical Staff Privileges
- d. **David Smith, Emergency Medicine**, Extended Medical Staff Privileges
- e. **Jules Silver, Emergency Medicine**, Extended Medical Staff Privileges
- f. **Ronald Ostrom, Emergency Medicine**, Extended Medical Staff Privileges
- g. **Marc Martinez, Emergency Medicine**, Extended Medical Staff Privileges
- h. **Michael Blue, Emergency Medicine**, Extended Medical Staff Privileges
- i. **Todd Larson, Emergency Medicine**, Extended Medical Staff Privileges
- j. **Klaus, Wagener, Emergency Medicine**, Extended Medical Staff Privileges
- k. **Daniel P. Davis, MD, Emergency Physician**, Temporary Medical Staff Privileges
- l. **David East, DO, Emergency Physician**, Temporary Medical Staff Privileges
- m. **Tracey Levens, MD, Emergency Physician**, Temporary Medical Staff Privileges
- n. **Cathryn O'Neill, MD, Emergency Physician**, Temporary Medical Staff Privileges

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3. Approval of Plan Administrator update.
a. Valic Retirement

Action: Mr. Carson moved to approve the Consent Agenda-III. 2 and III. 3. Mr. Fedchenko seconded. All approved.

B. Appointment of Directors to Committees

Action: Mrs. Hickman gave a brief explanation of Bylaws and appointing Directors to Committees. Mrs. Hickman appointed the following:

Executive Committee-Mark Lacey and Jaque Hickman

Joint Conference Committee-Chuck Carson and Richard Fedchenko
Chief of Staff, Richard Fedchenko and Chief Executive Officer, Brian Cotter
Note-Correction made on Joint Conference Committee-Carma Roper and Richard Fedchenko.

Finance Committee-Carma Roper and Richard Fedchenko
Note-Correction made on Finance Committee- Chuck Carson and Richard Fedchenko

Strategy Committee- Not appointed at this time.

C. Discussion regarding Measure J

Mrs. Hickman stated that there will be several scheduled meetings in regards to Measure J.

Mr. Fedchenko stated that the Board has explored many bankruptcy solutions. Measure J is deemed the most viable plan for the readjustment of debts and protection from creditors.

If Measure J, does not pass the Hospital may close. Without the bankruptcy and plan for readjustment of debts, there will be no protection from creditors.

Question on tax monies that can be used as collateral-
Our tax revenues, with the exception of the existing Parcel Tax, are protected as written. The use of the existing Parcel Tax is very specific. Others taxes may be pledged as collateral.

Mr. Fedchenko stated that when the Board took over two years ago, they walked into a situation where the hospital was millions of dollars in debt and possibly millions in Accounts Receivable.

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CFO, Jerrel Tucker is in the process of revising billing methods and correcting accounts receivable history. The goal is to provide accurate cost reports and complete audits.

The Board is working on increasing revenue streams and reviewing the possibility of various legal strategies.

Mr. Carson shared his concerns if the hospital closes. Mr. Carson's focus on running the ambulance service for the Lone Pine Fire Dept. District. If the Hospital closes there is nowhere close to take someone who gets picked up in the ambulance. While there may be other healthcare solutions, no plan has been brought forward with all operational details and financing options presented.

SIHD filed a recent version of Debt Re-adjustment Plan for the court. A copy is available to view in the Administration office for the public. It includes a very detailed Cash flow Projection through 2025.

IV. REPORTS

A. Financial Report

Mrs. Hickman informed that Jerrel Tucker will provide report at next board meeting.

B. CEO Report

Mr. Cotter provided update on finance operations, monthly volumes, improving revenue cycle, prioritizing accounts payable, relicensing survey-acute and MERP, ED, transfers, facility operations- skilled nursing and clinic. Update that CT scanner is up and running. Plans to add two General Surgeons to the Clinic to see patients for diagnosis only. General Surgeon's will pay a fee to SIH. Mr. Cotter explained the benefits of working with the General Surgeons and how it can help the community.

Mr. Cotter acknowledged Daniel Smith in Maintenance in efforts to keep cost down on supplies. Appreciation to ER staff Suzie Wright, Kaylee Walter, Clinic staff and Skilled Nursing staff.

C. ER Transfers Update

Mr. Cotter reported that a meeting took place at Fire Dept. telephone numbers were exchanged. There was also a follow up meeting in regards to EMCC. SIHD has support from Sierra Life Flight, Northern Inyo and Ridgecrest.

D. Medical Staff Report

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Included in CEO Report by Brian Cotter.

V. COMMENTS FROM THE BOARD OF DIRECTORS

Mrs. Roper made comment that she agrees that it needs to be known that the SIHD includes the Lone Pine Rural Health Clinic. If the Hospital closes, the Clinic closes as well. Mrs. Hickman comment that we don't give enough credit to clinic and all their hard work.

Mrs. Hickman made comment that it was not true that a Board Member quit. The member chose to leave his/her name out of ballot due to personal reasons. SIHD was pushed into this Parcel Tax. The Board thought that SIHD could go with a general obligation bond but it is not legal to do. The bankruptcy judge has given this case two extensions already on letting SIHD present a solution to the bankruptcy. The bankruptcy has to be addressed. It was not created by anyone individually. Possibly collectively as citizens we are all guilty of not actively participating in ownership of our healthcare district.

Mrs. Hickman also made comment on the cost of Healthcare and Employee rates/salary. Also mentioned how the State points out that we don't have certain staff and not being able to multi task.

The Board is open to suggestions/solutions.

VI. CLOSED SESSION

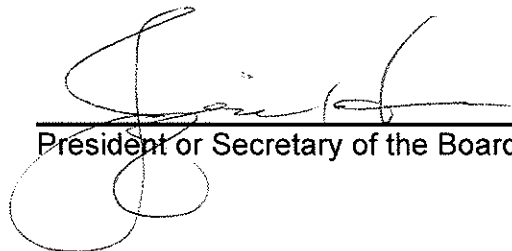
A. Existing Litigation (Govt Code 54956.9): Chapter 9 Bankruptcy

VII. CLOSED SESSION REPORT

Chapter 9 Bankruptcy was discussed. No other items were discussed. There was no action taken by the Board in Closed Session. Closed Session adjourned at 8:13 p.m.

VIII. ADJOURNMENT

Open Session was adjourned at 6:57 p.m.



President or Secretary of the Board

3-13-18

Date

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