



# Mark Twain Health Care District

P.O. Box 95 (Effective Aug. 4, 2016)  
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## Regular Meeting of the Board of Directors

Wednesday October 26, 2016

7:30am

Mark Twain Medical Center Classroom 2  
San Andreas, CA

## Approved Minutes

### Mark Twain Health Care District Mission Statement

"Through community collaboration, we serve as the stewards of a community health system that ensures our residents have the dignity of access to care that provides high quality, professional and compassionate health care".

#### 1. Call to order:

The Meeting was called to order at 7:37am by President, Lin Reed.

#### 2. Roll Call:

Present for roll call was Lin Reed, MBA OTR/L; Ken McInturf; Randy Smart, MD; Ann Radford, FNP and Susan Atkinson, MSW.

#### 3. Approval of Agenda: Action

Mr. McInturf moved to approve the agenda. Dr. Smart gave a second and the motion passed 5-0.

#### 4. Public Comment on matters not listed on the Agenda:

Hearing none.

#### 5. Guests:

- **Presentation of the ACHD Certification**

Ms. Reed introduced Kenneth Cohen, Executive Director of ACHD.

Mr. Cohen: Thanked the Board for the invitation to attend the meeting. He enjoyed his overnight stay in Murphys so much he plans to bring his wife to the area.

Mr. Cohen: ACHD was established in 1947 and represents 79 health care districts throughout the state in the areas of training, legislation and regulatory practices. He was excited about the new pending legislation that would open the door for hospitals to hire physicians directly.

Mr. Cohen is here today to acknowledge Ms. Reed's work with ACHD and for her engaging the MTHC District in the certification. Mr. Cohen congratulated the District for completing the ACHD set of standards. The District supports transparency and accomplishing this program reinforces this belief. Mr. Cohen presented President, Lin Reed with the framed certificate. Ms. Reed invited Mr. Cohen and the Board to pose for pictures. Staff thanked Dana Nichols for his photography skills.

## **6. Consent Agenda: Action**

- Un-Approved Meeting Minutes of September 28, 2016
- Approval of August 2016 Financial Statements
- Correspondence:
  - Calaveras County Librarian, Nancy Giddens. Thank You Letter
  - Doris Barger Golf Outing. Thank You Letter (9-15-2016)
  - Calaveras County Chamber of Commerce – Relocating

Dr. Smart moved to approve the consent agenda. Ms. Atkinson gave a second and the motion passed 5-0.

## **7. New Business:**

Hearing none.

## **8. Unfinished Business:**

### **A. Telehealth Program Update:**

Dr. Smart: Experienced a great meeting with Bob Diehl, CEO and Katherine McCoy, CNO. There was a strong commitment to put the program back in place. The team will meet again (2 weeks) when Dr. Smith, CMO has joined the team.

Ms. Reed: Telehealth is a strong link to the community and needed.

Mr. McInturf: Appreciates the efforts being made for "it is the future".

## **B. CPPA Ballot for At-Large CPPA Board of Director Position: **Action****

Mr. Haskins, Interim Ex Dir: Referred to Board pkt page 28 wherein the District is invited to choose either Ebbetts Pass Fire Protection District or Mokelumne Hill Fire Protection District to fill the At-Large CPPA Board of Director Position.

Ms. Radford: Would like to nominate Ebbetts Pass Fire Protection District for all that they do in the community. The motion died for lack of a second.

Ms. Atkinson: Moved to nominate the smaller entity of Mokelumne Hill Fire Protection District. The motion was seconded by Dr. Smart who remembers the impact of the Butte Fire. The motion passed 4-1. Mr. Haskins was asked to complete the ballot.

## **9. MTHCD Reports:**

### **A. Executive Director Report:**

- **Update on Valley Springs Clinic:**

Ms. Reed: The lot line adjustment that reduces the acreage size of the VS residence has been recorded. For the District to offer the property for sale it must first be declared surplus. This item will be on the Dec. Board Meeting agenda.

