

**Southern Inyo Healthcare District  
The Board of Directors  
Regular Meeting Agenda**

**Wednesday, November 2, 2016  
Board Convenes at 4:30 p.m.**

**Statham Hall  
138 N Jackson St.  
Lone Pine, CA**

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**I. CALL TO ORDER**

- A. Pledge of Allegiance
- B. Roll Call
- C. Approval of Agenda

**II. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA**

**III. ACTION ITEMS**

**A. Consent Agenda**

**1. Approval of Minutes:**

- Regular Board Meeting Minutes of September 21, 2016.

**2. Approval of Resolution Authorizing the Disposal of Surplus Property**

- A. Donation of **Steris Sterilizer**, with a fair market value of **\$4,495.00** to Tulare Local Health Care District in accordance with California Health & Safety Code Section 32121.2.
- B. Sale of **Manitowoc Ice machine**, with a fair market value of **\$200.00** to Mt. Whitney Golf Course in accordance with California Health & Safety Code Section 32121.2.

**3. Approval of Medical Staff Appointments:**

Edward Joseph Mescher, MD.

**B. Approval of Resolution Acknowledging Mary Gonzales**

**IV. REPORTS**

- A. Medical staff report
- B. Report by Administration
  - 1. Finance
  - 2. Compliance and Quality
  - 3. Personnel: Employee Insurances, Payroll, and Staffing
- C. Board of Directors/Committee Reports

**Board of Directors:**

Richard Fedchenko  
Chairman and President

Jaque Hickman  
Vice President

Mark Lacey  
Secretary

Travis Powell  
Board Member

V. **DIRECTOR COMMENTS ON ITEMS NOT ON THE AGENDA**

VI. **CLOSED SESSION**

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

VII. **CLOSED SESSION REPORT**

VIII. **ADJOURNMENT**

**NOTICE TO THE PUBLIC**

**PUBLIC COMMENT PERIOD FOR REGULAR MEETINGS**

Members of the public may comment on any item on the agenda before the Board takes action on it. The public may also comment on items of interest to the public that is within the subject matter jurisdiction of the Board; provided, however, the Board may not take action on any item not appearing on the agenda unless the action is otherwise authorized by law. Any person addressing the Board will be limited to a maximum of three (3) minutes so that all interested parties have an opportunity to speak.

**COPIES OF PUBLIC RECORDS**

All writings, materials, and information provided to the Board for their consideration relating to any open session agenda item of the meeting are available for public inspection and copying during regular business hours at the Administration Office of the District at 501 E. Locust Street, Lone Pine, California.

**COMPLIANCE WITH ADA**

This agenda shall be made available upon request in alternative formats to persons with a disability, as required by the Americans with Disabilities Act of 1990 (42 U.S.C. § 12132) and the Ralph M. Brown Act (Cal. Gov't Cod. § 54954.2). Persons requesting a disability related modification or accommodation in order to participate in the meeting, should contact the Executive Office during regular business hours by phone at (760) 876-5501, or in person at the District's Administrative Office at 501 E. Locust St., Lone Pine, California.

<b>CALL TO ORDER:</b>	Mr. Fedchenko called the meeting to order at 4:30 pm
<b>MEMBERS PRESENT:</b>	Richard Fedchenko, President; Jaque Hickman, Vice President; Travis Powell, Director; also present via phone Hospital Counsel, Scott Nave
<b>ABSENT:</b>	Mark Lacey, Secretary; Seat 5 - Vacant
<b>ALSO PRESENT:</b>	Dr. Benzeevi, Alan Germany, CEO/CRO, Colleen Wilson, CNO; Marise Andrade; Mary Gonzales, Board Recording Clerk
<b>APPROVAL OF AGENDA:</b>	Ms. Hickman moved to approve the 9/21/16 agenda; Mr. Powell seconded. All Approved
<b>PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA:</b>	
One comment was made that there is no job posting in the local newspaper in regard to the need for CNAs.	
<b>ACTION ITEMS:</b>	
<b>A. Consent Agenda</b>	
<b>1. Approval of Minutes: 2016:</b>	
Mr. Fedchenko asked if there is a motion to approve the minutes of December 30, 2015 and August 25, 2016. Mr. Powell moved to approve the minutes for December 30, 2015 and August 25, 2016. Ms. Hickman seconded. All Approved.	
<b>B. Conflict of Interest Code:</b>	
Mr. Fedchenko stated that SIHD received a letter from the Office of County Council regarding a requirement to review, amend or report the conflict of interest which happens every two years. This being the year that it's due, it's due on October 1, 2016. SIHD identified those people who might have a conflict of interest because of their roll in decision making on the hospital that includes: board members, executive and management staff members. We have that list. It has gone through Alan. Our Attorneys have looked at it and it is ready for us to submit to the county. Mr. Fedchenko asked if there is a motion to accept this list and forward it to the county. Ms. Hickman moved the acceptance of the conflict of interest code that has been reviewed for submission to the Office of County Council. Mr. Powell seconded. All Approved.	
<b>REPORTS:</b>	
<b>A. Lone Pine Fire Department Report:</b>	
Leroy Kritz was invited to speak upon the shortage of EMTs. Mr. Kritz spoke about losing 7 EMTs due to people moving away and retiring. The county put out an RFP, the board of the Fire Department decided they couldn't sign an RFP at this time because they cannot guarantee an ambulance service for the next ten years. If you live in Keeler and Darwin you may or may not get an ambulance. This affects the hospital because they may or may not be able to make transfers out of the hospital. It can be done to the airport but not guaranteed to Bishop. Mr. Kritz stated the problem is that people do not want to volunteer anymore. Ms. Hickman asked if there was someone in the community that could act as a recruiter that has some knowledge of young people that might be interested. Mr. Kritz asked the public to go out to the community and draft people. The number to the fire house is 760-876-4626 call Chuck Carson. Mr. Fedchenko mentioned that one or two people are needed to step forward to form a task force or a committee. Something to get some action started on this and some fallow through on it because it will really impact what the hospital is able to do in terms inpatients that come in and SIHD can't provide everything they need, we may not be able to transport them somewhere else.	
<b>B. Medical Staff Report</b>	
No report.	

