

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

Tuesday, October 25, 2022
PMH Auditorium
5:00 pm

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 47 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 PMH 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
Ramaiah Indudhara, MD, Chief of Staff

GUESTS:

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

B. Approval of Agenda

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

II. **BOARD MEMBER COMMENTS**

There were no comments.

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*)

Mr. Keith Bradkowski, Director of Surgical Services, read a statement to the Board. The statement is attached to the end of these minutes.

SECTION**IV. OLD BUSINESS** *(time: 5:30 pm – 5:40 pm)***A. Answers to Frequently Asked Questions**

The Board members have not had the opportunity to review and finalize the answers to the FAQs; however, the public in attendance felt they should be read at this meeting. A discussion ensued about whether or not they should be read at this time. The Board decided to go ahead and read the current version of FAQs. The FAQs document that was read is attached to the end of these minutes. The Board expressed their intent to send the FAQs to all staff. Any follow-up questions can be sent to the Clerk and those may be compiled into a subsequent FAQ that will be distributed in a similar manner.

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

1. Merging with Imperial Heights
2. Frustration with the planning and delays in opening the Cath Lab
3. The District's prospective merger with Imperial Heights during a time when the District is struggling with staffing, salaries and staying financially sound.
4. Flexing and utilization of PTO
5. Lack of specialized care, for example, a GI physician
6. AMR Ambulance Service not contracted with PMHD Insurance
7. Home health services not contracted with PMHD Insurance

Dr. Suarez advised that he was Chief of Staff when the west wing was being built. It was time consuming and expensive, but in the middle of the project, there was an earthquake. This earthquake resulted in the State changing a lot of laws, which caused even more expenses and delays. He mentions this as an example of how building projects are pretty much at the mercy of the State. It may seem pretty straight-forward to just quickly build something, but before anything can be built, approval needs to be given by the State. This is what happened with the Cath lab. Many times, the District was waiting on the State's approval and many times we couldn't even get their inspectors to come which was made worse during COVID. Director Suarez mentioned that some things that are happening to the District are out of its control. The State owes the District \$11 million, but decided suddenly that it will pay the District six months from now. He is certain the State is aware of the difficulties that all hospitals are going through right now; however, we cannot control the decisions made by the State. We are trying to find solutions to help move the District in the right direction and doing the best we can. Director Rubin mentioned that the whole reason the Board considered the Cath Lab and Imperial Heights projects was to have new revenue streams; however, there have been many obstacles as stated by Dr. Suarez.

V. MEDICAL STAFF REPORT – Ramaiah Indudhara, MD, Chief of Staff, will present for Board consideration, the following matters: *(time: 5:40 pm – 6:00 pm)*

- A. Recommendations from the Medical Executive Committee for Medical Staff Membership and/or Clinical Privileges, policies/procedures/forms, or other related recommendations

Dr. Indudhara provided an overview of the medical staff report. All the

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recommendations for privileges and policies were reviewed by the appropriate committees. He advised that the COVID-19 census is relatively low. There are currently two COVID patients in the hospital. Booster shots are still available in the clinics and a select few can still receive the Monkey Pox vaccine. Dr. Indudhara stated that the Medical Staff would like to see more transparency and participation in items related to patient care. He advised that we are still waiting the approval of the application for the PCI in the Cath lab from UC Davis. Staffing continues to be an issue. There is a shortage of nurses across the country. Director Santillan noted that there were a lot of GI transfers. It was reported that there was no GI on call, so this resulted in transfers out of the facility. Director Santillan noted that Ms. Gillespie is currently the acting CEO until the Interim CEO is named. Staff can address any issues with Ms. Gillespie, not with the Board members. Ms. Gillespie can seek assistance from Compliance or Legal Counsel to resolve those issues. Director Santillan asked what the is cost for nuclear medicine and oncology locums. Ms. Gillespie advised that nuclear medicine is \$131,000 for 40 hours per week. The contract is for 12 weeks. For oncology, it is \$60,000 per month. Originally, it had started at \$90,000 per month, but it was decreased. The oncologist should average about 20-23 patients per day. A motion was made to approve the medical staff report by Director Rubin, seconded by Director Aguilera. **The motion was unanimously carried.**

A member of the public asked about the gap of coverage between the outgoing Hospitalist group and the new hospitalist group. Dr. Indudhara advised that Administration is working on getting coverage for that gap. It was asked if the locum oncologist will be seeing inpatients since the last one was not. Ms. Zamora stated that yes, the oncology locums will be seeing inpatients. It was asked how many days the oncologist will be seeing patients per week. It was reported that oncologist will be seeing patients five days per week. A member of the public asked if Case Management will be receiving a list of the services that Dr. Sweet, GI physician, can provide. Ms. Zamora noted she would provide a list. A question was asked if there are any recruitment efforts for another GI physician. Ms. Zamora advised that yes, there are ongoing recruitment efforts to hire another GI.

