

Pend Oreille Hospital District
MINUTES
January 28, 2020

A meeting of the **Board of Trustees of the Pend Oreille Hospital District** was held in the classroom at Bonner General Hospital.

Present: Tom Lawrence, MD, Tim Cochran, Jim Frank (via phone), Scott Burgstahler, Dan Rose, and Bart Casey. Others present: Julie Hoffman, Amy Clemmons, and Sharon Beeman.

The meeting was called to order at 7:00 a.m. by Tom Lawrence, Chairman.

Business:

1. Approval of Agenda. Chairman Lawrence noted that the POHD regular meeting schedule for the rest of the year was sent in the meeting packet, remember this is a guideline and a meeting date can be changed if necessary. Dan Rose made a request to add to the Agenda 18-5701 and additional 39-1318 as requested prior to the meeting. No second received. Point of Order as listed on Idaho Code 18-1315 is an omission of duties by Board Members he cautioned all Board members to understand exactly what that means by the vote that they make and the one they just made is an indication of 18-1315. Dan Rose made a motion to add to the agenda at item 12, 1 profit & loss report issues for the SWH at Bonners Ferry just as ENT invoice handout be inserted into 12,2. Point of Order Secretary was provided a profit and loss spreadsheet provided by Dan Rose was requested on 1/17/20 as the share made comment at the last meeting that I provide to get on the agenda for this meeting. No second received. Motion to approve Agenda was made by Tim Cochran, seconded by Scott Burgstahler. Dan Rose made a Point of Information - is it the Chairs response that my agenda item request stated the P&L report issues at the SWH clinic in Bonners Ferry were in a number of places when the Chair identified just 2 of those places that P&L issues are in the agenda. Discussion was held regarding the agenda, additions to and timelines. Chairman pointed out that we follow the Open Meeting Laws but it is the Chairman who decides what can go on the agenda. The Agenda was approved, by 5 yea votes and 1 nay vote.
2. Approval of Minutes. The motion to approve the minutes from the December 17, 2019 meeting was made by Scott Burgstahler seconded by Tim Cochran. Jim Frank noted a change to #5 – five lines from the bottom of page, end of the sentence, regarding the Bonners Ferry indebtedness line items expense statement, the word NOT be stricken so it reads “ that Treasurer Frank has determined is needed.” Dan Rose made the motion to accept to strike the work “not”, seconded by Scott Burgstahler. The Minutes were approved by 6 yea votes. Dan Rose moved to add clarity to item #2, lines 5 and 6. “Dan asked for 2 other points of information to be written out, Tom Lawrence noted that his questions were not relevant to the approval of the minutes.” Those 2 other two points of information were not identified and for clarity as they were stated. Dan Rose moved to insert ENT service settings and equipment accountability which explains those 2 other points of information. No second received. Dan Rose moved to add “Legal Fees” into 5a. line 8 and in to line 14 also. No second received. Dan Rose moved to strike in item 5a, beneath line 14, “by disregarding in” to “ are disregarded and.” No seconded received. Dan Rose moved to insert in item 5a., “The Chairman is not answering the point or Order” indicated in the last line. No second received. Minutes were approved with the approved change to #5 by 5 yea votes, 1 nay vote.
3. We have a change in the Davillier Law Group. The Attorney previously assigned to the POHD, Colton Boyles, is no longer with Davillier Law Group, the new Attorney assigned to replace Colton Boyles and represent the POHD is Amy Clemmons. Ms. Clemmons was introduced to the group. Dan Rose made a motion that Davillier Law Group provide a fully descriptive invoice for work performed since March 1, 2019 or a written waiver stated that such work already performed and not yet billed, as the POHD minutes March through June 2019 show otherwise. No second received. Dan Rose moved that Davillier Law Group have no ex-parte discussions with POHD members. No second received. Point of Information – what is the hourly rate for Attorney Clemmons? Chairman Lawrence noted that is a private matter. Point of Order –

as part of the Retainer Agreement with Davillier, it lists the Attorney rates under billing procedures. Discussion was held and the rate could not be given at this point in time. Dan Rose moved that if she cannot tell us what she is billing us, to supply the POHD, in writing, how much the firm is charging the POHD for her services. No second.

