

MEETING MINUTES

ANTELOPE VALLEY HEALTHCARE DISTRICT

BOARD OF DIRECTORS MEETING - PUBLIC SESSION

Multi-Purpose Room, Community Resource Center

44151 15th St. West, Lancaster, CA 93534

MARCH 28, 2018



DIRECTORS PRESENT:

Kristina Hong, RN, Chair
Mateo Olivarez, 1st Vice
Phil Tuso, M.D., 2nd Vice Chair
Don Parazo, M.D., Secretary

DIRECTORS ABSENT:

Abdallah Farrukh, M.D., Treasurer

OTHERS PRESENT:

Mike Wall, Chief Executive Officer
Colette Menzel, Chief Financial Officer
Ravi Shankar, M.D.
Satya Dandamudi, Chief Medical Officer
Trisha Guerrero, Executive Secretary - Board of Directors

THE PUBLIC SESSION WILL COMMENCE UPON THE CONCLUSION OF THE EXECUTIVE SESSION OF THE DISTRICT BOARD

The meeting was called to order at 6:36pm.

I. ACTIONS TAKEN IN EXECUTIVE (CLOSED) SESSION – Ms. Hong, Chair

- A. Report on Actions on Claims Filed with the District (REPORT)**
- B. Medical Staff Recommendations (REPORT)**

Ms. Hong reported on actions taken in executive session:

- Approved Executive Session Meeting Minutes of February 28, 2018 and Finance Committee Executive Session Meeting Minutes of February 27, 2018
- Approved Medical Quality Assurance Report and Medical Quality Assurance Committee Meeting Minutes
- Approved Medical Executive Committee (MEC) Recommendations and Chief of Staff Report
- Approved motion to reject claims AVHD201700985 , and AVHD201700980

II. CONSENT CALENDAR – THE CONSENT CALENDAR, AGENDA ITEMS MAY BE ACTED UPON WITH ONE MOTION, A SECOND AND THE VOTE – Ms. Hong, Chair

- A. Approve Board Public Session Meeting Minutes of February 28, 2018 (ACTION)**
- B. Approval of Finance Committee Meeting Minutes of February 27, 2018 (ACTION)**
- C. Approval of Policy RI.10 Clinical Trials &/or Research Requests & interviews (ACTION) – Ms. Salazar**
- D. Approval of AVH Compliance & Integrity Administrative Structure - (ACTION) – Dr. Parazo**
- E. On Campus Transport (ACTION) – Dr. Menzel**
- F. Approval of Board Committee/Subcommittee Charters (POSSIBLE ACTION)**
 - Compliance Oversight Committee – Dr. Parazo / Ms. Hong - **Approved**
 - Community Advisory Committee – Dr. Parazo / Dr. Farrukh – **Approved**
 - Human Resources Committee – Mr. Olivarez / Dr. Parazo – **Approved**

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- Finance Committee – Ms. Hong - **Approved**
 - Retirement Advisory Committee – Ms. Hong / Dr. Farrukh - *Pending*
 - Medical Quality Assurance Committee – Dr. Farrukh / Mr. Olivarez - *Pending*
 - Audit Subcommittee - Dr. Parazo / Ms. Hong – *Pending*

MOTION: Mr. Olivarez moved to approve items, A, B, C, D, & F on the consent calendar and Dr. Parazo seconded. The motion was passed unanimously.

MOTION: Dr. Parazo moved to approve item E on the consent calendar and Mr. Olivarez seconded. Ms. Hong recused herself from the vote. The motion passed with 3 AYES.

III. COMMITTEE REPORTS & RECOMMENDATIONS

A. Finance Committee – Ms. Hong

1. Review & Approve February 2018 Financial Report (**ACTION**) – Dr. Menzel

Dr. Nichols provided an overview of the financials and discussed the hospital's goal to break even off hospital operations. Government subsidies have helped AVH income, but the future of government subsidies is very uncertain.

Month of February:

\$35.1M in total operating revenue

\$32.7M in total operating expenses

\$349K in net profit including government subsidies (without government subsidy AVH lost \$400K in February)

YTD:

\$285.6M in operating revenue

\$258.8M in operating expenses

\$2.6M profit

Loss of \$8M without government subsidies

Monthly Volumes:

Acute and adjusted discharges have improved from the previous year

249 average daily census

Medicare acute length of stay at 5.26% and up 5% from the previous year

Total surgeries for the month were 621 for the month, up by 66% from the previous year

YTD Volumes:

Acute and adjusted discharges up by 10%

230 average daily census, an increase of about 2%

5154 total surgeries, a 13% improvement

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Dr. Nichols discussed labor costs of 66% that is 20% higher than industry standards.

Cash collections for February: \$34M

Operating cash for February: \$152.4M

MOTION: Dr. Tusso moved to approve the February financial report and Mr. Olivarez seconded. The motion passed unanimously.

IV. NEW BUSINESS

- A. Adopt Election Services Resolution #032818 (**ACTION**) – Ms. Hong

MOTION: Mr. Olivarez moved to approve resolution #032818 and Dr. Tusso seconded. The motion passed unanimously.

- B. Approval of City of Hope Building Lease Documents (**ACTION**) – Mr. Wall

Mr. Wall discussed Mr. Bruno's request to release the City of Hope loan to a new lender. The loan will not have material changes and is only changing lenders. Mr. Wall asked the board for an approval. Mr. Bruno says the transaction to switch lenders will increase the interest rate by half a point.

Dr. Parazo moved to approve the lease documents requesting a change in lender for the City of Hope loan. Dr. Tusso seconded the motion. The motion passed unanimously.

V. CHIEF EXECUTIVE OFFICER'S REPORT – Mr. Wall (**INFORMATION ONLY**)

VI. PUBLIC COMMENT ON NON-AGENDA ITEMS

Public comment made by:

Steve Hernan, Security Department employee

Nick Danyluk, Security Department employee

Joshua Neils, Security Department employee

VII. ADJOURNMENT – 6:56pm



Kristina Hong, RN, NP, Chair