

**REGULAR MEETING OF THE BOARD OF DIRECTORS
OF OAK VALLEY HOSPITAL DISTRICT
OPEN SESSION**

**December 12, 2018, 5:30p.m.
1425 West H Street, Oakdale, CA 95361
Royal Oak Conference Room**

Board

Dan Cummins, Chair Person
Louise Sanders, Vice Chair Person
Jim Teter, Director
Edward Chock, M.D., Director
Chaitanya "Chet" Mahida, M.D., Director

Excused Absence:

Staff

John McCormick, President and CEO
Ann Croskrey, Chief Financial Officer
Deborah Dunaj, R.N., V.P., Quality/Risk Mgmt.
David Rodrigues, V.P., Administrative Svcs.
Jo Saporito, R.N., V.P., Director of Nursing
Brian Beck, V.P., Human Resources
Chang Ahn, Controller
Susan Todd, R.N., DON, Oakdale Nursing & Rehab

Excused Absence:

MEETING CALLED TO ORDER

The District Board of Directors Meeting was called to order by Chair Person Cummins at 5:30p.m.

PUBLIC COMMENT

Public Comment was read.

ADMINISTRATION OF OATH OF OFFICE

Dan Cummins, Edward Chock, M.D and Chaitanya "Chet" Mahida, M.D. were administered the Oath of Office as newly elected District Board members.

ADDITION OF CLOSED SESSION AGENDA ITEM

Dan Cummins, Board Chair Person made the motion that the following closed session agenda item:

HEARINGS/REPORTS

(Government Code §37624.3 & Health and Safety Code §§1461, 32155)

Medical Staff Credentials Report – December 10, 2018

be added to the December 12, 2018 Meeting of the Board of Directors agenda as a Closed Session item, as this item arose subsequent to the posting of the agenda for this Board meeting.

Jim Teter made the second. No public input.

AYES: Cummins, Sanders, Teter, Chock, Mahida

NOES:

ABSTAINED:

ABSENT:

MOTION CARRIED

CONSENT CALENDAR

The following items 1-4 will be acted on by one action, with discussion, unless a Director or other person requests that an item be considered separately. In the event of such a request, the item will be addressed, considered and acted upon separately.

1. Patient Care Services

Joann Saporito, R.N., Vice President, Nursing Services

2. Oakdale Nursing and Rehabilitation Center Report

David Hiatt, V.P., Oakdale Nursing and Rehabilitation Center

3. Approval of Administrative Policies

- All Hazard Emergency Operations Plan (Emergency Operations All Hazards Manual)

4. Approval of Minutes

- November 1, 2018
- November 14, 2018

Jim Teter made the motion to approve all Consent Calendar items. Edward Chock, M.D. made the second. No public input.

Aye: Cummins, Teter, Sanders, Chock

Nay:

Abstain: Mahida

Absent:

MOTION CARRIED

Financial Report for October 2018

Ann Croskrey presented the October 2018 Financial Report. For the month of October we posted a profit on operations before the new hospital expenses of \$798,000. After deducting new hospital expenses and adding non-operating income the year finished with a net income of \$391,000. The EBIDA was at 15.3 % and our days of cash on hand are at 127 days.

Louise Sanders made the motion to approve the Financial Reports for October 2018. Jim Teter made the second. No public input.

Aye: Cummins, Teter, Sanders, Chock, Mahida

Nay:

Abstain:

Absent:

MOTION CARRIED

MEDICAL STAFF REPORT – C. Mahida, M.D., Chief of Staff

The following forms, policies, manuals and reports have been revised to meet current required The Joint Commission and CMS standards. They have been thoroughly reviewed by the Standards Committee and appropriate Medical Staff Committees.

The Medical Executive Committee requests the District Board’s approval of the following items forwarded from the November 20, 2018 meeting.

Medication Error Reduction Plan (MERP)

- Revisions made to the 2018 OVHD Plan for Achieving Measurable Improvement in Medication Safety

Medical Staff Bylaws, Rules and Regulations (copies attached)

- Revisions approved by majority vote
- Technical and Editorial Amendments – per Bylaws Article 15.3 the MEC can approve modifications such as renumbering, spelling, grammar, etc. Changes are noted throughout the document and are effective immediately and permanent if not disapproved by the Medical Staff or the Governing Body within 90 days of adoption.

Forms/Policies

The following forms and policies have been revised to meet current required The Joint Commission and CMS standards. They have been thoroughly reviewed by the Policy, Procedures and Forms (PPF) Committee and appropriate Medical Staff Committees.

