



**MINUTES OF THE SEPTEMBER 19, 2017 MEETING OF THE
PETALUMA HEALTH CARE DISTRICT BOARD OF DIRECTORS**

CALL TO ORDER

President Hempel called the meeting to order at 12:00 PM in the lobby conference room at 1425 N. McDowell Blvd.

PRESENT

Elece Hempel
Josephine S. Thornton, M.A.
Becky Monday
Fran Adams, RN, BSN
Joseph Stern

ALSO PRESENT

Ramona Faith, CEO, PHCD
Erin Howseman, Board Clerk, PHCD
Andrew Koblick, Controller, PHCD
Wendi Thomas, VP Operations, SJH

CALL FOR CONFLICT

President Hempel called for conflict. There was none.

MISSION AND VISION

Director Monday read the mission and vision of the Petaluma Health Care District.

The mission of the Petaluma Health Care District is to improve the health and well-being of our community through leadership, advocacy, support, partnerships and education.

Petaluma Health Care District envisions: A healthier community; a thriving hospital; local access to comprehensive health and wellness services for all.

CONSENT CALENDAR

A motion was made by Director Stern to approve the September 19, 2017 Agenda and the August 15, and September 5, 2017 Minutes which was seconded by Director Adams. This motion was passed by a vote of 5 ayes (Directors: Hempel, Adams, Monday, Thornton, Stern) and 0 noes.

ADJOURN TO CLOSED SESSION

President Hempel adjourned the meeting into closed session pursuant to:

- **Government Code §54956.8 closed session; real property transaction; meeting with negotiator – 400 North McDowell Blvd.; GE Healthcare Camden Group, and Bouey & Black, LLP.**

ADJOURN TO OPEN SESSION

President Hempel adjourned the meeting to open session and reported no action was taken in closed session.

PUBLIC COMMENTS

There were no public comments.

BOARD COMMENTS

There were no board comments.

PETALUMA VALLEY HOSPITAL

SRM Alliance Board Update

Wendi Thomas gave the PVH update, beginning with a report on staffing, resignations and transfers in the OB Department. Ms. Thomas referred to data from January 2017 to the present: there were six resignations, with one of those being a full time employee who went to being a per diem. In addition, most of the resignations were part time staff, and most of the employees who left went to Kaiser. PVH has hired nine nurses, four of whom are per diem, and five are full time. Ms. Thomas said that management has been working to achieve the best skill mix on all shifts. Two new nurses come from the Transition to Practice Partnership Program with Sonoma State University, and will be trained through Providence Health's Clinical Academy which trains for specialty areas including OB.

Ms. Thomas reported the OB department has been averaging 35 deliveries per month over the last eight months, which is on track for the last five years. There were on average 63 triages per month, which Ms. Thomas explained includes any situation which results in a "check" in the labor and delivery unit.

For the physician component, Ms. Thomas stated that family practice doctors from Petaluma Health Center (PHC) are covering one third of pediatric call. The other two thirds of call coverage is being covered by three physicians. One of those, Dr. Da Paula may stop doing call in the near future, and PVH management is working with PHC on how to fill the call schedule.

Ms. Thomas reported that she has recently hired two ICU nurses offering them a \$10,000 sign-on bonus for hard-to-fill positions. Med-surg currently has no open benefitted positions to fill because of recent new hires. Med-surg has recently transitioned to 12-hr shifts, which is a recruitment and retention incentive.

The Joint Commission lab survey recently completed was the most successful to date. As of October 1, PVH is moving from a tele-psychiatry platform with Dignity Health to a new platform with Providence, which is expected to be an improvement.

Ms. Thomas reported that a new PVH Employee Engagement Survey would begin the following day, and she was asked by Director Adams to provide to the board the reports from the last two years, which she agreed to provide.

ADMINISTRATIVE REPORT

PRESIDENT’S REPORT

President Hempel distributed to the board members a book entitled “52 Ways to be a Better Board”. She discovered the book at the recent ACHD annual meeting. The book consists of short chapters that highlight important principles for good board governance.

CEO REPORT

CEO Ramona Faith directed the board’s attention to the information in the packet and noted that the Memorandum of Understanding between PHCD and the Petaluma Health Center has been resigned based on the request of the Health Center and that the language in the MOU had not changed.

Faith reported that she and Director Hempel just returned from the ACHD Annual Conference which was well attended. Ms. Faith also shared with the Board the District advertisement to be published in an Argus Courier Health and Wellness guide at the end of September.

FORGING A NEW PATH FOR PETALUMA VALLEY HOSPITAL

Director Hempel and Ms. Faith, along with District legal counsel and Camden Group, met with the Paladin team last week to continue negotiations. Ms. Faith reported that an update was sent to Todd Salnas to distribute to PVH employees and volunteers. In addition, that update was sent directly to PVH medical staff and the community at large. The update is included at the end of these minutes.

