



MARIN HEALTHCARE DISTRICT
250 Bon Air Road
Greenbrae, CA 94904

REGULAR MEETING MINUTES
Tuesday, June 10, 2014
Marin General Hospital, Conference Center

1. Call to Order

Vice Chair Sparkman (substituting for Chair Bedard) called the meeting to order at 07:00 pm.

2. Roll Call

BOARD MEMBERS PRESENT: Vice Chair Ann Sparkman, Secretary Harris Simmonds, MD, Director Jennifer Rienks and Director James Clever (arrived at 7:05 pm)

BOARD MEMBERS ABSENT: Chair Larry Bedard, MD was excused from the meeting. Vice Chair Ann Sparkman substituted as Chair of this meeting, held on June 10, 2014.

ALSO PRESENT: Lee Domanico, Chief Executive Officer, Colin Coffey, District Counsel, Donald Bouey, of Bouey and Black, and Renee' Toriumi, Executive Assistant to the CEO

3. Approval of Agenda

Director Simmonds moved to approve the agenda as presented. Director Rienks seconded. Vote: all ayes.

4. Approval of the Consent Agenda

Director Simmonds moved to approve the consent agenda. Director Rienks seconded. Vote: all ayes.

Director Simmonds moved to approve the minutes from the May 13, 2014 as presented. Director Clever seconded. Vote: all ayes.

No comments from the public.

5. General Public Comment

Chair Sparkman stated that any member of the audience may make statements regarding any items NOT on the agenda. Statements are limited to a maximum of three (3) minutes. The public was asked to please state and spell their name if they wished it to be recorded in the minutes.

Barb Ryan, CNA Representative (safety, computer changes, safety)
Kathy Giannini, RN Surgery Center (CPOE, medication lists, computer printing)
Bonnie Kaiser, RN, until 2 years ago (patient safety, communications)
Alicia Levin, RN Adult Acute Care/Bio Ethics Informatics (patient safety and care)
Ellen Gardner, RN Behavioral Health (staff concerns, uniforms)
Carolyn Cowden, CNA Representative (document from nurses submitted for review)
Douglas, Advocacy Chair for NAMI Marin (mental health services, community needs)

No additional comments from the public.



Director Rienks requested a listing of advertisements for the Public Forum sessions. CEO Domanico agreed to send that information to members of the board following the meeting.

6. MGH Lease Renewal

Third Public Hearing on MGH Lease Renewal Agreement

CEO Domanico was not in attendance for the public discussion of the Lease Renewal.

Mr. Donald Bouey, representing Bouey & Black Attorneys, provided a summary of the basic lease information citing compliance with Healthcare District laws requiring five public meetings. There were few changes made since the five public meetings last year. Complete draft copies of the lease were available in this meeting packet. A presentation was reviewed, which was also included in the meeting packet:

- Rent – rationale
- Rent – four components
- Triple Net Lease
- Permitted Use: as a non-profit, general acute care hospital and related ancillary uses
- New Improvements: MGH agrees to perform and pay for all District obligations to perform seismic requirements including construction of new Hospital wing, parking structures and related improvements
- Default/Remedies
- District approvals for improvements and capital expenditures
- Surrender of Hospital Premises, Assets and Operations at Expiration or Termination
- Amendment: the Parties may amend the Lease to the maximum extent permitted by law to address lender and bond issuer/holder concerns and other issues that may arise
- Dispute Resolution

It was noted that copies of the lease documents had been posted to the District website, including the summary and upcoming scheduled community meetings. The Public Forum #4 is scheduled for Thursday, July 8th and the Public Forum #5 will be held before the end of July. Formal approval the lease documents will be discussed at the regular meeting scheduled for August 12, 2014.

CEO Domanico returned to the meeting.

Public Comments - Margaret Jones (Aging population and transportation). Chair Sparkman asked Mr. Jon Friedenber, CAO, to review the suggestions made by Ms. Jones.

Director Rienks requested a summary of where the Community Forums have been advertised. CEO Domanico agreed to send the summary to board members following the meeting.

7. Resolution #2014-03 Calling for Election

Chair Sparkman reviewed the Resolution of the Governing Body of the Marin Healthcare District, included following Tab 4. Through this resolution it is proposed an election be held in its jurisdiction: requesting the Board of Supervisors to consolidate with any other election conducted on said date, and requesting election services by the Marin County Elections Department. It was



resolved that the number of regular term positions for 4 years are five (5). It was also noted that the payment for publication of a candidate's statement of qualification is the responsibility of the Candidate.

Director Simmonds moved to approve the Resolution Calling for Election, with the noted correction to the 4 year terms. Director Clever seconded. Vote: all ayes.

Mr. Colin Coffey confirmed that the request for this resolution was to combine the election with the County, which is done every two years. He did note that there needs to be a correction to Resolution No. 2014-003, that the number of regular term positions (4 year) is three (3), not the "Five (5)" as was incorrectly stated.