**C. REPORT BY ADMINISTRATION:**

**1. Finance**

As of March 1, 2016 the hospital has emergency room physician available 24/7. The month of August averaged four visits per day. Dr. Silver is currently on duty. Great double boarded physician from Vegas. Extremely strong physician and everyone enjoy working with him. Next week Dr. Ostrom, from Bakersfield will be back.

Volumes in general: Clinic had 384 visits for the month of August. That is up over the previous months. Skilled Nursing Facility, roughly 13 residents is how we ended August. The biggest challenge in terms of increasing the number of residents is staffing. CNAs, LVN, and RNs. Physical Therapy had 253 visits for the month of August; down a little bit from June and July. We have great Physical Therapist, Sara Leland and Sally Burgess. We even brought another one from Tulare; Joe. He has some specific experience in long-term care.

Lab had 248 encounters for the month of August; down a little bit from the previous months. Radiology – we are very fortunate in Lone Pine to have the different modality and different types of radiology whether it’s digital x-ray, CT, or ultrasound. There were 101 encounters for the month of August.

Balance Sheet: roughly at the end of August SIH had \$50,000 in the bank. That number ebbs and flows. At the end of August SIHD was in a borrowing mode as it relates to Tulare/HCCA of about \$169,000. As everyone remembers these were discussions that relates back to December and January that they would come in and provide some working capital. They have been very diligent about if there is a borrowing, try to pay it back as quickly as possible. Accounts Receivable: they have been working diligently to collect from Medicare and MediCal. Bad Debt balance: a lot of that was there before. Accounts Payable: vendors SIHD owes. Pre-petition is before the Chapter 9 filing that was done in January. Post-petition is about \$625,000 – that ebbs and flows depending on cash on hand.

Ms. Andrade and Mr. Germany will be scheduling a detailed finance committee meeting in early or mid-October as they have a lot of information to convey. Cash flow has been increasing, slowly. A lot of that will increase once the skilled nursing facility censuses are up. For the month of August the cash receipts were about \$664,000. There was a little bit of property tax received in August. Payroll: they are trying to be very prudent with how they manage the payroll. That is going up ever so slightly each month .

Accounts Payable, strictly cash in and cash out. ER physician cost remain fairly steady each month. Overall cash disbursement is about \$489,000. Net cash flow – every month is different. They have a due to and due from Tulare/HCCA spiked up at the end of July, \$319,000. SIHD/HCCA has been able to pay it down somewhat. It is at \$168,000 at the end of August. In September it went up a little and came back down and we are currently at \$169,000 owed to Tulare/HCCA on the working capital line of credit.

Mr. Germany introduced Kevin Smith, Audit Partner with Eide Bailey. Mr. Smith has a team of auditors at SIHD going over some information for the Fiscal Year-end 2016 audit. It’s not just a three or four day process but a year long process to be involved and answer question as the Board has them, Finance Committee, or whoever is involved in hospital. They want to be partners and help in any way they can.

Clinical Excellence – a quality update. Mr. Germany was very happy to report that SIHD’s Skilled Nursing Facility was rated five out of five stars. Overall rating five out of 5 stars, health inspection four out of five stars, and staffing five out of five stars. Other facilities aren’t doing as good as what we have in Lone Pine. This information is on the CMS website, nursing home compare.