VI. POLICIES/PROCEDURES/REVIEW OF OTHER ITEMS – The Board will consider and may take action on the following: (*time: 6:00 pm – 6:45 pm*)

A. Presentation and Approval of Audited Financial Statements FYE June 30, 2022

This item was moved to the top of the agenda. Ms. Aparna Venkateswaran, of Moss Adams, provided an overview of the audit results to the Board. She advised that besides the regular audit, a separate single audit is required due to the CARES funding received; this requirement is the same as last year. The areas of audit emphasis were discussed. Moss Adams assisted with the implementation of new GASB Statement No. 87 lease standards. This statement requires that all operating leases be recognized on the asset and liability side of the statements. The bonds and related reporting were appropriately stated. The financial statements were presented fairly and in accordance with US GAAP. It was determined that management selected and applied accounting policies appropriately. There were no difficulties and/or disagreements encountered during the audit. Ms. Venkateswaran thanked the accounting team for their hard work and assistance in completing the audit. There weren't any other issues found that affected

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the outcome of the auditor's report. She was happy to report that they were able to issue an unmodified opinion. This means that based on the audit, everything was consistent with accounting principles. There were some uncorrected misstatements found for June 30, 2022; however, it was determined that they are immaterial to the financial statements. The management representation letter is expected to be completed by the end of the month. There were no weaknesses, deficiencies or compliance issues found in internal controls. Communications were conducted with Legal Counsel and outside legal firms to gain understanding of any legal exposures. There were no matters related to fraud or non-compliance brought to the auditors' attention. A quick summary of financial ratios and metrics was provided. A motion was made to approve the audit by Director Rubin, seconded by Director Santillan. **The motion was unanimously carried.**

B. Update Reports

1. Women's Auxiliary

Director Rubin reported that the women's auxiliary is hosting a country kitchen on Thursday, October 27th.

2. LAFCO

There was nothing to report.

3. Funding Requests Committee

- a. Imperial County Medical Society - Annual President's Dinner
- b. Imperial Valley College Foundation – Golf Tournament

Director Aguilera reported that there were two funding requests submitted to the committee. The committee determined that these are marketing opportunities, not funding requests. Director Aguilera mentioned that of the budgeted \$14,500 for community support, only \$1,250 has been used year-to-date. A motion was made to direct these items to marketing for handling by Director Suarez, seconded by Director Santillan. **The motion was unanimously carried.**

C. Authorize Special Board Meeting on November 2, 2022, at 5:00 pm

D. Authorize Professional Services Agreement and Emergency On-call with Patrick Sweet, MD, PC

Contract Value: approx. \$500,000; Contract Term: Three (3) years; Budgeted: Yes; Budget Classification: Professional Fees

E. Authorize Medical Executive Committee Consulting Agreement with Allan Wu, MD

Contract Value: \$2,778; Contract Term: One (1) year; Budgeted: Yes; Budget Classification: Professional Fees

F. Authorize Letter of Agreement with NaphCare, Inc.

Contract Value: depends on volume; Contract Term: Five (5) years; Budgeted: N/A; Budget Classification: Revenue

G. Authorize Sublease Agreement for Suite 302 at 751 W. Legion Road

Contract Value: \$61,546.⁸⁰; Contract Term: Three (3) years; Budgeted: N/A; Budget Classification: Revenue

H. Authorize Locum Tenens Agreement with Colton Health Group

Contract Value: approx. \$15,000/wk; Contract Term: One (1) year; Budgeted: No; Budget Classification: Professional Recruitment Fees

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A motion was made to approve items C through D by Director Rubin, seconded by Director Santillan.

Item C - It was asked what the special meeting was for. It was advised that this is the meeting where the consultants will discuss their findings of their analysis of the District's financial status and possible recommendations.

ITEM D – Director Rubin asked if Dr. Palakodeti sees patients in the cardiology office. It was clarified that Dr. Palakodeti sees patients in the Pioneers Health Center. He is seeing Medicare and Medi-Cal patients only. Ms. Zamora advised that she would provide an updated list of providers in the clinics to Case Management so they know what providers are available.

ITEM F – Director Rubin asked what this agreement was for. Ms. Loper reported that NaphCare is an insurance company that has several members who seek services in the clinics. This contract is so that we can be reimbursed for the services provided to their members.

