

The purpose of Redwoods Rural Health Center is to provide responsive, preventive, high quality primary health care services, through a variety of healing disciplines, to all people without regard to social or economic status. We emphasize the client's right and responsibility to participate in his or her own health care decisions. It is our hope that the clinic be a place where the needs of the whole person are met--body, mind, and spirit.

**Redwoods Rural Health Center
Board of Directors Meeting
Tuesday May 27, 2008
at the Redway clinic, meeting room in the medical building.
6:00PM**

Board Members present: Thad Horner, Rick Silva, Shelby, Shon Wellborn, Mary Whitmore, Dee Way, Kathy Epling

Board Members absent: Pamela Moore, Troy Harrington Dean

Staff present: Eric Fimbres, RRHC executive director; Jeanie Eldridge, RRHC CFO; Jim Gergits, RRHC financial analyst

Others present: Nancy Wilson, Steve Bowen, Carol Lee

President Thad Horner convened the meeting at 6:00PM.

Rick Silva agreed to be timekeeper for tonight's meeting.

The consent agenda was reviewed. The item: Approve April Financials was removed, pending review of these at the next Finance Committee meeting.

Motion: That the consent agenda be approved as revised.

The motion was made by Mary Whitmore and seconded by Shelby.

MOTION PASSED, unanimously.

There were no items of correspondence, but **Nancy Wilson was invited to address the board.** She introduced herself as a member of the Southern Humboldt Community Hospital District board of directors, and told the RRHC board that her board had received the letter from the RRHC board, signed by our Board President, Thad Horner, suggesting that in these difficult times it would be good to consider resumption of meetings involving members of both boards, key staff members, and administrators. She said we would be receiving a letter from their board.

The hospital district board is currently involved in strategic planning, and they would like to include RRHC in this process.

Steve Bowen, president of the district board, added that he thanked the RRHC board for the letter and looked forward to the opportunity of working with us. He said he felt the RRHC was a wise board, as evidenced by our choice of and retention of our executive director.

There was some discussion as to whether it would be best for the board presidents to meet together, or for the executive committees of the boards to meet. Consensus was that the executive committees would get together at a date to be determined in the near future.

Carol Lee was present to introduce herself as a potential board member for the RRHC board of directors. She lives in Alderpoint, and has had experience on nonprofit boards of directors. She is a member and a client of RRHC and eager to help RRHC continue in its good work for the community.

All three guests were welcomed to the meeting, and thanked for coming.

The Executive Director updates the Board and guests on the State Budget.

Eric Fimbres said he wished to speak with the board tonight about items not in his written report, which the board had received and reviewed. Mostly he wished to inform the board of the consequences to our health center of the state governor's May revisions to the budget.

In the May revision, adult dental and behavioral health are still taken off the Medi Cal eligible services.

Further, the eligibility determinants for MediCal are revised to a 61% of the federal poverty level (rather than the current 100%). This works out to be approximately 9000 for a family of 4.

These changes will mean a disaster for our community.

Eric had asked Jeanie and Jim to do some calculations so that the board could be aware of the impact of these changes upon our health center.

This, for the moment, is merely information. He will request that the board form an ad hoc budget committee to develop a budget.

Jeanie Eldridge noted that 74% of Redwood Rural's dental patients are Medi Cal adult patients. Thus, this change will mean a loss of approximately 205 thousand dollars next year.

This is a loss of 1393 encounters, and represents 44% of all receipts from the dental department.

In Behavioral Health, the loss will be around 26 thousand dollars in lost revenue. Approximately 50% of the revenues in that department, although some of the clients may be eligible under the CMSP program.

These changes represent an overall reduction of 20% in all payors.

Patients who would be no longer eligible for Medi Cal, or patients needing services no longer covered, would be qualified for our sliding fee scale reductions in fees. But at the

current rates, the dental department would only recover about \$6, 200, nothing like the huge losses that are faced there.

Further, the rate of calculation for our prospective payment rate could go down, with these services no longer part of the MediCal eligible services.

And at the same time, the HRSA determination of underserved areas and what that means is about to undergo a recalculation process, which may endanger our funding as a Federally Qualified Health Center.

There was considerable discussion of the dire situation.

An ad hoc budget community was formed, consisting of Shelby, Shon, Kathy and Thad. The first meeting will be June 4th at the health center starting at 1:30PM. The second meeting of the budget committee will be on June 17 at 5:00 PM at the health center.

The regular finance committee Meeting will be on June 24 at 5:00PM (the board meeting following at 6PM that day).

Under Old Business, Board to Board collaboration had already been discussed early in the meeting.

Shelby spoke a bit about the need to market health center services. Kathy will be in contact with Shelby after she is past her newspaper deadline; Rick was also interested in helping with a marketing plan/advertising/fundraising efforts.

Eric updated the board on the progress with a 4 day work week. Research is still going on as to how this could be done at RRHC.

Jim Gergits has looked at the figures for the Saturday clinics and it looks as if they are not being used enough to warrant the expense at this time.

RRHC will be hosting the Chamber of Commerce mixer on June 30 from 5:30 to 7:30. That's a Monday. It will be an opportunity to introduce Dr. Joiner to the community.

The Board reviewed the illness and injury prevention policy.

MOTION: That the board approve the Illness and Injury Prevention Policy

The motion was made by Shon and seconded by Mary.

MOTION PASSED, unanimously.

Mary Whitmore, who has been a wonderful RRHC board member, informed the board that due to her many other obligations she would like to resign from the board of

directors. She might be interested in becoming part of a Community Advisory Committee for RRHC, however, allowing the health center to still benefit from her skills and knowledge and community connections.

MOTION: That the board accept Mary Whitmore's resignation, effective after this meeting, with much gratitude to her for her work with us.

The motion was made by Kathy Epling and seconded by Shon Wellborn.

MOTION PASSED unanimously.

After some discussion, and questions of Carol Lee, another motion was made.

MOTION: That Carol Lee be appointed to the RRHC board of directors for a 3 year term expiring in February 2011, with next month's board meeting being her first.

The motion was made by Shelby and seconded by Mary Whitmore.

MOTION PASSED, unanimously.

Board members were referred to the notes from the Board Training attended via the telemedicine connection. Eric will see to getting hardcopies of the power point presentation for board members who were not able to attend.

There was discussion of the Advance Agenda.

Kathy would like an agenda item pertaining to a call for questions or comments on the division reports made part of the standard agenda.

Rick was concerned about board training. Thad felt the Executive Committee could work on this item.

The next board meeting will be June 24, 2008, at 6PM, following the Finance committee meeting which will start at 5 that day.

MOTION: that the meeting adjourn

This motion was made by Shon and seconded by Dee.

MOTION PASSED unanimously.

The meeting was adjourned at 7:09PM.

respectfully submitted, Kathy Epling, board secretary RRHC

