

PIONEERS MEMORIAL HEALTHCARE DISTRICT
207 West Legion Road, Brawley, CA 92227
SUPPLEMENTAL MEETING OF THE BOARD OF DIRECTORS

Wednesday, October 19, 2022
5:00 pm
PMH Auditorium

Minutes

PMHD MISSION: Quality healthcare and compassionate service for families of the Imperial Valley

In compliance with the Americans with Disabilities Act, if you require special accommodations to participate in a board meeting, please contact the District at (760) 351-3250 at least 48 hours prior to the meeting

I. **CALL TO ORDER** (*time: 5:00 pm – 5:15 pm*)

President Aguirre called the meeting to order at 5:00 pm in the PMHD Auditorium

A. Roll Call

BOARD MEMBERS:

Nick Aguirre, President
Katy Santillan, Vice President
Linda Rubin, Secretary
Lorenzo Suarez, Treasurer
Maria Aguilera, Asst. Secretary/Treasurer

STAFF:

Carly Loper, CFO
Kristi Gillespie, CNO
Sally Nguyen, General Counsel

GUESTS:

Carly Zamora, Chief of Clinics
Ryan Kelley, Chief of Logistics & Support Services
Carol Bojorquez, Director of Quality
Jorge Reyes, Director of Human Resources

B. Approval of Agenda

A motion was made to approve the agenda by Director Rubin, seconded by Director Santillan. **The motion was unanimously carried.**

II. **BOARD MEMBER COMMENTS**

The Board welcomed everyone in attendance. Director Santillan advised that the PMH Foundation Gala will be held tomorrow, here at Pioneers. Everyone is welcomed to attend.

III. **PUBLIC COMMENTS** – At this time, the Board will hear comments on any agenda item and on any item not on this agenda. If any person wishes to be heard, he or she shall stand; address the chairperson and state the subject, or subjects, upon which he or she desires to comment. Time limit for each speaker is 5 minutes. A total of 15 minutes shall be allocated for each item. (*time: 5:15 pm – 5:30 pm*)

Several members of the public in attendance expressed concerns that included:

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1. Continued rumors of a merger between PMHD and ECRMC
2. Service/Department closures
3. Lack of leadership
4. Lack of transparency and communication
5. Staffing issues
6. Pay scale issues
7. Incentives for Retention of current staff
8. Employee morale
9. Merging with Imperial Heights
10. Monitoring of travelers when assigned to Pioneers
11. Interim CEO should not be from within organization
12. Decision of closing physical therapy service
13. Performance review process

The Board expressed their intention to take all the questions posed during Public Comments and decide on the best way to disseminate the answers to those questions. A member of the public noted that the Board members are elected officials and need to better to protect the employees and the community. Director Santillan stated that it is the responsibility of the public to review how each Board member is voting. She is just one vote and cannot do anything if others do not agree with her. Public should assess if she is really trying to help them out with the actions taken. If the public finds that they are not happy with how she has served on the Board, then, come election time, they should vote someone else in. That is, again, the public's responsibility.

IV. OLD BUSINESS (*time: 5:30 pm – 5:45 pm*)

There was no old business.

V. REVIEW OF OTHER ITEMS FOR CONSIDERATION – The Board will consider and may take action on the following: (*time: 5:45 pm – 6:30 pm*)**A. September 2022 Finance Report**

Ms. Loper provided an overview of the finance report to the Board. The average daily census for September was lower than August at 36. There was a loss of \$1.5 million to the bottom line for the month. In August, there was a loss of \$2.3 million. This brings the year-to-date loss to \$5.5 million. The District's fiscal year begins on July 1st and ends on June 30th. Last year, the fiscal year ended with a loss of \$9 million even with some of the CARES funds that were received to help with COVID expenses. During the winter, EMSA provided staff at no cost to PMHD; however, when the EMSA staff was removed in the spring, the District had to bring in contract staff to cover. The contract staff was very expensive. Also, the District had to provide COVID testing to staff which amounted to about \$2 million, for which the district will not get reimbursed. Then the State required the District to have a certain amount of PPE in stock, which increased expenses. COVID medications were also expensive, and the District was not always reimbursed for the cost. The District has bonds for certain projects like the cath lab. These bonds have two covenants that must be adhered to. When it was clear that the District was going to be in default of one of the covenants, plans were put into place to reduce expenses. The debt-service ratio covenant was in default on June 30, 2022. A consulting firm was retained to

