

**REGULAR MEETING OF THE BOARD OF DIRECTORS
OF OAK VALLEY HOSPITAL DISTRICT
OPEN SESSION
February 1, 2024, 5:30p.m.
1425 West H Street, Oakdale, CA 95361
Royal Oak Conference Room**

Board

Dan Cummins, Chair Person
Jim Teter, Vice Chair Person
Louise Sanders, Secretary
Edward Chock, M.D., Director
Fran Krieger, Director

Staff

Matt Heyn, President and C.E.O.
Andres Arellano, M.D., Chief of Staff
Ann Croskrey, C.F.O.
David Rodrigues, V.P., C.O.O.
Sharon Watkins, R.N., V.P., Nursing Services
Will Pringle, V.P., Oakdale Nursing & Rehab. Center
Chris Hawkins, V.P., Human Resources

Excused: Deborah Dunaj, R.N., VP, Quality/Risk Mgmt.

CALLED TO ORDER

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

PUBLIC COMMENT

Public Comment read. Public in attendance.

CONSENT CALENDAR

The following items, 1-3, 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. Oakdale Nursing and Rehabilitation Center Report
2. Approval of Administrative Policies -- None
3. Approval of Minutes –
 - January 11, 2024 – Regular Meeting

Jim Teter made the motion to approve all Consent Calendar items. Louise Sanders made the second. No public input.

Cummins – Aye
Teter – Aye
Sanders – Aye
Chock – Aye
Krieger – Aye

MOTION CARRIED

MEDICAL STAFF REPORT – Andres Arellano, M.D., Chief of Staff

The Medical Executive Committee requests the District Board’s approval of the following items forwarded from the January 17, 2024 meeting.

Doctor Arellano recommended approval of the Medical Staff Report as presented.

Forms/Policies

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

FORMS

- i Form 0373A ONRC Admission Physician Orders
- ii Form 0455 Palliative Care End of Life Physicians Orders
- iii Form 0916 ONRC Physician Fax Statement of Capacity

POLICIES

- i. Administrative Manual Medical Staff
 - Initial Application Processing
 - Temporary Privileges

- ii. Administrative Manual QRM / Medical Staff
 - Clinical Practice Guidelines
 - Granting/Approving Privileges – Medical Director Recommendation
 - Medical Staff Reappointment Processing

- iii. Clinical Manual
 - Rapid Response Team

- iv. Oak Valley Community Health Centers Manual Clinic Standing Orders

RETIRE POLICIES

- i. Administrative Manual QRM/Medical Staff Medical Staff
 - Proctorship **(RETIRE)**

- ii. Clinical Manual
 - Defibrillation Procedure **(RETIRE)**

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

Cummins – Aye
Teter – Aye
Sanders – Aye
Chock – Aye
Krieger – Aye

MOTION CARRIED

Financial Report for December 2023

During December, the District posted a profit on operations before new hospital expenses of \$796,000. The profit, including the new hospital expenses, the was \$337,000. The difference is the new hospital expenses of interest and depreciation. As of the end of December, the year-to-date earnings before interest and depreciation, otherwise known as EBIDA, was 8.4%. Accounts receivable gross days were at 65 days and the days of cash on hand were at 56 days. Although the hospital was profitable in December our 6-month year-to-date net operating revenue is under budget by 13% while our operating are under budget by just 2%. It is my recommendation that the District perform a mid-year budget adjustment and cut expenses to correspond to the current actual net patient revenues.

Jim Teter made the motion to approve the Financial Report for December 2023. Louise Sanders made the second. No public input.

Cummins – Aye
Teter – Aye
Sanders – Aye
Chock – Aye
Krieger – Aye

MOTION CARRIED

CHAIR PERSON REPORT – Dan Cummins, Chair Person

Chair Person Comments

The Hospital District realizes we are in a financial strain at this particular time. Some reasons are due to operating issues and other reasons are due to delays by the State regarding annual funds. This delay has put us into a time crunch. During Closed session as we will be discussing specific cost saving measures regarding personnel issues as well as Trade Secrets that will allow us to implement these measures. This is not an easy task to take on as a Board or for any of the employees.

CHIEF EXECUTIVE OFFICER REPORT - Matt Heyn, Chief Executive Officer

Chief Executive Officer Report

Mr. Heyn introduced Matt Ottone, Attorney for the Board attending via teleconference during both Open and Closed sessions to ensure that we are in compliance with all regulations.

Consideration of Mid-Year Adjustments to Approved District Budget

There is a shortfall of net operating revenue of 13% while our expenses are under budget by just 2%. This creates an unbalanced operating budget and corrections must be made. An annual correction of \$4 million needs to be achieved. In addition, we have the added financial burden of repayment of our \$10 million bond over the next 7 years, which amounts to \$1.8 million a year. The senior leadership has developed a budget correction plan and is requesting approval of this plan.

The second part of this equation is growing revenues. This part is slightly more difficult and will include recruiting additional providers, adding strategic service lines, and improving our community reputation. Administration is requesting authorization from the Board to make the necessary adjustments to the budget as outlined in this report.

Public Comment: Nancy Podolsky asked if the adjustments are going to include cutting full services or just employees and if a public announcement will be made regarding the decisions. The Board Chair Person stated these issues will be discussed under Closed Session tonight and confirmed there will be a public announcement.

Jim Teter made the motion to approve consideration of Mid-Year Adjustments to Approved District Budget. Edward Chock, M.D. made the second. No public input.

Cummins – Aye
Teter – Aye
Sanders – Aye
Chock – Aye
Krieger – Aye

MOTION CARRIED

ADJOURNMENT

Jim Teter made the motion to adjourn to Closed session. Louise Sanders made the second. No public input.

Cummins – Aye
Teter – Aye
Sanders – Aye
Chock – Aye
Krieger – Aye

MOTION CARRIED

The Oak Valley Hospital District meeting was adjourned to closed session at 5:42p.m.

RECONVENE TO OPEN SESSION

ANNOUNCEMENT OF CLOSED SESSION

Board Meeting Minutes – Approved

- January 11, 2023 – Regular Meeting

Medical Staff Credentials Report - Approved

Chief Executive Officer Report – Presented

Conference with Labor Negotiator – No Action Taken

Report on Trade Secrets – No Action Taken

ADJOURNMENT

Jim Teter made the motion to adjourn the Board of Directors meeting. Edward Chock, M.D. made the second. No public input.

Cummins – Aye
Teter – Aye
Sanders – Aye
Chock – Aye
Krieger – Aye

MOTION CARRIED

The Board of Directors meeting was adjourned at 6:40p.m.

Recorder: Jill Andersen, Clerk of the Board.

APPROVED: _____
Louise Sanders, Secretary

DATE: _____