

**MINUTES OF THE NOVEMBER 18, 2014 REGULAR MEETING OF THE
PETALUMA HEALTH CARE DISTRICT BOARD OF DIRECTORS**

CALL TO ORDER:

President Thornton called the meeting to order at 12:00 noon in the building conference room at 1425 N. McDowell Blvd.

The Petaluma Health Care District's mission and vision was read by Director Hempel.

PRESENT:

Fran Adams, Secretary
Elece Hempel, Member-At-Large
Robert Ostroff, MD, Treasurer
Kathie Powell, MS, Vice President
Josephine S. Thornton, MA, President

ALSO PRESENT:

Suzanne Cochrane, Board Clerk, PHCD
Ramona Faith, CEO, PHCD
Babs Kavanaugh, Consultant
Nurit Licht, MD, Petaluma Health Center
Tony Kosinski, MD, OB/Gyn
Marilyn Everett, Matsom and Isom
Matthew Kelman, Exchange Bank's Wealth Management Department
Jane Read, VP of Operations, PVH
Pedro Toledo, Acting CEO, Petaluma Health Center
Kathy Ficco, Community Member

CALL FOR CONFLICT:

There was no conflict of interest agenda items noted.

CONSENT CALENDAR:

A motion was made by Director Ostroff, seconded by Director Adams to approve the November 18, 2014 Agenda and the October 28, 2014 Board minutes. This motion was passed by a vote of 5 ayes (Directors: Ostroff, Thornton, Hempel, Adams, Powell) and 0 noes.

PUBLIC COMMENTS:

There were no public comments.

BOARD COMMENTS:

There were no board comments.

ADMINISTRATIVE REPORT:

CEO Update:

Ramona Faith, CEO, reported PHCD will be applying for ACHD Certification after January 2015 and have begun to pull together the necessary documents, which includes updating the District's website per certification requirements.

Ms. Faith reviewed a sample Stakeholder Focus Group invitation for six focus groups scheduled for the month of December. In addition, Babs Kavanaugh, Consultant, has begun conducting one on one interviews with selected community and business leaders.

The District's HeartSafe Community program has reviewed criteria for business and organizations to obtain HeartSafe Community certification and developed criteria for District HSC Program. The District will be presenting to the City Council to request their endorsement of the program as well as acquiring a proclamation in the coming months.

The Lynch Creek Walgreens' Project will be presented to Petaluma City Council in January. This is due to administrative changes in Walgreens' management and the need for a Walgreens' communicator to be well informed about the project prior to presentation to City Council.

Ramona Faith is working with President Thornton on the CEO evaluation packet for Directors to complete. The CEO evaluation will be placed on the December 16th Board Agenda.

President's Update:

President Thornton presented the 2015 Board meeting schedule. PHCD Board meetings are held on the 3rd Tuesday of each month.

FISCAL SUSTAINABILITY:

Marilyn Everett, Matsom and Isom, presented the 2013-2014 Audited Financials. Ms. Everett explained the process and auditors' responsibilities as well as management's responsibility for the financial statements.

Ms. Everett reviewed the Statements of Revenues, Expenses, and Changes in Net position noting the net position for the end of 2014 was \$10,780,691. Cash flows from operating and investing activities were reviewed. The report shows the District has a total cash and investments of \$4,574,354.

The District's investment portfolio includes individual securities plus shares held by investment pools. The investment pools are comprised of various tax-exempt bonds and corporate bonds according to the District's investment policy.

Under notes received, the District has two promissory notes secured by second deeds of trust amounting to \$520,124 and \$528,153 at an annual rate of 6%.

There were no noted deficiencies in accounting processes and procedures. Ms. Everett complimented the accounting department staff on the excellent job they did in the preparation of the audit documents.

Quarterly Investment Portfolio Report:

Matthew Kelman, Exchange Bank's Wealth Management Department, distributed PHCD's Quarterly Investment Portfolio with activity through September 30, 2014. In addition, a Preliminary Schedule of Asset Detail showing total market value for the District and allocation of funds totaling \$4,582,583.

District's investments are limited due to the California Government Code §53601 requiring investments in commercial paper to prime quality of the highest ranking or the highest letter and numerical rating. A majority of the District's investment portfolio consists of corporate bonds and municipal and US Government obligations resulting in a low return on investment.

Mr. Kelman will be working with PHCD's controller and CEO on future financial needs of the District noting there will be bonds maturing in the near future.

PETALUMA OB/GYN SERVICES:

Nurit Licht, MD from Petaluma Health Center and Tony Kosinski, MD of Petaluma Women's Health provided an update on OB and GYN services offered in Petaluma.

Dr. Licht noted that Petaluma Health Center has over 330 births per year providing services to the Petaluma Community, Cotati, Penngrove, and Rohnert Park. With the new Affordable Care Act and Medi-cal eligibility changes, there has been a significant impact to the Petaluma Health Center (PHC). PHC has accomplished Patient Centered Medical Home NCQA Level 3 status and Meaningful Use Stage 1 certification.