A. Forms

- i. Form0962 ED – Physician Rec Progress Notes
- ii. Form0963 ED – Physician Rec Progress Notes – Obs Status

B. Clinical Policies & Procedures

- i. Administration of IV Adenosine
- ii. Administration of IV Cardizem/Diltiazam
- iii. First Dose Medication
- iv. Moderate Sedation
- v. Patient’s Own Medications, Including Herbals and “Natural Remedies”
- vi. Pressure Injury/Skin Breakdown Prevention Management (*title change*)
- vii. Rapid Response Team
- viii. Solution Warming Guidelines
- ix. Sound-Alike Look-Alike Drugs (*title chg*)
- x. Suicide Risk Screening

C. Pharmacy Policies & Procedures

- i. Black Box Medications Warning
- ii. Drug Distribution
- iii. Drug Procurement/Inventory
- iv. Medication Management/Ordering and Transcribing
- v. Prescribing/Ordering/Distribution of Controlled Substances (*new*)
 - a. Controlled Drug Distribution (*retire*)
 - b. Prescribing/Ordering Controlled Drugs (*retire*)
- vi. Therapeutic Drug Interchange
- vii. Therapeutic Duplication

Jim Teter made the motion to approve the Medical Staff Report. Edward Chock, M.D. made the second. No public input.

Aye: Cummins, Sanders, Teter, Chock, Mahida

Nay:

Abstain:

Absent:

MOTION CARRIED

CHAIR PERSON REPORT

Chair Person Comments

Chair Person Cummins, on behalf of the entire Board commended and thanked the Administrative staff and all of the Hospital employees for another year of very impressive performance.

Election of Officers for 2019

- Chair Person
- Vice Chair Person
- Secretary

Jim Teter nominated Dan Cummins as Chair Person. Louise Sanders made the second.

Dan Cummins nominated Louise Sanders as Vice Chair Person. Edward Chock, M.D. made the second.

Jim Teter nominated Edward Chock, M.D. as Secretary. Louise Sanders made the second.

No public input.

AYES: Cummins, Sanders, Teter, Chock, Mahida

NOES:

ABSTAINED:

MOTION CARRIED

Appoint 2 Board Members to the Finance Committee

Chair Person Cummins requested concurrence of his appointment of Edward Chock, M.D. and Chaitanya “Chet” Mahida, M.D. to the Finance Committee. The Board unanimously concurred.

AYES: Cummins, Sanders, Teter, Chock, Mahida

NOES:

ABSTAINED:

MOTION CARRIED

Appoint Finance Committee Chairperson from the 2 Newly Selected Board Members

Chair Person Cummins requested concurrence of his appointment of Edward Chock, M.D. as Chairperson of the Finance Committee. The Board members unanimously concurred.

AYES: Cummins, Sanders, Teter, Chock, Mahida

NOES:

ABSTAINED:

MOTION CARRIED

Resolution 2018-11 - Consideration of Canceling the January 3, 2019 Regular Meeting and Finance Committee Meeting of the District Board

A recommendation to cancel the January 2019 due to Holiday schedules was presented for approval.

Louise Sanders, Vice Chair Person made the motion to approve canceling the January 2019 Board meeting. Jim Teter made the second. No public input.

Roll Call by Jill Andersen, Clerk of the Board

Chair Person Cummins – Aye

Director Sanders - Aye

Director Teter – Aye

Doctor Chock – Aye

Director Mahida - Aye

MOTION CARRIED

Under Public Comment, Chaitanya “Chet” Mahida, M.D. made the following statement informing the Board as to his reason for recusing himself from conflict of interest agenda items:

“I am not certain what discussion the Board will have related to items #6 & #7. However, I want to disclose that my family through Mahida, LLC has an ownership interest in the Best Western Rama located on F Street in Oakdale. I understand the Board cannot and should not take any action related to the contract within the Hospital District and the Best Western. In particular, the Board cannot renew or extend the contract. For that reason and out of abundance of caution I will be recusing myself from participating in any discussion or action related to items #6 & #7. Additionally, as in item #8 again through Mahida, LLC, I have a membership interest in Oak Valley Medical Office Building, LLC. I am not aware of any action that will be needed or to be taken related to LLC. However, I understand the Board cannot take certain action with LLC. Out of abundance of caution I will be recusing myself from item #8.”

Doctor Mahida left the meeting at 5:49pm.

Chair Person Report

Tonight I find myself in a very the awkward position of disclosing the conflict of interest of our newest board member.

To better understand these issues I must explain where the conflict originates. The State of California has enacted statutes in the area of conflict of interest, as it believes a public official cannot serve more than one entity at a time. "The duties of a public official demand loyalty and devotion to what is best for the public entity that they are serving". The Legislature of our state has enacted two key laws that address potential conflicts of interest, Government Code section 1090 that covers contractual conflicts of interest and the Political Reform Act of 1974, which covers all governmental decisions.

In addition to these two laws, in 2015 Senate Bill 952 was placed into law; this law states that fellow elected officers, administration, and law enforcement officials cannot look the other way. In other words, ignoring a known issue places those officials in violation of the conflict of interest laws themselves.

Keeping this in mind we must discuss two conflicts of interest related to our newest board member, Dr. Mahida. We were first made aware of these conflicts from Dr. Mahida's 700 Form which is the Statement of Economic Interest, and his ownership of the LLC that holds ownership of a portion of this Medical Office Building.

Conflict of Interest Issue – Swimming Pool Lease

Per Dr. Chaitanya "Chet's Mahida's Form 700, he has ownership in at least a portion of the Best Western Plus Rama Inn & Suites located at 1450 East F St here in Oakdale. This is the location of our very popular water aerobics program. Based on legal council's recommendations, we can no longer lease space as Dr. Mahida has a direct financial benefit, making this a Government Code Section 1090 violation. A motion is needed to not renew the monthly lease of the pool located in this motel.