4. Attorney General contacted the POHD of a complaint by Dan Rose. Received by Davillier Law Group December 24, 2019 and they informed Chairman Lawrence on December 26, 2019. Two weeks later a letter from the Attorney General came noting the complaint was not about POHD but the BGH Foundation, which is part of Bonner General Hospital, not part of POHD. Therefore, there was no need for POHD to respond. Point of Order – if the complaint went to Colton Boyles and then came back to someone else at Davillier, how did it end up at a BGH meeting? It was pointed out to Dan that it is not directed to the POHD, but it is directed to the BGH Foundation, a part of Bonner General Hospital. Dan Rose moved that POHD respond to the AG confirming that “during the months of the Agreement negotiations, in as early as November 19, 2019, as stated in the letter to the D.A.G. Delang, the POHD was to assume responsibility of the new ENT Clinic and after formal signing of the agreement the POHD would be responsible for the purchase of all of the equipment in the new ENT clinic both the Agreement negotiations and agreement signing occurred before fundraising proceeds were fully collected and certainly before the fund raising proceeds were publically or privately distributed by the BGH Foundation. The POHD did have an expectation, as the legally responsible new ENT Clinic owners and “managers,” to be the recipient of the fund raising proceeds as advertised several times, in many places, further none of the advertising in the possession of the D.A.G, suggests that the BGH hospital was to receive any of the fund raising amounts. At a minimum, the POHD should have received and it is requested, be reimbursed \$56,029.61, if not the entirety of the funds raised advertised in the amount of \$132,000. Point of Order by Chairman Lawrence – the Hospital ran the clinic in January and February 2019. February 28, 2019 is when the POHD signed the Agreement that we were taking over the ENT Clinic. No second received. Dan Rose asked for Point of Information – has the Deputy Attorney General communicated with Davillier verbally? Chairman Lawrence said he did not know and Dan Rose asked if Ms. Clemmons could answer directly since she was in attendance. Ms. Clemmons noted to Dan Rose has been determined to be adverse to the Board with respect to the complaint he was making, and it is not appropriate for Legal Counsel to respond, as noted in previous minutes. Mr. Rose contends that he is not adverse to this complaint, he is advocating for the position and the POHD being the victim of this fund raising. Ms. Clemmons suggested that if he has something for the A.G. to address that he ask the Attorney General to address that. Additional Discussion was held. Chairman Lawrence noted that until the Attorney General has something to say about this the POHD Board should not respond. More discussion was held regarding the Board and its responsibilities.
5. Committees. Chairman Lawrence referenced the current Bylaws and the Committees referred to in the Bylaws. Executive Committee consists of the Chairman and 3 other Trustees and his desire is to make the Executive Committee the entire Board. Since then we have formed a Legal Committee and we need to replace the position left open by Shawn Woodward on the Legal Committee. He would like to combine the Legal Committee and the Building & Grounds Committee. The Finance Committee is a new Committee that is currently functioning and is to meet as required by law quarterly but are meeting monthly. Discussion on structure and duties of the Committees was discussed. Chairman Lawrence suggested we table the issue for this meeting. He will come back next month with the Committees and the number of members and structure for each committee. Tim Cochran nominated Bart Casey to fill the position vacated by Shawn Woodward, seconded by Scott Burgstahler. More committee structure according to Bylaws was discussed. Bart’s nomination to fill vacancy on Legal Committee was approved by 5 yea votes to 1 nay vote.

