



**MINUTES OF THE MARCH 20, 2018 MEETING OF THE
PETALUMA HEALTH CARE DISTRICT BOARD OF DIRECTORS**

CALL TO ORDER

President Hempel called the meeting to order at 12:02 PM in the lobby conference room at 1425 N. McDowell Blvd.

PRESENT

Elece Hempel, President
Fran Adams, RN, BSN arrived at 12:07 PM
Josephine S. Thornton, M.A.
Joseph Stern

ALSO PRESENT

Ramona Faith, CEO, PHCD
Andrew Koblick, Controller, PHCD
Jane Read, VP Operations PVH
Ruth Wells, Board Clerk, PHCD

CALL FOR CONFLICT

President Hempel called for conflict. There was none.

MISSION AND VISION

CEO Ramona Faith 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 and seconded by Director Thornton to approve the Agenda for March 20, 2018, and the minutes of meeting on February 20, 2018. This motion was PASSED by a vote of 4 ayes (Directors: Hempel, Stern, Thornton) and 0 noes.

PUBLIC COMMENTS ON NONAGENDIZED ITEMS

There were no public comments on non-agendized items.

ADJOURN TO CLOSED SESSION

President Hempel adjourned the meeting into closed session at 12:04 PM, pursuant to:

- **Government Code §54956.8 closed session; real property transaction; meeting with negotiator – 400 North McDowell Blvd. and a lot at the NW corner of Lynch Creek Way and North McDowell Blvd.; GE Healthcare Camden Group, Bouey & Black, LLP, and Archer Norris.**

There was no action taken during Closed Session.

ADJOURN TO OPEN SESSION

President Hempel adjourned the meeting to open session at 1:04 PM and reported no action was taken in Closed Session.

PUBLIC COMMENTS

There were no public comments.

BOARD COMMENTS

President Hempel noted that she has been asked to open the California Commission on Women's meeting this week.

PETALUMA VALLEY HOSPITAL

SRM Alliance Board Update

VP for Operations Jane Read reported that the hospital is proceeding with negotiations with Petaluma Staff Nurse Partnership to write a new contract with the nursing staff. This is usually an 18-month process. Two nursing leaders have started in the ED/ICU and the Med-Surg assistant nursing manager. In addition, a new manager for the family birthing center has been hired who will start mid-April. The hospital is still seeking a perioperative services director and has strong candidates.

Having resolved some of the call staffing issues, the hospital now is adding days to the operating room schedule. There now are two general surgeons on the call schedule, but one more is needed. The hospital is still recruiting for a GI physician. A national shortage for this specialty makes it difficult to get them in smaller communities.

The hospital is working to handle neuro consults via telemedicine. Stroke and epilepsy events typically are triaged by a phone consult with emergency staff. They are working with Providence on establishing telemedicine for psychiatric needs.

PVH recently finished employee forums. Management is working on an organizational cultural transformation. A division of Ritz Carlton has been engaged to help develop standards of behavior and customer service, looking to increase HCAP (patient satisfaction) scores. The chief strategy officer for SJH northern region, is in charge of the process.

There is a new mission and vision for Providence/SJH, which changes the organization's stated values. The hospital remains steadfast in their service to vulnerable populations. They have added compassion and PHCD Board of Directors Meeting Minutes 3-20-18

integrity as stated organizational values, along with dignity and justice. They surveyed nearly 60,000 employees to ask what the organization's values need to be, and compassion was number one. PVH has long honored nurses for compassion through the Daisy Award. They are glad to see this a values in action award for all care givers.

The hospital has seen a significant shift in payer mix this year with fewer commercial payers and more Medicare patients. They are working on an operational improvement plan, looking at labor and other expenses to align the budget. While PVH is on budget, the Sonoma County region is behind.

SJH is part of the Meritage physician network. Employers are looking for the least costly option that offers a full range of services. While there is more competition in the market (Sutter is a new player), SJH continues to grow. SJH's president spends significant time with employers and insurance brokers advocating for SJH/PVH.

SJH is now doing trans-aortic valve replacement procedures (TAVR). This less-invasive procedure helps to keep the services in the community rather than referring patients to the San Francisco. SJH is still encouraging Western Health Advantage because PVH is competitive in pricing and offers excellent patient management.