Edward Chock, M.D. made the motion to not renew the Swimming Pool Lease with Best Western Plus Rama Inn & Suites located at 1450 East F Street in Oakdale. Jim Teter made the second.

Discussion: The question was raised to see if this matter could be addressed at a later date. Chair Person Cummins stated that by legal definition, if there is any financial interest in that facility it is a direct conflict and violates Government Code 1090 and so the issue must be addressed with no delay at this Board meeting. John McCormick informed the Board that Doctor Mahida was notified of the conflict of interest issues in late October 2018. No public input.

Aye: Cummins, Sanders, Teter, Chock

Nay:

Abstain:

Absent: Mahida

MOTION CARRIED

Conflict of Interest Issue – Water Aerobics Program

Chair Person Cummins stated that legal counsel has recommended no longer providing staff support for instruction of these aerobic classes or any other administrative support. Administration will be reassigning staff involved with this program to other positions.

Jim Teter made the motion to no longer provide staffing or administrative support for the Water Aerobics Program. Doctor Chock made the second. No public input.

Aye: Cummins, Sanders, Teter, Chock

Nay:

Abstain:

Absent: Mahida

MOTION CARRIED

Conflict of Interest Issue – Medical Office

Chair Person Cummins stated that at this time this item is information only. The Board members were informed that due to Doctor Mahida’s ownership in the Medical Office Building the Board cannot make any changes to the Lease or take any action to lease the empty suites in the building as it would be a violation of California Code 1090 for the Board of Directors as well as Doctor Mahida. We are not certain what steps will be necessary in the future as it pertains to the LLC, or any other conflicts of interest, but all parties and the general public will be kept informed as we move forward. It was also stated that as soon as Administration was made aware of these conflicts, they immediately requested a legal opinion which was received in October 2018. A summary of this legal opinion was given to Doctor Mahida, shortly after it was received.

Dr. Mahida returned to the meeting at 6:09pm.

PRESIDENT AND CEO REPORT

J Street Between Oak and Ash Street: Deed this Portion of J Street to the City of Oakdale.

The “J” Street project was completed and the City made their contribution of \$30,000 so it is now time, per the agreement to Grant Title of J Street between Oak and Ash Streets to the City of Oakdale. Dan Cummins as Chair Person will sign the Grant Deed.

Jim Teter made the motion to approve the Grant Deed portion of J Street between Oak and Ash Street to the City of Oakdale. Doctor Mahida made the second. No public input.

Aye: Cummins, Sanders, Teter, Chock, Mahida

Nay:

Abstain:

Absent:

MOTION CARRIED

Information - Auxiliary Tree Lighting

John reported that the Auxiliary Tree Lighting event was very nice with approximately 85 people in attendance. The High School Choirs gave a very impressive choral presentation and Santa Claus was in attendance as well.

Revise Contract with Emergency Room Physicians to Increase Payment by \$10,000 per month.

Approval of an increase of \$10,000 to the monthly stipend for our Emergency Room Physicians group is requested for a total of \$34,000 per month. There is a need to increase the number of qualified Emergency physicians. The Group also provides Nurse Practitioners to our Emergency Room. This contract is for a 2-year period.

Louise Sanders made the motion to revise the contract with the Emergency Room Physicians to increase payments by \$10,000 per month. Jim Teter made the second. No public input.

Aye: Cummins, Sanders, Teter, Chock, Mahida

Nay:

Abstain:

Absent:

MOTION CARRIED

Information - Events Calendar

Medical Staff Holiday Party – 12/13

Employee Holiday Party – 12/14

Legislative Update (Oral Report)

John was elected as Chairman of the District Hospital Leadership Forum Board for 2019. This Association represents 35 District Hospitals and collects over \$300 million per year from the Government. He will be traveling to Washington, D.C. twice next year to keep the PRIME Program in place. David Rodrigues and Jo Saporito head up the PRIME program for our Hospital. John will also be on the Board of Directors of the California Hospital Association (CHA) for 2019. Our new Congressman is Josh Harder.

CORRESPONDENCE – None

ADJOURN TO CLOSED SESSION

Jim Teter made the motion to adjourn to closed session. Doctor Chock made the second.

The Oak Valley Hospital District Board meeting was adjourned to closed session at 6:13p.m.

ANNOUNCEMENT OF CLOSED SESSION

Board meeting minutes for November 1, 2018 were approved.
Medical Staff Credentials Reports - Approved.
Quality Report – Long Term Care.
Quality Improvement Report –Quality & Risk Management.
Conferences with Labor Negotiators – Update presented.
Conferences with Real Property Negotiators – Update presented.
Report on Trade Secrets. – Presented.

ADJOURNMENT

Jim Teter made the motion to adjourn the District Board of Directors meeting. Louise Sanders made the second.

The Board of Directors meeting was adjourned at 7:12pm.

Recorder: Jill Andersen, Clerk of the Board.

APPROVED: _____
Edward Chock, M.D., Board Secretary

DATE: _____