Once the document has been corrected, Ms. Toriumi was requested to get signatures from Vice Chair Ann Sparkman (acting Chair) and Secretary Harris Simmonds and process the resolution. General Counsel Colin Coffey stated that the signed resolution would be sent to the County within the month.

8. Formation of Ad Hoc Committee for Lot Line Adjustment

After a brief discussion for the need to form this Ad Hoc Committee, Director Rienks moved to approve the formation of the Ad Hoc Committee for Lot Line Adjustment discussions with the County. Members of this committee are Chair Larry Bedard and Director Jennifer Rienks, with Vice Chair Sparkman serving as an alternate. Director Clever seconded. Vote: all ayes.

No comments from the public.

9. Committee Meeting Reports

a. MHD Finance & Audit Committee (05/28/2014)

Chair Ann Sparkman reported more than \$3 million in operating account, includes reimbursement of \$101,000 from MGH for the Lease and GO Bond Negotiations. 1206b Clinics operations are improving. CEO Domanico reported that when clinic information is reported in the budget, ancillary service expenses are separately reported in the hospital budget. The robotic practice of Dr. Yu's budget is at slightly ahead of expectations, but the payer mix is not what was expected. The cardiology services (physician over budget with staff), but the ancillary services are slightly ahead of budget. The variances do not financially affect the District budget.

Community Health Grant Policy materials were reviewed by Ms. Jamie Maites, Director of Communications. After discussion, revisions will be made to the policy and will be discussed again at the next meeting, followed by recommendations for implementation to the full District Board. The topic of the aging population was addressed at the meeting. Ms. Margaret Jones was thanked for her input at that meeting.

The 2015 Budget was reviewed and the additional expense for the hiring of a Strategic Consultant was approved for \$60,000 in the 2015 Budget to review and advise the District on the Affordable Care Act (ACA) and trends that will affect the Hospital.

There were no public comments.

Director Rienks inquired how the trends for reimbursement for services and how the ACA has impacted the changes. CEO Domanico explained that the State's participation in ACA, hospitals



have received additional funding for Medi Cal and Medicare programs. There has been an increase in Medicare patients based on that payer mix change, with a slight decline of indigents. The overall decline in inpatient mix has caused a shift in payer mix, which has and will continue to affect the hospital as well as physician practice. Medicare reimbursement has increased for the uninsured.

Director Simmonds moved to approve the Marin Healthcare District FY 2015 Budget as presented and recommended by the MHD Finance & Audit Committee on May 29, 2014. Director Rienks seconded. Vote: all ayes.

There were no public comments.

b. MHD Lease & Building Committee (no meeting in May)

There were no public or board comments.

10. Reports

a. District CEO's Report

Legislation continues to move favorable through the committees without opposition.

CEO Domanico agreed to bring recommendations on different agencies relating to aging and health. The grant process will also be reviewed for approval.

Several actions will be reviewed at the Hospital Board meeting to be held on June 26th and subsequently recommended to the District Board at the next regularly scheduled meeting on July 8th. The District Board has ultimate approval to move forward hospital building projects and plans.

Director Rienks suggested that the video for the Hospital Replacement Project be included in the District website.

b. Hospital CEO's Report

CEO Domanico reported profitability through April, with discharges down and patient stay up. The Average Daily Census (ADC) was higher than expected with an increase in ER patients. The hospital receive the HealthGrades award for Quality Safety, which ranks us in the top 5% nationally for outcomes from HealthGrades, with two services ranked in the top 100 best hospitals.

Standardized apparel for staff was mandatory, effective June 1, 2014.

CEO Domanico offered examples (bedside reporting, rounding, department meetings, etc.) of how he and other Administrators communicate with staff on a daily basis. Improvement has been seen in communication between the patients and staff members.

600 employees attended the Employee Forums, with 99.9% positive ratings. Employees who attended received a MGH velour vest as a gift of appreciation. The attendance was double from last year. Employees unable to attend may go online, watch the video and also receive their gift.



Union contract expires at the end of this year.

The Information Technology computer system is on a 2-year review. Improvements have been seen in the speed and turnaround of support.

Vanetta Van Cleave, Controller and Ronald Sperling, Interim CFO were introduced. Vanetta started in May and Ron will start in June.

Director Rienks requested the HealthGrades report be published externally. Mr. Friedenber reported that he had made several attempts to request that the local news briefs include and promote our high scores. A copy of the news release will be sent to Board Members.

There were no public comments.

- c. Chair's Report – No additional information to report.
- d. Board Members' Reports

Director Rienks attended the ACHD Conference held in Pasadena, CA on May 28-30, 2014. The conference discussed District board organizational structures, succession plans and community involvement, which she thought was useful information in strengthening the MHD Board. Grant making information received at the conference will be shared with the MHD Finance and Audit Committee.

Director Simmonds reported that Director Bedard was recently married on May 29, 2014.

No comments from the public.

Director Clever moved to adjourn the meeting. Director Simmonds seconded. The meeting adjourned at 8:27 pm. The Board went into a Closed Session.

CLOSED SESSION

The closed session adjourned at 9:15 pm. General Counsel Colin Coffey will document the minutes.