Demographics by age group and payor mix were shared comparing 2013 to 2014 noting a significant increase in Medicare and Medi-Cal members.

Petaluma Health Center provides team based care for their OB patients consisting of three (3) Certified Nurse Midwives and 10 family physicians. This also includes OB/Gyn consultation for high risk patients working closely with Dr. Kosinski, Dr. Redwood, and Dr. Clark from Petaluma Women's Health. PHC's patient centered model provides holistic care to patients with significant socio-economic barriers; financial, transportation, language, education, and exposure to trauma or adverse events.

Patient surveys rank OB services at PVH very high. California Protective Services covers some of the uninsured and undocumented patients and the self pay program allots for a majority of the patients in the program.

The model between PHC and Petaluma Women's Health is a unique model that works for our community and hospital but is not common in other communities. Patients are offered ancillary services and mental health, dietary information and ongoing education to help them be successful in raising a healthy family. There are about 30-40% of the patients that utilize the bus services to get to their appointments. Family practice physicians and OB midwives push for patients to receive prenatal care as early as possible for a healthy delivery which accounts for 95% of newborns born to PHC patients at PVH. Vaccination rates are at 90% of patients at PHC and has a very low birth weight (<2500 grams) for PHC patients. In addition, oral health is also provided on site.

In addition, breastfeeding rates are better than expected reaching at times 98% success rate. This too is essential in maintaining healthy babies.

Dr. Nurit noted that PHC recruits those that want to make a difference in our community as 9,500 patients are cared for by physicians that practice the full scope of practice. Currently, five out of the 10 family physicians with OB serve as Inpatient Medicine Hospitalist at PVH totaling 25% of the shifts available per month.

There are about 40 births per month at PVH with 30 of those patients from the Petaluma Health Center and the others from Petaluma Women's Health practice. C-section rates are extremely low, under 23%, and it is unclear as to the number of patients that leave our community to receive OB/Gyn care.

Dr. Nurit and Dr. Kosinski both felt if OB services were not available there would be a large impact to patients and to providers due to the patient centered team model at PHC and the relationship with private practice physicians. Patients would struggle to receive the ancillary and mental health services as well as the continuity of care.

Discussion ensued regarding various Birthing Center models, requirements of location and other Health Centers that do operate birthing centers.

Directors thanked Dr. Licht and Dr. Kosinski for providing information on OB/Gyn services for the Petaluma area.

PETALUMA VALLEY HOSPITAL:

Jane Read, VP of Operations at Petaluma Valley Hospital, reported there has been interest in our medical directorship for the hospitalists program with interviews scheduled over the next couple of months. In addition, MCare, who is overseeing the Hospitalist program at Santa Rosa Memorial has expressed an interest in overseeing the PVH Hospitalist program.

The census at PVH has been high due to receiving the overflow patients from Santa Rosa Memorial. A Med/Surg Manager for PVH has been hired and will be starting in the next couple of weeks.

PETALUMA HEALTH CENTER:

Pedro Toledo reported Petaluma Health Center sees 134 new patients each week, providing over 123,000 health care visits to 27,000 patients annually.

The Covered California Bus Tour, with Peter Lee, CEO of Covered California, launched their Statewide Bus Tour at PHC last week. The PHC team has helped over 12,000 individuals enroll or renew their health insurance. Out of that figure, 5,228 individuals were newly eligible for health coverage.

A third school-based health clinic opened at Casa Grande High School in 2014. This is in addition to the clinic at San Antonio High School and Santa Rosa Junior College's Petaluma campus. In August, a homeless health clinic opened at the Mary Isaak Center.

The next project is to open a health center in Rohnert Park. A 35,000 medical building has been leased and is slated to open in Spring 2015.

For the second year, PHC was recognized as one of the healthiest places to work by the North Bay Business Journal.

ADJOURN TO CLOSED SESSION:

President Thornton adjourned the meeting into closed session pursuant to:

- **Government Code §54956.8 Closed Session; real property transaction; meeting with negotiator – 400 North McDowell Blvd.; The Camden Group**

ADJOURN TO OPEN SESSION:

President Thornton adjourned the meeting into open session and reported no action was taken in closed session.

PETALUMA PEOPLE SERVICES CENTER:

Director Hempel reported PPSC is working with other agencies to apply for a federal grant to further assist PPSC in their programs.

INFORMATIONAL ITEMS:

Ms. Faith reviewed upcoming events, letters of acknowledgement, and the dates for future board meetings.

ADJOURN:

President Thornton adjourned the meeting at 3:20 pm.

Submitted by: Fran Adams, Board Secretary

RECORDED BY: Suzanne Cochrane, Board Clerk