ITEM E – Ms. Gillespie reported that Dr. Wu has been covering for Dr. Hernandez who is out on leave. He will be the new chair of the OB committee. Dr. Hahm asked why the District pays the Chair of the OB committee. It was explained that this is the MEC Consulting agreement, which she also participates in. It was asked what can be done when a physician transfers patients when they could be receiving services at PMH. There is no medical necessity to transfer the patient, so what recourse does the District have. Dr. Indudhara mentioned that the physician has to make a good-faith effort to assess the need of the patient and if the patient can receive services at PMH, then they should keep the patient at PMH. The physician contract should have some term that holds them accountable for doing this. Dr. Suarez advised that the hospitalist group needs to do their due diligence in making sure that the transfers are appropriate. **The motion was unanimously carried.**

VII. MANAGEMENT REPORTS – The Board will receive the following information reports and may take action. *(time: 6:45 pm – 7:30 pm)*

A. Operations Reports – Kristi Gillespie

1. Hospital operations (Chief Nursing Officer)

Ms. Gillespie advised that the Bridge Navigator grant in the amount \$120,000 was received. This is to provide additional services to patients that meet specific criteria. Recruitment efforts continue for all areas. ER times for ESI-4 is 152 minutes and for ESI-5 is 82 minutes. There were very few ESI-1 for the month of September; only .18% were ESI-1. 2.77 were in the ESI-2 category and 42% of the patients in the ER were ESI-3. 39.4% were ESI-4 and 1.99% were ESI-5. Compared to benchmark, PMH is on the low side.

2. Clinics operations (Chief of Clinic Operations)

Ms. Zamora reported that there are still quite a few staffing positions open. There were interviews conducted for LVNs and MAs and will have some offers going out this week. It continues to be difficult to get any applicants for nursing positions. RHC visits continue to increase. Ms. Zamora mentioned that they applied to two grants. One is for a technical assistance program to increase COVID treatment in underserved communities. The grant is for \$500,000 in funds. The second grant

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is through CAL-AIM for transforming healthcare. This is also for \$500,000. Ms. Zamora stated that she had missed a deadline for another grant, but Cal-AIM and HealthNet opened the application window again, so she will be applying to that grant on Monday. The process improvement related to unlocked notes will continue through next year. This has significantly improved to 98%. Director Aguirre asked who contacts the physicians when their notes are not locked. Ms. Zamora reported that she is the one that contacts the physicians, and their response has improved.

3. Medical staff (Chief Nursing Officer)

Nothing further to report.

4. Finance (Chief Financial Officer)

Ms. Loper mentioned that the Warbird consultants will be here next week to discuss their analysis. She reported that she received an email from Cal-OES that FEMA approved the request for expedited funds. It is expected that \$3.7 million will be received in about six weeks. They expedite 50% of the funds while they complete their review of the application. Their review can take up to seven years. Coding is caught up and up to date from falling behind in the summer. Coding audits are done every six months from an outside vendor. A new coding auditing firm has been hired to do the audits from now on, since they also provide education. There is a committee that has been working on improving the process for authorizations with all the different departments. It is hoped that the roadblocks, and reasons for not obtaining authorizations, can be worked through and get the process in place by the end of the year.

5. Information technology (Chief Nursing Officer)

Nothing to report.

6. Marketing & community update (Chief Executive Officer)

The marketing report is in the packet. Ms. Gillespie thanked Mr. Kelley for helping with the oversight of the marketing department.

7. Facilities, logistics, construction, support – (Chief of Logistics and Support Services)

There were no questions.

8. Quality resources - (Director of Quality Resources)

There was nothing to report.

9. Board matters

There was nothing to report.

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B. Legal Counsel Report – Sally Nguyen

1. All matters to be discussed in Closed Session

VIII. 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)

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

B. PENDING OR THREATENED LITIGATION – Safe Harbor: Subdivision (b) of Government Code §54956.9

1. Conference with Legal Counsel regarding threatened litigation involving possible facts or circumstances not yet known to potential party or parties, disclosure of which could adversely affect the District's position.
 - a. Compliance Issues

IX. 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.

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

The meeting was adjourned to the next regular meeting.



Clerk of the Board


Board Secretary

Statement to Pioneers Memorial Healthcare District Board

October 25, 2022

Good afternoon members of the Board, community members, and fellow colleagues.

My name is Keith Bradkowski and I serve as the director of surgical services. I have been at Pioneer's just over a year. As a registered nurse for over 35 years, I have worked in a variety of healthcare settings and jobs that included COO, CNO, consultant, and university faculty. I am a Johnson & Johnson Wharton School of Business Fellow in Executive Leadership and board certified in nursing administration advanced by the American Nurses Association.