6. Introduction of Julie Hoffman, Practice Director was made to the Committee. Mrs. Hoffman gave the Annual Report presentation on the 3 Clinics the POHD runs. SWH - for 2018 we were in the negative by 10%, in 2018 SWH saw 12,520 patients and in 2019 we saw 11,247 patients. The reason for the decrease is that SWH is short one doctor. ENT Clinic - we saw 12,095 patients. Mrs. Hoffman handout out a list of the equipment for Ear, Nose & Throat that includes the equipment description, model#, serial # & cost, and reviewed the list with the group. Behavioral Health - we saw 23,097 patients, that is a 22% increase over the previous year. The increase is due to community needs and we have added to the staff to better meet the community need. Dan Rose asked if Ms. Hoffman could describe what is included in each line item expense list on the SWH clinic monthly income statement and whether each line item expense is applicable to a certain location, i.e. Bonners Ferry or Sandpoint or a physician or mid-level or CNA or administrative staff. Does she have any oversight of the finances of that clinic. Chairman Lawrence did not believe she had that detailed oversight. Ms. Hoffman was queried about the expenses shown on this report, number of employees, physicians, professional fees and other various questions regarding the clinic and the BF Clinic and the contract signed in 2012. Dan Rose also queried about the ENT Clinic and Behavioral Health Clinic and other areas about the clinics and fees. Tim suggested that we eliminate the discussion of the Bonner Ferry clinic at future meetings as patients that come to any of our clinics may be from the taxing district or out of the taxing district – they are ALL our patients. Discussion was held regarding the definition of “the District” responsibility. Legal Counsel advised Dan Rose that he write out any accusations of alleged wrongdoing to submit for review at the next Board meeting. More discussion was held. It was determined some of this content be reviewed at a future meeting. The Board thanked Mrs. Hoffman for her time and information.
7. Sublease for the 3 POHD Clinics. Jim Frank moved that the subleases be renewed, seconded by Scott Burgstahler. The ENT Clinic and the Behavioral Health Clinic rent increased by 2%. We have not received notice that the SWH Clinic has increased yet. Questions were asked by Dan Rose as to ownership percentages at Pinegrove. These percentages are identified on the Form 990. Discussion was held. Dan Rose moved that the County Prosecutor be consulted for his opinion as to a conflict of interest as described under Idaho State Code 74-404 paragraph 4, given the extent of ownership and Board relationships that exist and not previously identified. No second. Chairman noted that we will get legal opinion on the matter from our Attorney. Dan Rose asked for a Point of Order - that since our Attorney was at the meeting she give opinion at this meeting. It was noted that review of the State Code needs to be done before opinion can be made. Signing the sublease renewals for the next year was approved by 5 Yea votes, 1 Nay vote. Dan Rose made a motion under Idaho Code 74-504, as the only qualified POHD Trustee to void this prohibited contract in accordance with 74-504. No second received.
8. POHD Signers. Last month the POHD Trustees decided 2 signers will be required on checks written from the POHD checking account. All Trustees have now given their information to the Bank and Sharon has the signature card that each Trustee needs to sign. Be sure to sign this card before leaving the meeting today. When Jim Frank’s signature is obtained, the signature card will be complete, and the Trustees can start signing the checks.
9. Bonner County Warrant – no check has been received to date. Point of Interest, Dan Rose asked how much money was currently in the POHD Checking account. Treasurer, Jim Frank, gave an account balance as of December 31, 2019 is was \$264,413.36. Dan Rose asked about the Capital Equipment List for the ENT clinic, that shows an amount above what the POHD agreed to pay. Chairman Lawrence explained that this list shows equipment that was needed to get the Clinic up and running, it is not necessarily what the POHD paid for the equipment when they took over the clinic.