FINANCE COMMITTEE REPORT

Andrew Koblick reported that the Finance Committee met on September 13, and reviewed the District financials, principles for District business ventures, and the benchmarks for District programs such as Lifeline and HealthQuest. Director Stern added that Gary Hicks had recommended the board create performance metrics for the District’s products and services, and a process has been started to create a “dashboard” of easily readable information. Board members were invited to attend the Finance Committee meetings; agendas are posted on the District website. It was noted that Healthquest and Lifeline of the North Bay have met their department budgets YTD through August.

FINANCIAL SUSTAINABILITY

July 2017 Financials

The Month and Year to Date July 31, 2017

Andrew Koblick presented the July 2017 financials.

As of July 31, 2017 the unaudited Statement of Net Position reflects assets of \$7,804,999 and liabilities of \$613,157 leaving the net fund balance at \$7,191,843.

The month and year to date ended July 31, 2017 the unaudited Statement of Revenue and Expense shows the net loss of \$91,167 which is \$4,426 better than the budgeted loss of \$95,593.

A motion was made by Director Thornton to approve the July Financials, seconded by Director Monday. The motion was passed by a vote of 5 ayes, (Directors Hempel, Monday, Adams, Thornton and Stern) and 0 noes.

Audit Report

Andrew Koblick reported that KCOE-ISOM, the auditing firm just completed the field work for the audit of District financials. The auditors will compile a report which will probably be presented to the board in November. The auditors were very complimentary of District staff for their organization and cooperation. The report will be postponed in anticipation of further information about the transfer of operations of the hospital which will impact the District's financial picture.

Director Adams asked if there was any update about the rent that is owed to the District by St. Joseph's Health (SJH). Ms. Faith reiterated that SJH has not paid the District rent to operate PVH which goes back to January 2017. District legal counsel will be drafting a formal letter to SJH.

PAST BOARD MEMBERS' INSURANCE REIMBURSEMENT

The board discussed a revision to Board Policy #12: Board Benefit Policy. The policy as approved in 1995 gave former board members and their spouses reimbursement for health insurance based on the number of their years of service on the board. The board changed the policy in 2000 to state that Directors will be reimbursed for the cost for health insurance premiums during their time of service on the board, and that Director's spouses will not be reimbursed for health insurance.

Ms. Faith reported that one past board member and his spouse still receive full health insurance benefits because they were grandfathered into the policy. The board decided that the past board member would be covered, not the spouse or dependents to align with the current board policy.

A motion was made by Director Thornton and seconded by Director Stern to amend Board Policy #12, Board Benefit Policy, Section D, to state that the District will no longer pay for reimbursement of health insurance benefits for spouses of former board members effective January 1, 2018. The motion was passed by a vote of 5 ayes, (Directors Hempel, Monday, Adams, Thornton and Stern) and 0 noes.

BOARD GOVERNANCE

Director Thornton, member of the Board Governance Committee, reported that the Board Policies were reviewed at the Board Governance Training in June, 2017, and need board approval. Ms. Faith noted that the Board Policy #14, Retention of Records, is still being revised and is not yet ready for board approval.

President Hempel instructed the board that if the District receives a Freedom of Information Act request, triggering a 10-day response period, every device used for District communication may be required to be submitted for inspection. Consequently, Ms. Hempel recommended that board members use only District email addresses and District issued devices to receive and respond to District emails, rather than using personal phones and tablets. Staff was directed to review the current functionality of the board's electronic tablets, which were purchased several years ago.

A motion was made by Director Adams to approve the PHCD Board Policies listed on the agenda:

- **Basis of Authority**
- **Operating Principles of the Board**
- **Code of Ethics**
- **Ethics Training**
- **Guiding Principles for District Business Ventures**
- **Conflict of Interest**
- **CEO Performance Evaluation**
- **Board Meeting and Conduct Policy**
- **Access to Public Records**
- **Board Meeting Policy**
- **Board Meeting Layout Policy**
- **Board Benefits Policy**
- **Minutes of Board Meeting**
- **Purchasing Signature Authority**
- **Statement of Investment Policy**

The motion was seconded by Director Stern, and was passed by a vote of 5 ayes, (Directors Hempel, Monday, Adams, Thornton and Stern) and 0 noes.

INFORMATIONAL ITEMS

Ms. Faith directed the board members' attention to the upcoming events listed in the agenda.

ADJOURN

President Hempel adjourned the meeting at 2:45 PM.

Submitted by Fran Adams, Board Secretary

Recorded by Erin Howseman, Board Clerk