

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

January 14, 2025

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 5:28 pm.

BOARD ATTENDANCE

Board Chairperson Troy Cribbins; Patrice Parrott; Barbara Taylor; Dr. Tom McAndrew; Renee Nelson

ABSENT

Denton Gruzensky, interim CHRO (*excused*)

STAFF ATTENDANCE

Brian Moore, CEO; Jennifer Collins, CNO; Kelli Dion, CQO; Gretchen Nichols, COO; Lee Saltzgaber, MD, CMO; Mary Lou Tate, CFO; Kim Winker, Marketing & Communications Director; Dr. Paavani Atluri, MD, COS (Chief of Staff); Denise Bowers, EA

LEGAL COUNSEL

Megan Kronsteiner, Esq. not present.

GUEST PRESENTERS

None

PUBLIC ATTENDANCE

None

Chairperson Cribbins turned the floor over to Mr. Brian Moore, who discussed the Board Self-Assessment, last done in 2022, a process done every couple of years via our membership in The Governance Institute. Mr. Moore reflects that to do this assessment will ask the board to step outside the current crisis response mode and back into a task which is a part of our normal rhythm of doing business. This tool will help ensure Mr. Moore is meeting the needs of the board as they assess their goals. Another item that this tool has helped the board with is a review of the hospital bylaws, a task that will need to be done in the future. Mr. Moore proposed to the board that the board education session agenda for the year with the results of the board self-assessment.

Mr. Moore asked the board for their feedback and questions. The board was generally in support of doing another self-assessment through The Government Institute and there was a request that board and management go through things there were changed or improved upon because of the last self-assessment; and a review of work that still needed to be accomplished. There was a robust discussion on the advantages of spending the time doing this work and an acknowledgment that the past 6 to 8 months of crisis management have taken the focus off board-led strategic thinking and that it is time to course adjust and increase board self-reflection.

There was much discussion on limitations on reimbursement for services rendered and the costs of doing business, and the divide between them. Looking at the changing market, the board needs greater awareness of course corrections to stay ahead of the market and keep our core mission in mind with an eye to returning to pre-crisis service offerings and continued growth of the organization.

There was also a brief discussion on the direction and focus of the existing board, and how the proposed transaction will impact the board of the hospital district. As Mr. Moore explains it, the elected district board will exit the hospital business and choose a new focus to serve the community. The board will have the chance to assess the district's needs and set their goals. An operational board will be established in the new structure of the transaction with Quorum, but with local governance chosen to participate based on desired board skills and competencies, with 3 to 5 of our physicians appointed to an up to 9-person board. The district board will still have a role to play in terms of accountability. The district board and the new operational board will work collaboratively.

The board directed Mr. Moore to work with The Governance Institute to set up the Board Self-Assessment process for 2025, to take place toward the first half of February.

Mr. Moore reported that much work is being done on the communications plan to help address the stated concerns of the community regarding transparency and the need for additional information to be distributed across a broader section of the community. There was a robust discussion of tools available to the hospital to move toward improved financial recovery. We will default on our bond covenant once December is closed. Our signed letter of intent was viewed favorably by the bank in consideration of our request for extended forbearance and reduction in the cash on hand currently required.

ADJOURNMENT

As the District Board Education Session meeting was at time, it was adjourned at 6:03 pm.


Troy Cribbins, Board Chairperson


Patrice Parrott, Secretary