

BAY AREA HOSPITAL DISTRICT BOARD MEETING
March 14, 2023 MINUTES
Bay Area Hospital Myrtle Conference Room @ 6:05 pm

BOARD EDUCATION SESSION – ECG Bank Presentation

CALL TO ORDER

Dr. Tom McAndrew, MD, Board Chairperson, called the Bay Area Hospital (BAH) District Board meeting to order at 6:06 pm. A quorum was present.

BOARD ATTENDANCE

Chairperson Tom McAndrew, MD; Donna Rabin, MD; Barb Taylor; Carma Erickson-Hurt; Brianna Hanson; Troy Cribbins

ABSENT

None

STAFF ATTENDANCE

Brian Moore, CEO; Jennifer Collins, CNO; Kelli Dion, CQO; Clay England, CHRO; Mary Lou Tate, CFO; Lee Saltzgaber, MD, CMO; Patrick Varga, CIO; Kim Winker, Director of Marketing; Dr. El Youssef, Chief of Staff; Denise Bowers, EA

LEGAL COUNSEL

Megan Kronsteiner, Esq. was present.

PUBLIC ATTENDANCE AND INPUT

Three members of the public were in attendance; 1 in-person and 2 virtually.

Our in-person public visitor commented that she has been hearing expressions of concern regarding the care that the hospital is providing, adding that she has previously been employed at the hospital. Chairman McAndrew reviewed some historical and financial data as part of information for the public visitors on Bay Area Hospital's financial challenges. He finished his review by stating that we are "working to right the ship" in bringing the hospital back into financial solvency.

CHAIRPERSON COMMENTS – Dr. Tom McAndrew

Chairman McAndrew opened the floor for board members to make comments addressing our public visitor and in general. The general consensus expressed by the board was that of appreciation for her attendance and care of the hospital's performance, and that every board member is determined to help the hospital "turn this around". Finally, Dr. McAndrew cited a recent experience in a transfer for one of his patients which highlights the challenges faced by the organization in serving the community and how vital Bay Area Hospital's service is to the community in general.

CONSENT AGENDA

The consent agenda included the February 2023 Board minutes; approved Finance Committee and Medical Executive Committee minutes for January 2023; Quality Committee minutes for December 2022.

Action Taken by the Board: Ms. Barb Taylor moved to approve the Consent Agenda as presented in the packet. Dr. Donna Rabin seconded, and the motion carried on call of vote.

ANNUAL COMPLIANCE WORK PLAN

Mr. Garrett Smith of The Fox Group was on hand to answer any questions that the board may have regarding the Annual Compliance Work Plan as it was included in the board packet. At the request of Dr. McAndrew, Mr. Smith reviewed the Work Plan with the board and provided time for questions. Questions were asked and answered. Dr. Rabin expressed appreciation for the format of the report.

Action Taken by the Board: Dr. Rabin moved to approve the Annual Compliance Work Plan as presented in the packet. Mr. Troy Cribbins seconded, and the motion carried on call of vote.

QUALITY AND PATIENT SAFETY COMMITTEE (QPSC) REPORT – Dr. Donna Rabin

Dr. Rabin reported that the Joint Commission Action Plan is proceeding in a timely and effective manner. The 26 items have 100% resolution over the past three months. In the past quarter, we have had 3 cases of surgical site infections (SSI); we have an action plan in place to address this issue. The preliminary Trauma Survey revealed multiple findings and we are on one year probation recertification with a plan in place to address and correct all findings. All of our physicians are eager to begin work on the action plans. Ms. Kelli Dion and Ms. Jennifer Collins provided additional clarity regarding the SSI's. Questions were asked and answered.

CHIEF EXECUTIVE OFFICER REPORT – Mr. Brian Moore, CEO

Mr. Moore shared a positive letter from a recent hospital patient which demonstrates the great care happening at Bay Area Hospital in the midst of our current challenges. Also shared was a story of how our emergency department team worked to make a safe plan to connect a pediatric patient with the recent snow fall – great fun for the child - and this type of thinking and working is the hallmark of Bay Area Hospital – going the extra mile to provide safe, enjoyable care with that important humanity component.

Revenue Cycle Improvement Recognition – Ms. Mary Lou Tate reviewed the infographic as was shared in the packet which shared highlights of the improvements made; \$1M on inpatient CCU was paid, the next million will come over 12 months. There had been a strategic hold on write-offs since September 2022 to allow time to work the accounts for payment. We are now writing off accounts that have been proven to be uncollectable which has resulted in increased cash collections and recent decrease in accounts payable. There was a robust question and answer session following.

BAH Culture - Ms. Jennifer Collins reviewed the infographic on Bay Area Hospital Culture as was shared in the packet regarding the body of work on culture change here at Bay Area Hospital. Ms. Collins shared that “kindness is teaching the art of the thank you” and that this is leading all of us to growth in other values. Leaders are developing emotional intelligence which builds resilience and increases productivity. Ms. Collins shared the highlights of the positive impact of this large body of work being done.

- **Growing Kindness at Bay Area Hospital**
Just like trust, the small acts build the larger feeling examples include; seeing and supporting feedback as a gift- providing tools to help each of us navigate feedback; sharing gratitude in The Pulse (employee newsletter), safety huddle, and our meetings; the art of a thank you- specifically saying what, sharing the impact, and naming the character traits they displayed;
- **Ownership**
Nurse Managers are now more directly involved in resolving patient concerns as a first line of response. Charge nurses are meeting together on a regular basis to support each other and take a larger role in meeting financial goals. A core tenant of the work is to identify and focus on things that they can control. Units are involved in patient satisfaction initiatives on their units.