10. Idaho Codes, previously identified, were sent out in the POHD packets for each member to review. Chairman Lawrence asked Dan Rose if he had indication of what his specific complaints are or what we are not doing correctly for each code? Mr. Rose recited language in the codes. Idaho 74-402 is a representation of our duties, paragraph #4, for public office being used for personal gain. Question was asked if he believes that has been violated. Mr. Rose would not answer the question asked. Jim Frank brought up 74-202-#5 in that paragraph regarding "prevent special interests from unduly influencing governmental action" – as this would keep the group from performing the duties they are elected to perform. Further discussion was held regarding these codes, the process, and the interpretation thereof. Dan Rose also read Idaho Code 18-315. The members asked him to cite his specific complaint verses reading the law since it was taking up considerable time without identifying the matter for the trustees to address. Dan cited that every time his motions do not get a second, the Board is showing they are unwilling to discuss an issue. Dan Rose also read Idaho Code 18-5701 citing "authority," and "misusing funds without the authority of law." Tim Cochran made a motion to not put the Codes on the agenda again, and if any discussion of violations of Idaho Code that needs to be held, be put his complaint or any alleged violation of the law and the basis for it in writing, with the specific facts of the complaint(s) and give the written document to the Chairman at least a week before the meeting and then it can be considered for the Agenda and sent to Trustees for review prior to the meeting and be a more expedient use of the trustees time. Motion seconded by Jim Frank. Discussion was held. Approved by 5 yeas votes, 1 nay vote. Further discussion of these codes be tabled for today and the new process be used from here forward. Dan Rose moved that POHD deliver written notice today, 1/28/20, that a breach of contract and a cure for the breach of contract has been identified pertaining to the Clinical Agreement sections 2.1, 2.5, 3.3b, 3.5 and 4.1 consisting of the following: BGH reimburse POHD, prior to February 28, 2020 for Bonners Ferry Sandpoint Women's Health Clinic services that is incurred March 1, 2019 to February 1, 2020 that are beyond the identified parameters of the Clinic operations and lawful funding of a value of approximately \$15,000 to \$20,000 dollars based on appropriate allocation of applicable expenses to Bonners Ferry Sandpoint Women's Clinic services which the Director this morning stated were applicable to the Bonners Ferry location and are not being allocated. No second received. Dan Rose made a motion that POHD deliver written notice as of today, 1/28/20, that a breach of contract and a cure for the breach of contract has been identified pertaining to the Agreement sections 2.1, 2.5, 3.3b, 3.5 and 4.1 consisting of the following: BGH reimburse POHD, prior to February 28, 2020 for Sandpoint Women's Inpatient service expenses incurred March 1, 2019 to February 1, 2020 that are beyond the identified parameters of the Clinic operations and lawful funding valuing approximately \$113, 223 based on applicable expenses from the inpatient Sandpoint Women's Health Services. No second received. Dan Rose moved that POHD deliver written notice as of today, 1/28/20, that a breach of contract and a cure for the breach of contract has been identified pertaining to the Agreement sections 2.1, 2.5, 3.3b, 3.5 and 4.1 consisting of the following: BGH reimburse POHD, prior to February 28, 2020 for ENT service expenses that were incurred March 1, 2019 to February 1, 2020 that are beyond the identified parameters of the Clinical operations and lawful funding valuing approximately \$30,000 based on appropriate allocation of applicable expenses from the inpatient ENT Services. No second received. Dan Rose moved that POHD deliver written notice as of today, 1/28/20, that a breach of contract and a cure for the breach of contract has been identified pertaining to the Clinical Agreement sections 2.1, 2.5, 3.3b, 3.5 and 4.1 consisting of the following: BGH reimburse POHD, prior to February 28, 2020 for Behavioral Health Inpatient service expenses that were incurred March 1, 2019 to February 1, 2020 that are beyond the identified parameters of the Clinical operations and lawful funding valuing approximately \$10,000 based on appropriate allocation of applicable expenses from the inpatient Behavioral Services. Tim Cochran moved that in the future, any allegations of contract problems or alleged contract violations be put in writing and sent to the Chairman 1 week prior to the meeting so it can be put on the Agenda and sent to the Trustees for review and consideration prior to the meeting. Jim Frank seconded the motion. Discussion was asked for and held. Motion approved by 5 yeas votes and 1 nay vote.

11. Funding Requests for the POHD. Funding Requests for POHD Clinics are as follows:

- a. Sandpoint Women's Health: \$128,059
- b. Ear, Nose & Throat Clinic: \$42,833
- c. Behavioral Health Clinic: \$36,997

Total Clinic Funding Request for the month (Rental and Net Losses): \$205,667

Scott Burgstahler made the motion that funding requests for Sandpoint Women's Health, ENT Clinic and Behavioral Health Clinic for \$205,667 be approved. Seconded by Tim Cochran. Chairman Lawrence noted that the Community Needs Assessment had been discussed and that Mental Health and Suicide are the top problems that have been identified. The clinic is doing well to service these needs and he suggested that as a group we should think about whether we can make the clinic any bigger or any better. The other item Dr. Lawrence talked about is that the trustees from Boundary County spoke to him and they would like us to put a satellite ENT Clinic in Bonners Ferry. So that is just food for thought. Dan made a Point of Order, under Sandpoint Women's Health in Bonners Ferry, the profit and loss report are missing 6 services days in 6 months of reporting. That is 37.5% of the services are not being reported or misreported. He feels that before funding the SWH, which includes the Bonners Ferry Clinic, we need to have an understanding of this asserted discrepancy in the reports that have already been provided by BGH. Discussion was held and as noted in the prior discussion by Director Hoffman, supplies and other items are not parsed out which is a normal accounting and budgeting practice to put them in one amount. Not each supply i.e. Q-tip, cotton swab, etc... is tracked. It was noted prior audits have not found any concern relating to this reporting system. The financial reports in this form have been found acceptable in prior audits. The trustees reviewed the funding requests. The funding requests were Approved by 5 yea votes, 1 nay vote.

12. Next Meeting is February 25, 2020.

13. Scott Burgstahler made the motion to adjourn, seconded by Tm Cochran and was approved by 5 Yea votes, 1 Nay vote. The meeting was adjourned at 8:59 a.m. Note was made that this is a volunteer board and efficiency of the meetings and sticking to the agenda facilitates the trustees completion of business timely. With the reading of the laws during the meeting by Mr. Rose and revisiting old matters that were not on the agenda, this meeting was a record long meeting taking approximately 2 hours.

Respectfully submitted,



Sharon Beeman,
POHD Secretary