

**MINUTES OF REGULAR MEETING
BOARD OF DIRECTORS
SEQUOIA HEALTHCARE DISTRICT
December 4, 2013**

Conference Room, 525 Veterans Boulevard, Redwood City, CA 94063

Directors Present

Director Faro
Director Griffin
Director Hickey
Director Kane
Director Shefren

Directors Excused

Also Present

Mr. Michelson, CEO
Mr. Hudak, Legal Counsel
Ms. Johnson, Recorder

1. Call to Order

By: President Shefren
Time: 4:30 pm

2. Public Comment/Non-Agenda Items

President Shefren asked if there was any public comment on non-agenda items. There was none. He announced that public comment would be taken on each agenda item.

3.a. - 3.b. Consent Calendar

President Shefren reported that counsel was asked to listen to the tape of the August 21st meeting and has confirmed that the written version presented herein for approval is correct.

Motion: To approve the Consent Calendar

By: Director Faro

Seconded by: Director Kane

Vote: 5-0

Motion Passed

4. CEO/Staff Reports

President Shefren asked if there was public comment on agenda item 4. There was none.

Mr. Michelson noted that a new report is included with the financial section presenting budget year-to-date to actual and projected income and expenditures.

The public grand opening for the South County Clinic in North Fair Oaks is scheduled for Saturday, February 1st and Sequoia Hospital's Grand Opening will be held March 6-8, 2014.

Healthy Schools Initiative: Ms. Kurtzman said she will be making a presentation later in the meeting and asked if there were questions on her written report. There were none.

HeartSafe: There were no questions on Mr. Nielsen's report of recent activities.

5.a Accept The District's Annual Audit For The Period Ending June 30, 2013

President Shefren asked if there was public comment on agenda item 5.a. There was none.

Mr. Michelson introduced Ahmad Gharaibeh and Dennis Christian of Vavrinek, Trine and Day. Mr. Gharaibeh reported that the District received an unqualified opinion which is the highest level of assurance and the District is in a very solid financial position. The internal control report noted no compliance issues.

Motion: To accept the June 30, 2013 annual audit.

By: Director Faro

Seconded by: Director Kane

Vote: 5-0

Motion Passed

5.b Sequoia Hospital-To-Home Program (SHHP)

President Shefren asked if there was public comment on agenda item 5.b. Mr. Bart Charlow of Peninsula Volunteers commended Sequoia Hospital on establishing this very cost effective program.

Ms. Marie Violet provided an overview of two District grants awarded last year to Sequoia Hospital Foundation: (1) to provide incubator funding to explore the design and development of a Community Continuing Care program and (2) to expand the Sequoia Hospital Homecoming program. She discussed the accomplishments of the programs to date. An IT solution must be identified, purchased and implemented to allow for efficient communication among providers and a transitional care nurse must be hired to assume leadership and accountability for coordinating the care and services for the beneficiaries who are enrolled in the SCC program. Fundraising is currently being conducted by the Sequoia Hospital Foundation to address these needs.

5.c. Consider Priorities For Community Grants Program

President Shefren asked if there was public comment on agenda item 5.c. There was none.

Ms. Kurtzman presented an overview of the grants committee process. Key consideration for determining priority areas are demographics; areas of greatest need within the District's service area; major health issues and the cause of health issues identified.

The Committee requests approval of the following priority areas: Active and healthy living; preventive healthcare services; treatment of priority health conditions.

Motion: To accept the above priorities for the Community Grants Program.

By: Director Kane

Seconded by: Director Faro

Vote: 4-1 with Director Hickey opposed.

Motion Passed

5.d. Consider HeartSafe Program Options

President Shefren asked if there was public comment on agenda item 5.d. There was none.

Mr. Nielsen presented a three year, \$527,154 budget for the HeartSafe Program based on the following options:

- The program will no longer primarily focus on placing AEDs within the District but will be open to future requests.
- The program will work with local cardiologists and Sequoia Hospitals Health & Wellness Center to develop a support group for the parents of children suffering from abnormal heart conditions with the goal of offering professional and peer-to-peer support for parents and families.
- In addition to currently lending AEDs to groups holding a special event, consideration will be given to lending the units to families with have a family member at home who is susceptible to cardiac arrest.
- Mobile CPR training would take training classes to schools, businesses, and public locations.
- CPR training will be the foundation of the HeartSafe program and promoting of hands-only CPR to existing HeartSafe clients, District grantees, district residents, high school freshman and seventh grade students will become the primary focus over the next three years with a three year goal of training 10,680 people.

The budget amount for 2014-15 of \$218,562 includes \$67,000 estimated construction costs for a CPR training classroom in the Districts storage area.

Motion: To approve the 2014-17 HeartSafe budget of \$527,154 with priorities outlines above.

By: Director Kane

Seconded by: Director Griffin

Vote: 4-1 with Director Hickey opposed.

Motion Passed

5.e. Consider Approval of Strategic Plan 2014-17

President Shefren asked if there was public comment on agenda item 5.e. There was none.

Mr. Michelson reviewed the findings of the Strategic Plan review process. The proposed new Mission Statement is "To improve the health of the District residents by enhancing access to care and promoting wellness."

The proposed new Vision Statement is "To improve the health of our community through responsible stewardship of District taxpayer dollars."

Motion: To approve the 2014-17 Strategic Plan.

By: Director Kane

Seconded by: Director Griffin

Vote: 4-1 with Director Hickey opposed.

Motion Passed

5.f. EBIDA Discussion

President Shefren asked if there was public comment on agenda item 5.e. There was none.

President Shefren noted that when the District entered into the 2007 Development Agreement with CHW (now Dignity Health) the District was to receive payment of 50% of Sequoia Hospital's profit above 9.3%.

Mr. Michelson presented a review the earnings projected by the District's consultant under the Development Agreement. From Year 2008 to 2013 return to the District had been projected to be nearly \$32 million; however, actual received for that timeframe was \$15.3 million.

President Shefren suggested that in order for the Board to understand why the pro forma paid for by the District has not been realized that Mr. Michelson meet with Ms. Vaskelis for her explanation. The District's auditors have agreed to review Sequoia Hospital's financials as it relates to EBIDA at no charge.

President Shefren stated that after Mr. Michelson reports back to the Board a discussion can take place as to how to move forward.

6. Adjourn to Closed Session

Motion: Adjourn to Closed Session.

By: Director Griffin

Seconded by: Director Kane

Roll Call Vote: 5-0-0

Motion Passed

7. Reconvene to Open Session

Reconvene to Open Session.

President Shefren announced that no action was taken and this agenda item is being deferred to the next meeting to allow for additional research and negotiation. Any recommended action will be presented at a public meeting for approval.

8. Adjourn

Motion: At 6:30 PM adjourn meeting.

By: Director Kane

Seconded by: Director Faro

Roll Call Vote: 5-0-0

Motion Passed

The next regular meeting of the Board of Directors of Sequoia Healthcare District is scheduled for 4:30 PM, Wednesday, February 5, 2014, District Conference Room, 525 Veterans Blvd., Redwood City, CA.

Respectfully Submitted,



Kathleen Kane
Secretary