- Teamwork
Building a team requires that we focus on more than just the task at hand. Regular meetings incorporate fun that help build trust and teamwork through seeing each other at a human level.

Medical Staff Updates

Medical Oncology: It has been difficult to find hires or locums since Dr. Peng left; Dr. Bret Cook has resigned as of June 2, 2023 after 24 years of service and Jodi Strand, NP, will be leaving at the end of March. Dr. Anushi Bulemulle is our remaining physician; we will be working to fill that gap. We now have a six-month contract with Dr. Narvari, a remote physician from Alabama, and he has been seeing 5 to 7 new-consult patients per day in addition to 7 to 8 follow up patients. We have reduced our backlog to 8, down from 30.

Radiology Update: Dr. Saltzgaber and Brian have been working with Tualatin Imaging to add as them as a remote imaging reader. Several physicians have been invited into the process of finding a new partner, and Dr. Tesigni and Dr. Nanda attended today's call with them. A call with Medford Radiology and their partner, Radia, has been scheduled for next week. Our volume would easily be accommodated by them. We are working toward a May decision timeline.

Orthopedic Update: South Coast Orthopedics (SCOA) will end taking call on April 17th; bylaws require one week of call per month. We will be working with the surgeons and medical staff to understand the impacts to the call schedule and SCOA's decision to drop call, and if they are resigning privileges or not. Dani Jackson, PA has been hired here at Bay Area Hospital in the role of Orthopedic Physician Assistant.

OB/GYN Update: All three OB/GYN physicians are leaving NBMC. They are actively recruiting and we are in discussions to help keep coverage for local OB patients. Bay Area Hospital is making significant financial contributions to two weekends a month of call.

Turnaround Plan Update

We continue to receive and sign forbearance agreements from our lender; are anticipating an interest rate concession of 4.5% for the forbearance period of Jan. 15th to March 15th. Bank of the West will be asking for a good faith effort to secure a resolution from the board to secure collateral in terms of cash, investments and real estate. More to come, this is an interim step to a longer term forbearance. ECG has provided its assessment of the hospital's financial turnaround plan to Bank of the West. BAH's account has been moved formally into the workout group by Bank of the West, and the acquisition of Bank of the West by BMO is complete. If real estate will be pledged, that is a long process and Bank of the West are working to secure appraisals. A 12-month forbearance has been requested by ECG as we work toward financial stability. Questions were asked and answered.

Communications Input from the Board of Directors

Due to the time constraints this evening, this topic will be moved to a later date.

Union Update

Mr. Clay England reported that the mediator tried to set up another mediations session with the union, who chose not to participate. The 30-day cooling off period ends on 3/26/23. We heard today that the strike vote will take place on 3/29/23. We have been transparent with staff and sent letters regarding our Last and Final Offer, and received a good response from that communication. Just prior to this meeting we were notified that UFCW has filed an unfair labor practice (ULP) against Bay Area Hospital as a result of those letters. We may file an ULP because of regressive bargaining by UFCW. We are encouraging our staff to

vote because any decision will be made by only those who vote. We will implement wage increases included in our final offer regardless of the strike voting results. We will receive a 10-day notice of intent to strike if the vote passes. We are preparing for a potential strike, have a strike staffing plan with a strike staffing firm and will be redeploying our non-contractual staff as a labor pool, where necessary. There was a robust discussion at the end of Mr. England's report, with questions asked and answered.

CHIEF FINANCIAL OFFICER REPORT – Ms. Mary Lou Tate, Chief Financial Officer

- January financials showed an Operating loss of \$1.9 million and overall loss at \$3.0 million. Year-to-date has an operating loss of \$24.0 million and overall loss at \$25.4 million. Cash and cash equivalents balance as of January 2023 is \$69.98 million.
- The Finance Committee awarded a three-year contract to Moss Adams for audit services.
- Comprehensive documents on the hospital's finances were included in the packet.

MEDICAL STAFF CREDENTIALS REPORT – Dr. Lee Saltzgeber

Dr. Lee Saltzgeber reviewed the credentialing report with the board.

EXECUTIVE SESSION

The Board went into Executive Session as authorized by ORS 192.660(2) at 7:37 pm to:

- (c) consider matters pertaining to the function of the medical staff at a public hospital*
- (f) consider information or records that are exempt by law from public inspection*
- (g) to consider preliminary negotiations involving matters of trade or commerce in which the governing body is in competition with governing bodies in other states or nations*
- (h) consult with legal counsel concerning the legal rights and duties of the District with regard to current litigation or litigation likely to be filed*

OPEN SESSION

Chair McAndrew reopened the meeting into public session at 8:12 pm.

Action taken by the Board: Ms. Taylor moved to approve the Credentialing Report as presented in the packet. Ms. Carma Erickson-Hurt seconded the motion and it carried on call of vote.

Action taken by the Board: Mr. Troy Cribbins moved to accept the resignation of privileges to practice medicine at Bay Area Hospital as received by Mr. Brian Moore, CEO and Raphael El Youssef, MD, Chief of Staff, from Randall Jennings, MD, Surgeon. Ms. Barb Taylor seconded the motion and it carried on call of vote.

MEDICAL STAFF REPORT – Dr. Raphael El Youssef

There was nothing reported.

ADJOURNMENT


The board Work Session of tomorrow at 11:30 has been rescheduled to this Thursday from 10:00 to 11:00 to accommodate board member travel.

There being no further business, the District Board meeting was adjourned at 8:15 pm.

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Tom McAndrew, MD, Board Chairperson

Date: 4/11/23



Donna Rabin, M.D., Secretary

Date: 4/11/23