

BAY AREA HOSPITAL DISTRICT BOARD WORK SESSION
August 27, 2024, MINUTES
Bay Area Hospital CedarPine Conference Room @ 11:00 am

CALL TO ORDER

Mr. Troy Cribbins, Board Chairperson, called the Bay Area Hospital (BAH) District Board Work Session to order at 11:02 am.

BOARD ATTENDANCE

Troy Cribbins, Patrice Parrott; Tom McAndrew, MD; Barb Taylor; Carma Erickson-Hurt; Renee Nelson

ABSENT

None

STAFF ATTENDANCE

Brian Moore, CEO; Denise Bowers, EA

LEGAL COUNSEL

None

PUBLIC ATTENDANCE AND INPUT

None

GUESTS

Rex Burgdorfer, Juniper Advisory (*via Teams*)

Ansley Murphy, Juniper Advisory (*via Teams*)

Mr. Burgdorfer of Juniper Advisory reviewed a presentation on a recent merger and acquisition project they assisted with, predicting a similar experience for Bay Area Hospital. He explained the activities of Phase One and Phase Two as they apply for Bay Area Hospital:

Phase One:

- Review of potential partners
- Review of proposals made to Juniper Advisory for Bay Area Hospital, including non-economic and financial proposals, and lease transactions

Phase Two:

- Site visits by potential partners to our hospital
- Reverse due diligence trips by our delegation to potential partners' facilities
- Decision based on refined proposals
- Financial comparisons

There was a robust discussion on the phases, with a lengthy Q&A session where the board's questions were addressed.

The board discussed the Sample Scorecard suggested by Juniper Advisory to evaluate and compare potential partners. They clarified the scorecard items and agreed to adjust them based on the values, goals, and priorities of the board, physicians, staff, and community. The board agreed to refine it as necessary to ensure transparency with all stakeholders about the criteria used for partnership decisions.

The board also reviewed the list of partnership objectives they had created with Juniper Advisory to guide this exploration of a potential affiliation for Bay Area Hospital.

Next Steps:

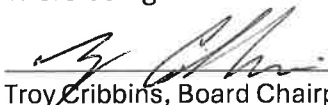
- Add the partnership objectives to the Sample Scorecard for upcoming reviews.
- Meet on September 9, 2024, for a two-hour block to begin considering potential partners.
- Hold an additional work session for 90 minutes (about 3 hours) before the district board meeting on September 10, 2024, for final discussion before the vote for finalists. Mary Lou Tate, CFO, and Jennifer Collins, CNO, are requested to attend these work sessions.

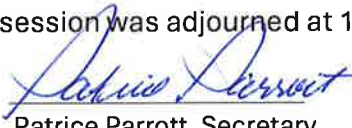
Other Business:

The board requested an update on the recent meeting Mr. Moore held with area clinic CEO/Board members in a strategic discussion on healthcare affiliation in our service area. Mr. Moore reported that each CEO shared recent accomplishments and things working well in their organizations and shared common themes with reimbursement/payment of services issues they are experiencing. Mr. Moore shared that our current model for area healthcare does not work moving into the future and invited the clinics to consider how we can all come together for the better of our community. He asked the clinics to consider a health system merger & acquisition with Bay Area Hospital or consider merging or partnering directly with us. He reported that his goal was to open the door to discussion, that it was a good conversation. The board expressed hope that more conversation will take place in the future.

ADJOURNMENT

There being no further business, the board work session was adjourned at 11:46 pm.


Troy Cribbins, Board Chairperson


Patrice Parrott, Secretary

Date: 10/08/24

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