Mr. Germany gave a presentation of the jobs available at Southern Inyo Hospital.

Mr. Germany and Marise Andrade reviewed the Parcel Tax revenue from 2005 to date. Received a lot of detail from the County. As they reviewed the Measure they noticed errors – what’s a residence, a commercial property, who owns it. They will continue to have discussions with the County and SIHD Board.

LAFCO was discussed. Mr. Hart has been working on healthcare regionalization study. There are a lot of changes in healthcare nationally and there is a lot of pressure on rural hospitals. LAFCO prepared a study looking at the possibilities for healthcare regionalization in the Eastern Sierra. The low hanging fruit they see has to do with Administrative Services; there can be a lot of sharing and economy of scale that can be taken advantage of to reduce cost to the individual district without affecting healthcare and actually improving healthcare. As they move higher in the healthcare system there are some opportunities to share services and specialization among the hospitals.

Ms. Hickman reported that Kerry Powell has always been a great supporter of the hospital. When the Powell's make a gift they do it under the name of the Powell Family. Kerry had a little money that she thought the hospital could put to good use but wanted it to go to a specific cause within the hospital. One of the things brought to light at a recent Board Meeting was an analyzer for the lab. Kerry presented a check to Mr. Germany for \$10,000 to put toward that analyzer. Kerry Powell continues to do those kinds of very giving things throughout the community when she sees there is a need.

Mr. Fedchenko asked about SIHD's line of credit. He remembered when signing HCCA's contract they also signed for a \$500,000 line of credit, he thought was with HCCA. Later at another Board Meeting they were presented with another line of credit to sign, he thought was with Tulare Regional. When Mr. Germany is showing these figures of \$300,000+ that SIHD owe, does that incorporate both of those? Mr. Germany stated that the borrowing is set up with Tulare Regional (TRMC). TRMC is a Healthcare District just like Southern Inyo (SIHD). They are both political subdivision of the State. Both are public hospitals. This qualifies for public supplemental funds. Set up a certified public expenditure, get it matched and send it back. In order to get those funds you may have to partner up with another public entity like TRMC so you funds can qualify. Right now there is no money at all in terms of HCCA; there is from a management agreement perspective but not the actual line of credit.

Mr. Fedchenko commented that sometimes people come up and ask if the hospital is making a profit yet. It's not about profit – it's about cash flow. Cash is king. If you run out of cash, you can't pay your bills or meet payroll. Mr. Fedchenko felt what Mr. Germany was presenting to the Board is a very conservative approach to managing cash so that they have a real handle on where the money is going and not having any of it going out that is not absolutely necessary. There was discussion on jobs available at SIHD and the progress of the CNA program.

## **2. Compliance and Quality:**

Phyllis Gregory, TRMC/ SIHD HIPPA Privacy Officer, wanted to remind everyone about the privacy law. The privacy law came into effect in 2003 as a Federal law prior to that each state had its own regulations in regards to patient privacy. Patient identifiable information which is anything that you see, hear or read while you have patients in the hospital. Ms. Gregory wanted to remind everyone that we cannot repeat or let anyone know what we see or hear at the hospital. This includes all the employees, volunteers, students, and interns. Everyone has to comply there are civil and criminal offenses if you intentionally or unintentionally release patient information without there authorization.

## **3. Information Technology:**

Shawn Burgess, I.T. Director, explains how SIHD will implement the EHR project through June of 2017. Medsphere and Medworks are doing a bulk of the work. About two weeks ago there was a kick off and the entire staff was there. The following week they will be coming back out to look at the data collection requirement and what it's going to look like to build this system. This will accelerate the technology in the hospital. Mr. Burgess states there is no lab system today; with this we will have a lab system and a pharmacy system. We will replace the radiology information system, electronic charting in the clinics, the hospital and in SNF. The financial systems are also being replaced and we will be implementing a new HRIS system. This will introduce new technology to some of the departments that currently doesn't have technology today.

## **D. BOARD OF DIRECTORS/COMMITTEE REPORTS:**

1. Mr. Powell stated they had a conversation with the Board's attorney to see if they were on track on getting the Bylaws rewritten and the short answer was no. They are back to the drawing board and better consultation with Mr. Nave to be sure they get it done correctly. There will be discussion at the next Board Meeting.

**DIRECTOR COMMENTS ON ITEMS NOT ON THE AGENDA:**

Mr. Fedchenko commented that he and Gerry Grindle walked all over town posting the job openings at the hospital and the Board Agenda. Due to that he felt the attendance was the best they've had in a long time. There was discussion on changing the Board Meetings, possibly to the first Wednesday of the month.