Resuscitation Quality Improvement training that the American Heart Association (AHA) now recommends is being implemented for patient care providers. Many PVH care providers get Basic Life Support training with their Advanced Cardiac Life Support certification. Ms. Read acknowledged that PHCD's Healthquest CRP training is excellent. Ms. Faith noted the new requirement for more frequent testing (four times a year) will affect Healthquest.

The Board thanked Ms. Read for her report. President Hempel acknowledged that this is Ms. Read's last appearance before the Board in her present role. The Board thanked her for the hard work she has done at PVH. They wished Ms. Read well as she advances her career in a new position with Petaluma Health Center. Ms. Faith also thanked Ms. Read and noted she is pleased that PHCD will continue to work with Jane through her new role at PHC. Ms. Read has been a great advocate for Petaluma Valley Hospital and truly cares about Petaluma as a community. Ms. Read looks forward to continuing to work together to maintain the health of this community.

ADMINISTRATIVE REPORT

PRESIDENT'S REPORT

There was no report.

CEO REPORT

CEO Ramona Faith asked if there were any questions from the CEO report. There were none. Ms. Faith reported that the District will give a Health Hero award this year. Nominations being solicited, with a possible focus on Sonoma Strong, depending on who the nominees are. Past recipients of the award include Bill Baseman (Petaluma Police Dept.) and Randy Clay (Committee on the Shelterless). Ms. Faith invited nominations from the board and the public.

Ms. Faith acknowledged the Lifeline of the North Bay staff members (Daniella Bonovitch, Jeanne Cappa and Dave Decker) for their many years of excellent customer service. The acquisition of the Lifeline business by Connect America will be finalized April 2. Lifeline has been part of the District for more than 25 years, and now serves six counties. The new business will be called ConnectAmerica West with

Petaluma as a hub for their Northern California growth. The same staff members will continue to be officed at the District. ConnectAmerica West is eager to build on the District's established reputation, offering more quality devices and faster response times as technology improves.

Ms. Faith noted that the strategic planning process for the District has been in suspense while the hospital operator issue is resolved. She proposed moving forward with a strategic planning process and involving several community partners in the process. The Board asked Ms. Faith to start outlining the process for review by the Governance Committee.

Likewise, Board self assessment and the CEO evaluation are due. The Board felt it is not necessary to wait for the new director to gain some experience first and instructed Ms. Faith to proceed with preparing both exercises.

The *Sonoma County Summary Measures of Health* report was included in the agenda packet. The report describes life expectancy and the leading causes of death and premature death across Sonoma County communities. Ms. Faith noted that CHIPA goals are aligned with the 2014 "Portrait of Sonoma" report findings. Ms. Faith recommended the board consider a report presentation from the Dept. of Health Services. Director Thornton requested a presentation and felt it would be helpful for the board to consider how the District can respond to the findings.

FORGING A NEW PATH FOR PETALUMA VALLEY HOSPITAL

Ms. Faith reported no development since the last Board meeting. The District Board still is evaluating the Paladin proposal, as well as waiting for SJH to inform the District on an option that might allow them to re-engage in negotiations with the District to continue as the hospital operator. No time frame has been established for SJH's response. Deadlines are difficult to set or enforce because so many parties are involved in the decision making process.

Public Comment: no public comments.

SLATE OF OFFICERS FOR 2018

CEO Ramona Faith chaired this section of the meeting. Ms. Faith proposed that the current slate of board officers continue in their present roles through the coming fall election, for the sake of continuity in the due diligence process.

A MOTION was made by Director Thornton and seconded by Director Stern to approve the following board officers for 2018: Elece Hempel, President; Josephine Thornton, Vice President; Fran Adams, Secretary; Joe Stern, Treasurer. This motion was PASSED by a vote of 4 ayes (Directors: Hempel, Adams, Stern, Thornton) and 0 noes.

Public Comment: Director Stern noted that no individual officer has any individual authority. While the roles of officer are important to proceedings, the Board's authority rests with the board as a body.

President Hempel resumed chairing the remainder of the meeting.

PHCD BOARD VACANCY UPDATE

Ms. Faith reported that 17 people have requested the board vacancy application materials so far and three formal applications have been received. The deadline for applications is March 23. All candidates will appear at the April 3 special board meeting to address the board in open session. Upon hearing the

applicants, the board will select and appoint the new director at that meeting. The Directors agreed that each candidate will have three-to-five minutes to speak at the meeting.