I have always been drawn to healthcare organizations that serve the poor and underserved. Often these hospitals carried additional financial challenges where I was able to make a difference.

The ongoing mission of PMHD (Pioneers Memorial Healthcare District) rests ultimately in the hands of this elected board. The thought of this hospital closing must be a heavy burden on board members and their legacy.

I know that the Warbird Consulting Group will concur with my assessment that this organization's financial problems began 10 years ago. Financial statements indicate PMHD lost money from hospital and clinic operations 9 out of 10 years. History shows the CEO was never held accountable. Those who profess the former CEO had "great accomplishments" is like the physician saying "the surgery was a success, but the patient died."

I have never witnessed a hospital losing up to \$2 million dollars every month without a sense of urgency and a plan of action. While department director meetings were cancelled 9 out of 12 months, I would ask, "what's the plan?" It is evident, there was never a plan.

This past January, I presented a financial analysis to the medical staff in the department of surgery meeting. My findings indicated significant issues with surgical coding and I estimate we lose close to a million dollars each year. Complacency and a lack of urgency is a deadly combination in business and in healthcare.

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Statement to Pioneers Memorial Healthcare District Board

As a consultant I can say Imperial County has too many hospital beds. Both El Centro Regional and PMHD occupancy is less than 50%. Evidence shows that a community cannot financially support two hospitals in close approximation that duplicate services. Given the complexity of each hospital's governing bodies, a merger/acquisition is highly improbable and far too costly.

Given recent events, one can be sure El Centro Regional has a plan to gain market share that is effortless and cheap. Their strategy is simply waiting.

I do want to recognize Kristi Gillespie who has shown resiliency and grace during extremely difficult times. She has been the glue that has held this place together.

I can attest PMHD has a phenomenally dedicated and professional work force. I believe there is still a chance to change its trajectory; however, time is of the essence. Leadership is about taking risks and making choices. This will require a board and CEO who is combat-ready, battle-tested, willing to make difficult decisions and take bold actions. The time for complacency is over--Now is the time to act!

Respectfully submitted



Keith A. Bradkowski, MSN, RN, NEA-BC
Director of Perioperative Services

Frequently Asked Questions (FAQ's)

1. Is there going to be a merger between Pioneers and El Centro Regional?

There are currently no discussions about, nor has any offer been made to the PMHD board regarding a merger between Pioneers Memorial Healthcare District and El Centro Regional Medical Center.

2. Where are the agenda's posted?

Agendas for upcoming meetings and future meetings are posted as follows:

- a. Bulletin board located in the hallway adjacent to the front lobby of the hospital by Outpatient Registration
- b. Bulletin board located in the hallway adjacent to the elevators
- c. Submitted to the Imperial Valley Press and Desert Review newspapers to be published
- d. On the PMHD website: <https://pmhd.org/board-agendas/>

3. Where can we find the minutes of past meetings?

Minutes of past meetings can be found in board packets for the current meeting as they are reviewed and approved by the board every meeting.

Additionally, a public records request can be made to the PMHD compliance officer for minutes of past meetings.

4. Why is there no pay scale that includes pay tiers based on number of years working in the position?

In 2017, a decision was made to separate the evaluation process from the merit increase to allow for a more honest evaluation process. The reasoning was to allow for an employee's performance to be evaluated without comparison to others.

Pay scales are often changing—and should often change—due to changes in the market. For example, when minimum wage goes up, all wages should be adjusted to meet that new minimum baseline.

Moreover, the number of years a person has worked in any particular position does not necessarily reflect their qualifications, achievements, special job duties or responsibilities that they have taken on which would result in a variance of pay commiserate with such considerations.

However, PMHD is currently reviewing its pay practices to comply with developing pay transparency laws. Although, there is currently no payscale based on years of service, PMHD constantly reviews and adjusts paygrades based on information collected through pay surveys with the goal of keeping employee wages competitive. Discussions will continue to determine if this is still an appropriate practice or if it needs to be modified. We are also working to make the process as transparent as possible, starting with providing at least base ranges for each position within the district.

5. Morale is at a low-time low, what will be done to help improve morale?

PMHD Employees are the backbone of this organization. Our patients depend on the care and comfort we provide. Every one of you, every department, and every unit of this organization needs some support. We must all find a way to help each other and now is the time to lift each other up.

We address morale as individuals and groups. We stay focused on providing the best patient care possible and helping our co-workers be successful in everything we do. It starts with you, “believe in your co-workers, believe in your units, believe in our Health District”. We are counting on you to continue to bring your concerns to our attention and to help improve overall morale. This can be done by speaking with your supervisor, administrator, or Human Resources regarding those concerns.