Ms. Hickman added that the whole idea of meeting on a time when HCCA can have other representatives here and have staff present is so SHID/HCCA and the Board can offer as much transparency to the public as possible. The reward to the Board is to see the room full and the reward to the public is the fact that we have a hospital at all.

**MR. FEDCHENKO ADJOURNED THE MEETING TO CLOSED SESSION (6:05 PM)**

**THE BOARD RETURNED TO OPEN SESSION (7:53 PM)**

**REPORT ON CLOSED SESSION:**

- A. Real Property Negotiations were discussed. No action was taken.
- B. Existing Litigation for Chapter 9 Bankruptcy was reviewed by bankruptcy counsel Ashley McDow and Board counsel Scott Nave (by telephone connection). No action was taken.
- C. Potential Litigation was discussed. No action was taken.
- D. A personnel matter was discussed.

**ADJOURNED** Mr. Fedchenko adjourned the meeting. 7:58 pm.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Board President or Secretary

**RESOLUTION NO.**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF  
SOUTHERN INYO HEALTHCARE DISTRICT  
DECLARING CERTAIN PROPERTY SURPLUS TO  
THE NEEDS OF THE DISTRICT**

Whereas, Southern Inyo Healthcare District in the normal course of operations, and from time to time, has property that becomes surplus to the needs of the District; and

Whereas, the District is required to dispose of surplus property in accordance with law, including Health & Safety Code section 32121.2;

Now, therefore, the Board of Directors of Southern Inyo Healthcare District finds, declares, and resolves as follows:

(a) The property identified in Exhibit 1 attached hereto, and incorporated herein by reference, (the “Surplus Property”) is surplus property no longer suitable to the District’s needs.

(b) District staff is directed to dispose of the Surplus Property in a manner in the best interests of the District in accordance with law.

(c) District staff is authorized to determine which offer to acquire the Surplus Property is in the best interests of the District.

(d) If no offers are received staff is authorized to dispose of the Surplus Property in a manner that is in the best interests of the District in accordance with law.

(e) District staff shall report the results of the disposal of the property to the Board of Directors.

**PASSED, APPROVED AND ADOPTED** on \_\_\_\_\_.

\_\_\_\_\_  
Richard Fedchenko, President

ATTEST:

\_\_\_\_\_  
Mark Lacey, Secretary

(SEAL)

**EXHIBIT 1 - SURPLUS PROPERTY**

Steris Sterilizer model number is R3023-1 and Manitowoc Ice Machine model number JD0252A





# Southern Inyo Hospital

501 E. LOCUST STREET  
P.O. BOX 1009  
LONE PINE, CALIFORNIA 93545

Telephone  
(760) 876-5501  
FAX (760) 876-4388  
Admin. FAX (760) 876-2268

October 24, 2016

Board of Directors  
Southern Inyo Hospital  
P.O. Box 1009  
Lone Pine, CA 93545

It is requested that Edward Joseph Mescher, MD be granted temporary Medical Staff privileges for a period of 90-days to facilitate the Medical Staff credentialing process.

Respectfully,

A handwritten signature in blue ink that reads 'Vickie Torix'.

Vickie Torix  
Medical Staff Secretary

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Ronald Ostrom, DO, Medical Director of ER

Date

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Alan Germany, CEO/CRO

Date

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Richard Fedchenko, Board President

Date

**RESOLUTION NO.**

**A RESOLUTION OF SOUTHERN INYO HEALTHCARE DISTRICT  
EXPRESSING APPRECIATION TO MARY GONZALES  
FOR HER OUTSTANDING SERVICE AS AN  
EMPLOYEE OF THE DISTRICT**

**WHEREAS**, Mary Gonzales has served as an employee of Southern Inyo Healthcare District from 1994 to 2016; and

**WHEREAS**, Ms. Gonzales has provided outstanding service to the District and the community during her tenure; and

**WHEREAS**, the District wishes to express appreciation to Ms. Gonzales for her distinguished service;

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF SOUTHERN INYO HEALTHCARE DISTRICT THAT** Mary Gonzales is hereby honored and thanked for her outstanding service on behalf of the community, for her untiring efforts to better the District and community, and for her many thoughtful contributions to the District.

**BE IT FURTHER RESOLVED** that a certified copy of this resolution be presented to Mary Gonzales by the Secretary along with an appropriate statement of the Board's heartfelt appreciation.

**PASSED, APPROVED AND ADOPTED** this 2<sup>nd</sup> day of November 2016.

ATTEST:

\_\_\_\_\_  
Mark Lacey, Secretary  
(SEAL)

\_\_\_\_\_  
Richard Fedchenko, President

\_\_\_\_\_  
Jaque Hickman, Vice-President

\_\_\_\_\_  
Travis Powell, Member