- **Opinion of Probable Costs**

Mr. Krieg: Enlarged the font and added spent-to-date columns to the report.

- **USDA (3<sup>rd</sup>) Amended Letter of Conditions**

Mr. Haskins: Referenced Board packet page 32 to hi-light the USDA extension from Sept 28, 2016 to Sept. 28, 2017 to meet the Letter of Conditions (Sept. 28, 2015). The District needs to start construction prior to the expiration date.

Mr. Van Lieshout: Will be preparing a new time-line taking the project out to Sept. 2017. To stay within the (USDA) loan requirements the District may need to start the site work before the building.

Dr. Smart: Had a positive call with USDA to learn (1) or now we only need a letter of intent to lease (2) USDA is ok with a lease that commences with a 10-year contract an adding 5-year renewals as desired.

Dr. Smart: Thanked Mr. Diehl for a good meeting regarding exam room numbers and size, patient formula and productivity standards. There are a lot of moving parts and size does drive the cost of a project.

Mr. Van Lieshout: Aspen Street Architects proposed a modular design to save time and money. Since then USDA has expressed they are unfamiliar with that approach and prefers a stick built building. While modular buildings have come a long way they still give the feeling of "not permanent". With a full set of plans the net can be cast farther in getting bids for modular and stick built.

Mr. Roberts: The VS Clinic is currently doing business in a leased building. He will provide the specific termination language in the lease document to the ad hoc Real Estate Committee.

**B. Presidents Report:**

- **ACHD Advocate – News**

Ms. Reed: Is still on the ACHD Education Committee and Governance Committee. The annual meeting will be held in San Diego. She invites current and newly elected Board members to take part.

- **LAFCO Board Training (9-30-2016)**

Ms. Reed: Ms. Atkinson, Ms. Stout and Ms. Reed attended the training, It was a collaboration between LAFCO and CSDA and was well attended.

Ms. Atkinson: Liked the idea of having some District finance reports in graph form.

**C. MTMC Corp Board Report:**

October 26, 2016

To: Mark Twain Health Care District Board

From: Lin Reed and Ken McInturf

RE: Report from the October 25<sup>th</sup> MTMC Board Meeting

1. The Corporate Board received the MTMC Financial Results from September, as recommended for approval by the Finance Committee. Year-to-date, MTMC is reporting Excess Revenues Over Expenses of a positive \$346,000 (\$602,000 ahead of budget.) Year-to-date EBITDA is a positive \$334,000 (\$236,000 ahead of budget.) This represents a positive swing of \$ 2.7 million year over year, 1<sup>st</sup> quarter.
2. The Board received a presentation from Dignity Health's overall corporate portfolio investment manager. (A few summary slides have been furnished in today's handouts for the DB). The portfolio manager described the overall approaches to investing all of the hospitals' money and balancing that with principles of social investing. The Board noted that the investment fees are lower than one might see with a typical mutual fund load.
3. The Board also received a summary of the hospital's Community Benefit plan. In FY16, MTMC provided \$9.7 million in patient financial assistance, unreimbursed cost of Medicaid, community health improvement services, and other community benefits. (This is up from a prior year amount of \$7.3 million.) The Community Benefit plan is re-drafted every 3 years, and shows an overview of the top challenges in health, socio-economic status, etc., and is shared with other local organizations that serve the public benefit in Calaveras County. (Handouts are available here, and can be downloaded from both websites.)

4. In the Medical Staff Development section of the Board agenda, the Board approved additional clinical privileges for several cardiologists from the Stockton Cardiology Medical Group, as MTMC continues to expand the services offered in the Heart Center. Clinical privileges were also reviewed and approved for Dr. Randy Smart to begin (resume) performing cardiac stress tests.
5. The Board reviewed and approved the annual Performance Improvement Plan. This is a document that hospitals prepare, describing their approaches to national quality benchmarks and their formal programs around continuous quality improvement.
6. Katherine McCoy's Quality report and Bob Diehl's CEO/President's report copies are available for today's DB meeting.
7. There was a brief discussion of the October 24<sup>th</sup> announcement by Dignity Health and Catholic Health Initiatives that they have signed a non-binding letter of intent to explore aligning their organizations and expanding their mission of service.  
<https://www.dignityhealth.org/about-us/press-center/press-releases/catholic-health-initiatives-and-dignity-health-explore-aligning-ministries>

Of note is that 30 of CHI's 103 hospitals are rural critical access facilities.