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evaluate the cost-saving measures and to make recommendations or identify any other opportunity. The consulting firm is almost done with their analysis and will provide a report when completed. Ms. Loper noted that the Imperial County services a 60% Medi-Cal population which reimburses below cost and, while there is some HMO business, it is not enough to cover for the Medi-Cal business. Other bigger hospitals, in other counties, have a higher percentage of HMO/PPO business and lower percentage of Medi-Cal, which has helped them stay afloat. The District has approached payors about increasing their rates as some have not increased those rates in years. Regardless, of whether, or not, Mr. Lewis resigned, the team has remained committed to working on these improvement measures and continue to work on them. Ms. Loper pointed out that regarding staffing, the team has posted positions and made other efforts to recruit new staff. It has become difficult to recruit new staff, and even registry. It's not for a lack of trying, there just have been little to no applicants. Days Cash on hand is another covenant of the bonds whereby the District must keep 50 days cash on hand. In June, that covenant was met. However, due to low volumes during the summer, this month, the days cash on hand is at 32. The District receives about 12% of its revenue through supplemental payments. These supplemental payments are part of programs that the State pay us on for providing care to Medi-Cal and Managed Care patients. The State decided to change their pay structure. They would have paid us about \$16 million this June 2022; however, they have delayed payment until June 2023. This delay is affecting all district hospitals in California. Due to this delay, the State is offering District hospitals loans to help them tie over until the payments are issued. FEMA has different programs to reimburse for COVID expenses due to the pandemic. The District has submitted its application, but it can take FEMA years before they review and approve. There is an opportunity to ask FEMA to expedite the funds; the District will make that request. It is Ms. Loper's hope that FEMA will expedite about \$4 million in reimbursement funds. Dr. Whyte asked if the review done by the consultants will be a forensic review. Ms. Loper mentioned that the consultants are reviewing data of more than five years and are conducting interviews with staff. The District recently received a \$69,000 grant to reimburse for the mobile vaccine clinic work done during the pandemic.

B. Human Resources Report

Mr. Reyes reported that there were 15 new hires last month; four of those were nurses. Six nurse permittees became RN1's last month. There continues to be recruiting efforts to hire new nurses. There is an incentive program for any current staff that refers a candidate to PMHD that applies and is hired. A staff member asked why she continues to receive her daughters EOB when they are both grown and independent. The are no longer on her insurance and has requested that this be looked at. She worries that if wrong payer info is set up through registration process, then the District is not being paid appropriately for services rendered. Mr. Reyes and Ms. Loper will look at the issue. Ms. Loper advised that there is currently a patient access project being worked on to look at the registration process. Mr. Reyes continued his overview of the HR report. He noted that the OB department lost one per diem nurse. A market adjustment was done to some nursing positions. The market review includes salaries here in the imperial valley and hospitals outside of the valley which are similar in size. Mr. Reyes noted that work continues to get ready for the Imperial Heights survey. It was asked by a member of the public, what good is it to the district to take on Imperial Heights when reimbursement is so bad for the hospital. Ms. Loper stated that a SNF as a department of the hospital would receive a larger reimbursement from Medi-Cal. This would result in a profit for the

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District. A discussion ensued about many different complaints and issues regarding Imperial Heights. Legal Counsel clarified that numbers-wise, it looks good; however, other areas and the issues identified are being looked at before a final decision is made on Imperial Heights.

A motion was made to approve the finance and HR reports by Director Rubin, seconded by Director Suarez. **The motion was unanimously carried.**

VI. CONSENT AGENDA – The following items will be acted upon by one motion, without 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. *(time: 6:30 pm – 7:30 pm)*

A. Approval of Minutes

1. 9/21/22 Supplemental Meeting
2. 9/27/22 Regular Meeting

Director Aguirre requested that one revision be made to the supplemental meeting minutes. Instead for SDSU, it should be changed to IVC, which is what he meant to say. A motion was made to approve the minutes as amended by Director Rubin, seconded by Director Aguilera. **The motion was unanimously carried.**

B. Authorize Renewal of Service Agreement for APLIO-i600 with Canon Medical Systems USA, Inc.

Contract Value: \$37,048; Contract Term: Four (4) years; Budgeted: Yes; Budget Classification: Repairs & Maintenance

C. Authorize Renewal of Service Agreement for Xario 200 with Canon Medical Systems USA, Inc.

Contract Value: \$67,500; Contract Term: Six (6) years; Budgeted: Yes; Budget Classification: Repairs & Maintenance

D. Authorize Renewal of Service agreement for Canon A300 Ultrasound Unit with Canon Medical Systems USA, Inc.

Contract Value: \$49,650; Contract Term: Six (6) years; Budgeted: Yes; Budget Classification: Repairs & Maintenance

E. Authorize Renewal of Service Agreement for Canon A500 with Canon Medical Systems USA, Inc.

Contract Value: \$47,600; Contract Term: Four (4) years; Budgeted: Yes; Budget Classification: Repairs & Maintenance

F. Authorize Buyback Proposal for Neuro Microscope – Pentero 800

Contract Value: Offers range from \$54,300 to \$90,000; Contract Term: Sale; Budgeted: N/A; Budget Classification: Revenue

A motion was made to approve items B through F by Director Santillan, seconded by Director Aguilera. **The motion was unanimously carried.**

VII. CLOSED SESSION – The following matters will be considered by the Board in closed session; the Board will reconvene in open session to announce any action taken on matters considered in closed session. *(time: 7:30 pm – 7:50 pm)*

A. CONSIDERATION OF MATTERS INVOLVING TRADE SECRETS – Safe Harbor: Health and Safety Code §32106, subparagraph (b)

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1. Based on the Board's prior findings regarding Trade Secret classification, as contained in Resolution 2019-02, consideration and discussion of possible initiation of the following:
 - a. Updating Certain District Strategic Planning Initiatives

VIII. RECONVENE TO OPEN SESSION *(time: 7:50 – 8:00 pm)*

A. Take Actions as Required on Closed Session Matters

There were no reportable actions taken in closed session.

IX. ADJOURNMENT *(time: 8: 00 pm)*

The meeting was adjourned to the next regular meeting.



Clerk of the Board


Board Secretary