President Hempel asked that the Petaluma City Clerk be consulted, as the City Council had a similar experience in recent years with 10 candidates for an appointment and only four voting members. Ms. Faith also will ask the Association of California Healthcare Districts for their process.

PHCD BOARD POLICY

Ms. Faith proposed a revision to the District's Grant Policy to clarify the Board's philosophy and procedure for making grants to organizations and agencies in the community that further the District's mission to prevent poor health outcomes for District residents and to provide needed health services. The District is working to increase the number of community organizations that receive funds. The District never intended to be a long-term funding source for any one organization.

Ms. Faith asked if there was interest from the board to serve on the grant review committee. Director Adams volunteered to serve on the grants review committee.

Public Comment: There was no public comment.

Board Comment: Director Stern noted that this moves authority for the community grants back to the board. Ms. Faith stated it can be a combination of board and staff. President Hempel agreed it is important to bring decisions about grant funding back to the board in a public forum.

A MOTION was made by Director Adams and seconded by Director Stern to approve the Grant Funding Policy. This motion was PASSED by a vote of 4 ayes (Directors: Hempel, Adams, Stern, Thornton) and 0 noes.

FINANCIAL SUSTAINABILITY

January 2018 Financials

The Month and Year-to-Date, January 31, 2018

Controller Andrew Koblick presented the January 2018 financials As of January 31, 2018 the unaudited Statement of Net Position reflects assets of \$7,205,858 and liabilities of \$509,644 leaving the net fund balance at \$6,696,215.

The month and year to date ended January 31, 2018 unaudited Statement of Revenue and Expense shows the net loss of \$48,086 and \$586,797 respectively which is \$17,435 and \$97,166 better than the budgeted loss of \$65,521 and \$683,963.

A MOTION was made by Director Stern to approve the January 2018 Financials, seconded by Director Adams. The motion was PASSED by a vote of 4 ayes, (Directors: Hempel, Adams, Stern, Thornton) and 0 noes.

Public Comment: no public comments.

INFORMATIONAL ITEMS

Ms. Faith noted several upcoming events. PHCD will receive a North Bay Business Journal Community Philanthropy Award on March 29. National Walking Day is April 4 with a Petaluma AHA and District co-sponsored event at Schollenberger Park between 11 AM and 2 PM. Petaluma City Council issued a

proclamation at its March 19 meeting (copy attached to these minutes). The District has a goal to have an American Heart Association (AHA) Heart Walk in Petaluma by 2020, but that will require more business involvement. Staff is working with the AHA to get businesses to encourage their employees to participate. Director Thornton suggested that area service clubs be enlisted in the effort as well.

The District has registered a team for the April 6 Rock-n-Bowl event to benefit Petaluma People Service Center. Ms. Faith and Director Adams will participate in the Association of California Healthcare Districts' advocacy workshop, Legislative Day, in Sacramento April 16-17. The District will have a booth at the April 28 Butter & Egg Day festival. The booth will promote heart health with blood pressure screenings and promotion of the "It's Up To Us" heart health education campaign.

Directors were invited to attend the meetings of the Petaluma City Council May 7 and the Sonoma County Board of Supervisors May 8 as each body recognizes May as Health Care District Month. The District's annual Community Partnership Appreciation breakfast on May 16 also commemorates this distinction, and serves as the platform to announce the District's 2018-19 grants as well as the annual Health Hero Award recipient. The District hosts a table at the SRCJ Petaluma campus Building Community breakfast June 7. Directors Stern and Hempel will attend the SRJC breakfast.

The next meeting of the PHCD Board of Directors will be the special board meeting on Tuesday, April 3, at 7:30 AM. The next regular Board meeting will be April 19 at 12:00 PM.

Ms. Faith will be away May 1, and would like to reschedule the special board meeting for that date. Staff will coordinate the selection of an alternate date.

PLUS / DELTA

No new business was proposed.

ADJOURN

President Hempel adjourned the meeting at 2:04 PM.

Submitted by Fran Adams, Board Secretary

Recorded by Ruth Wells, Board Clerk