- CEO Report:

Mr. Diehl: Delighted with the financial improvement. Clinics are up in volume. The hospital is in the process of recruiting a family practice physician. Stockton Cardiology practices just below the hospital and is exploring the possibility of caring for their patients in the MTMC Heart Center.

Mr. Diehl: California Health and Wellness is specific to Calaveras County and doesn't pay well so some physicians don't take Medi-Cal patients.

## **10. Committee Reports:**

### **A. Ad Hoc Real Estate:**

Dr. Smart: Questioned the potential expense of earth quake damage?

Chris Roberts, CFO. Dignity did a brief assessment on the hospitals with the most need and there are no seismic expense through 2020. \$400K has been set aside for ADA. The figures are not complete for 2030. A cost estimate will follow for the second phase. Considering negotiations, it was requested Mr. Diehl put this on fast tract.

### **B. Ad Hoc Lease Evaluation Committee:**

- **Dignity Health – Mark Twain Relationship**

Ms. Reed: Nothing to report.

- **Update on Quorum Assessment:**

Ms. Reed: The latest target-date for the ad hoc Lease Evaluation Committee to receive the Quorum Assessment is mid Dec. The Committee will present it to the Board and there will be a study session for the public.

**11. Board Comment and Request for Future Agenda Items:**

Mr. McInturf: The Teddy Bear Clinic with the helicopter, CHP and fire agencies were a big success. Likewise, for Pink in the Night and the MTMC Health Fair.

Ms. Radford: Save the date. The Golden Health Awards is in the process of planning a luncheon for Wed. Feb. 8, 2017. A committee member will be notifying eligible agencies and assisting them in applying. The District needs to receive the nominations by Dec. 16, 2016. The next meeting will be in a couple weeks.

Dr. Smart: Received information for the California Health Care Foundation allowing for better access for palliative care and targeting rural communities. The application is due Nov. 30<sup>th</sup>. Ms. Atkinson volunteered to do the follow-up.

**12. Closed Session:**

Conference with Real Property Negotiators (Govt. Code section 54956.8).  
Property: Mark Twain Medical Center, 768 Mt. Ranch Road, San Andreas, CA.  
Agency negotiators: Lin Reed. Negotiating parties: Mark Twain Medical Center, Inc.; Dignity Health, Inc. Under negotiations: Price and Terms of Lease.

At 8:59 the Board moved into closed session.

**12. Reconvene to Open Session:**

A. Report of Action taken (if any) in Closed Session:

The Board reconvened into open session stating there was no reportable action taken.

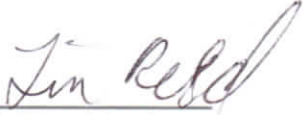
**13. Next Meeting:**

- November and December Board Meeting Holiday Schedule:
  - No November 23, 2016 Board Meeting.
  - Special Board meeting on November 30, 2016
  - Swear in newly elected Board members at the regular December 28, 2016 Board Meeting.

Ms. Reed: To make allowances for the holidays it was decided there would be no Nov. meeting unless prompted by District business. Board members will be surveyed to see if they can attend a Dec. 16 or Dec. 19<sup>th</sup> meeting instead of the regular Dec. 28<sup>th</sup> meeting which falls during Christmas week.

**14. Adjournment:**

Dr. Smart moved to adjourn the meeting at 10:08am. The motion was seconded by Ms. Atkinson and it passed 4-0. Ms. Radford had to leave prior to the vote.

A handwritten signature in cursive script that reads "Lin Reed". The signature is written in black ink and is positioned above a horizontal line.

Lin Reed, President