6. Will Interim CEO be someone outside of the organization and outside of the community? It is recommended that the interim CEO not be someone from within Pioneers and not a member of the community so that individual can have “fresh eyes” and be objective, who has vast experience and has had successful outcomes.

Due to the urgency of the situation, the Board has determined that waiting for an entire process for selection of an interim CEO is just not feasible and can be detrimental to the stability of the organization. Therefore, the Board has opted to move forward, has reviewed submitted proposals and has made an offer to a candidate. Rest assured that the Board has taken the feedback and recommendations that were provided to them into consideration during their

deliberations. That being said, the permanent position for CEO will be less rushed, will provide opportunity for different stakeholders to make recommendations before the Board makes a final decision.

7. Is it true that Pioneers is merging with Imperial Heights?

PMHD has been exploring the possibility of licensing and operating Imperial Heights as our own skilled nursing facility due to the positive financial and operational prospects that were brought to us. However, the transfer of licensing and operations involves many hurdles that we are still facing, and nothing has been finalized yet.

8. Did Mr. Lewis leave Pioneers to save himself and the hospital is going to close?

Mr. Lewis has shared with the board and senior leaders that he left PMHD because he received a great opportunity. Before his departure, Mr. Lewis had many plans in place to address many of the financial concerns of the district.

At this time, we have no plans to close PMHD and will do everything in our power to keep PMHD from closing.

9. If census continue to be low, what is going to happen to staff? Do they have a secure position?

If census continues to be consistently low, the reality is that staffing needs will be adjusted accordingly. However, that may involve many things short of terminating staff, including some programs that were implemented during the COVID-19 pandemic such as voluntary flex.

Additionally, as we have heard during the public comments, some departments continue to be extremely short on staffing. Therefore, we would encourage all staff be open to cross-training and working in more than one department or position.

10. Is someone monitoring the registry nurses/staff to make sure they are doing what they are supposed to do? If they are not, how are they disciplined and/or reassigned?

When issues are brought to the attention of the department manager they are reviewed and if needed escalated to the agency. There have been some concerns about registry staff that have been brought to us for the first time ever during recent public comments, which not even managers were aware of. These types of concerns should be brought to the managers so that they are aware of what is going on and

are able address them in a timely manner.

PMHD Administrators can reach out to the staffing agency to discuss unprofessional behaviors and next steps, but they cannot do that if no one is reporting these behaviors to PMHD management or directors.

11. Is there any other incentive besides the retirement plan that is offered that can help in the retention of staff?

PMHD has many benefits and incentives for staff including generous health benefits, education assistance, and a generous PTO accrual schedule that increases with seniority.

Each PMHD staff member's needs are different and one incentive that may keep one employee may not be sufficient to keep another. Any incentive programs will require careful thought and review for financial and implementational feasibility. However, we welcome you to submit any ideas for consideration.

12. Why was the decision to close Physical Therapy made? What led to that decision?

Based on the information we were provided, the decision to close Physical Therapy was made purely on the basis that it is not a revenue-generating department for PMHD.

PMHD is the only outpatient physical therapy center in the imperial county for individuals covered by Medi-Cal. The reason is because Medi-Cal does not reimburse providers with an amount sufficient to cover their costs. As a result, PMHD's physical therapy department was spending more money on staffing and operations than it was making. Therefore, the decision was made to close the department. However, at this time, all major decisions will be paused until an interim CEO, or permanent CEO is selected. This will allow time for further exploration of possibilities for viability of the program.

13. Is there more recruitment being done to fill in the gaps of staffing district-wide?

We are working continuously on recruiting for all staffing gaps. There have been and continue to be ongoing efforts to recruit for open positions. Outreach efforts have been made locally and globally to recruit skilled individuals to PMHD.

14. Why were performance reviews revised so that it doesn't matter how well someone performs, you still receive a merit increase? Can that system be put back in place?

We review merit increase recommendations as they are brought to us. Due to budgetary concerns, we have only been able to approve base increases for all staff members to help address the overall impact of market and inflation.

While performance reviews have not been tied to the annual merit increases in recent history, we have been informed that employee salaries have been, and continue to be, reviewed on an individual basis by department leaders and administration.

15. Is the oncology department going to close?

PMHD is currently working to keep the oncology department open. We do not want to close the oncology department down, but the difficulty we are facing is in finding a permanent provider for the department.

Currently, discussions are ongoing with an outside group to assist with placing a permanent provider here at PMHD and with keeping the department open. Therefore, at this time we are cautiously optimistic that we will be able to keep the oncology department open. However, a final decision has not been made due to these factors.