

**BAY AREA HOSPITAL DISTRICT BOARD
EDUCATION SESSION MINUTES**

May 14, 2024

Bay Area Hospital Spruce Fir Conference Room/TEAMS Hybrid @ 5:30 pm

CALL TO ORDER

Troy Cribbins, Board Chairperson, called the Bay Area Hospital (BAH) District Board Education Session to order at 5:30 pm.

BOARD ATTENDANCE

Board Chairperson Troy Cribbins; Patrice Parrott; Carma Erickson-Hurt; Barbara Taylor; Dr. Tom McAndrew (*via Teams*)

ABSENT

Ms. Mary Lou Tate (*excused*)

STAFF ATTENDANCE

Brian Moore, CEO; Jennifer Collins, CNO; Kelli Dion, CQO; Kate Pina, interim HR Director; Dr. Lee Saltzgaber, CMO; Mary Lou Tate, CFO; Calvin Thomas, interim COO; Kim Winker, Marketing Director; Denise Bowers, EA

LEGAL COUNSEL

Megan Kronsteiner, Esq. not present.

GUEST PRESENTERS

Rex Burgdorfer, Juniper Advisory

PUBLIC ATTENDANCE

None

Mr. Moore opened his comments regarding board action requested at the board meeting following the education session - taking the next step to evaluate merger and acquisition or partnership with another entity. He highlighted the correlation around quality and increased employee satisfaction that follows affiliating with a partner health system, Mr. Moore recommended taking the next step of formally engaging Juniper Advisory and turned the floor over to Mr. Rex Burgdorfer.

Mr. Burgdorfer continued his review of the presentation covering strategic options for Bay Area Hospital, focusing on potential partnerships affiliations and next steps, should the board vote this evening to move forward with the proposed relationship between Bay Area Hospital and Juniper Advisory. He highlighted the financial benefits and the correlation around improved quality, employee satisfaction, and patient satisfaction and shared examples of other partnerships brokered by Juniper Advisory. Of note was the role of objectives and the importance of having an externally facing communications plan ready to share with the public, citing hospitals are almost always the largest employer in town and the driver of economic vitality. He suggested creating a committee to work with management and reviewed the timeline from February to June 11th, 2024.

Mr. Burgdorfer discussed the possibility of working together with Bay Area Hospital to seek partnerships, clarified that Juniper Advisory is not engaged presently and that their fees are most often based on a contingency of

finalizing a partnership. He noted the organization's financial situation and projections for the future and mentioned the potential impact of taxes on revenue and the need for due diligence on all available options. review the following:

Highlights of his presentation are as follows:

- An overview of the process for selecting partners for the project in Coos Bay; with a description of a gradual and comparative process design, intentionally designed for the participants to be in control of the time, events, activities, and decision-making;
- The importance of using competition and comparison of non-economic and economic decision criteria in phase one. Mr. Burgdorfer suggested that objectives and decision criteria should be refined to a manageable number and are coherent and clear both to the team and potential partners. The board would have the decision on approving potential partners
- The suggestion to organize breakout sessions with board members, positions, and management to get a sense of their organization;
- Mr. Burgdorfer pointed out the tax levy and partnership options, suggesting that the partnership would provide better quality and processes. He talked about the partners that they would recommend including and how they would contact them. He expressed concern and caution about the idea of going to the voters with a tax levy and running a political campaign while simultaneously evaluating an option for health system affiliation. It would be a complicated task to explain this to the community. He stated that most organizations evaluating affiliation postpone ballot measures and major fundraising activities.

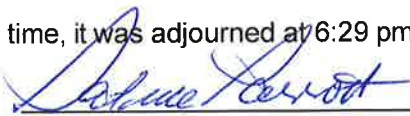
Finally, Mr. Burgdorfer presented a list of 23 potential partners for Bay Area Hospital and potential plans to contact them in June. The partners are mid to large-sized systems and national companies in the hospital industry. As well, he discussed the messaging strategy for selling a tax levy to the community, suggesting that the board should consider a broader approach to stability if the tax levy is turned down at the ballot box.

Proposed follow-up tasks:

- **Process design:** Conduct individual interviews with board members to learn about their objectives and perspectives (Mr. Burgdorfer and his team)
- **Process design:** Review the draft list of potential partners and suggest any additions or subtractions (Board members)
- **Process design:** Prepare a communications plan and recommendation for external and internal stakeholders (Communications professionals and management)
- **Tax levy:** Review the results of the poll and the projections of the financial situation and decide whether to pursue the tax levy option or not (Board members and management)

ADJOURNMENT

As the District Board Education Session meeting was at time, it was adjourned at 6:29 pm.


Troy Cribbins, Board Chairperson
Patrice Parrott, Secretary