



SPECIAL MEETING OF THE BOARD OF DIRECTORS
BOARD MEETING MINUTES

AGENDA ITEM	DISCUSSIONS/CONCLUSIONS	ACTIONS/FOLLOW-UP/ RESPONSIBLE PARTY
PRESENT AT MEETING:	<p>Board Members: John Mohun, President ; Karen Sessler, M.D., Secretary; Dale Chamblin, Treasurer; Roger Kahn, Board Member</p> <p>Larry Long, Vice President was absent</p> <p>Staff: Bob Schapper, CEO; Virginia Razo, COO; Crystal Betts, CFO; Jayne O’Flanagan, Director Human Resources; Ted Owens, Director Community Benefits; Patricia Barrett, Executive Assistant/Clerk of the Board</p> <p>Others: Steve Gross, District Legal Counsel; Karma Bass, Via Healthcare Consulting</p>	
1. Call to Order	<i>Director Mohun called the meeting to order at 10:07 a.m.</i>	
2. Roll Call	The Roll Call reflected that all Board members were present.	
3. Clear the Agenda/Items Not On the Posted Agenda	None.	
4. Input – Audience:	John Falk, Candidate for TFHD Board addressed the Board, speaking to how an outgoing board positions itself to an incoming board. Request made that the current board not commit the organization to something that the new board would be left to deal with.	



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5. Input From Employee Associations	None.	
6. Board Education Workshop – Governance Issues	<p>Ted Owens introduced Karma Bass, with Via Healthcare Consulting. Ms. Bass provided an overview of the topics being covered in the board workshop.</p> <p>Confirm Objectives & Agenda Ms. Bass reviewed the objectives for the workshop. These include:</p> <ul style="list-style-type: none"> • Hear current industry challenges facing California Healthcare District Boards; • Work on Developing a Strong and Healthy Board culture; • Reach agreement on governance standards and board roles; • Discuss meeting effectiveness & identify opportunities for improvement. <p>Agree on Group Guidelines The differences between “Work Group” and “Team” were reviewed.</p> <p>Discussion took place related to the confines of being subject to the Brown Act and how it may hinder the ability to work as a team.</p>	<p>A sample meeting evaluation form and draft group guidelines will be provided by Ms. Bass.</p>



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	<p>It was agreed that the Board has had some breakdowns in communication and interaction. All conflicts stem from violated expectations.</p> <p>John Falk inquired about the purpose of today's meeting. Ms. Bass indicated that the work done today would assist with the "process legacy" for next board..</p> <p>Ms. Bass stressed the importance of separating the person from the position; debate professionally, respectfully.</p> <p>Discussion took place related to the Board's decision making process and types of decisions being made. It is important to allow decision by modified consensus and have a willingness to support the groups' decision, even if it was not their original choice. Stand together or do not stand at all. Make a point of developing a personal relationship with others on the Board. Okay to connect and not discuss district business.</p> <p>Discussion took place related to a perceived caveat to modified consensus. If a member of the board cannot support the collective decision, he/she should consider not participating on the Board.</p> <p>Examples provided of dysfunctional boards.</p>	



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	<p>Sample Group Guidelines/Code of Conduct reviewed for consideration and agreement.</p> <p>Discussion took place related to developing a Code of Conduct Agreement and benefits of maintaining it in writing.</p> <p>Discussion related to board policy. It is the responsibility of the Board to set policy and for staff to implement.</p> <p>Meeting Effectiveness Discussion The root of Effective Meetings was reviewed.</p> <p>Opportunities for agenda development were reviewed. These incorporate, including time frames; indicate if an action will be taken; communicate to presenters that if materials are sent out they do not need to be reviewed via a presentation as well. Consider listing action items at the front of the agenda. Be intentional in the manner in which items are agendized. Approximately 60% of a board's time should be spent on discussion.</p> <p><i>Meeting recessed at 11:59 a.m.</i></p>	



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	<p>Roundtable Discussion Lunch – Trends in Healthcare District Governance <i>Meeting reconvened at 12:17 p.m.</i></p> <p>Ms. Bass shared her observations and experiences related to healthcare governance in other communities.</p> <p>80% of a Board’s time should be focused on:</p> <ul style="list-style-type: none"> • Quality, safety and cost effectiveness of care • Value based pricing with bundled payments • Cost structure of the hospital • Optimally deployed capital • IT investment alignment and priorities • Health System vs. Hospital • Management to lead organization though change • Share business risk with physician • Plan for growth • Can the institute survive independently? Should align with stronger system <p>The Board’s fiduciary duty is to the institution. The institution serves the public.</p> <p>Discussion took place related to the benefit of being a district hospital compared to the constraints that come along with it.</p>	
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	<p>Discussion took place related to Mission confusion around community vs. healthcare district vs. hospital.</p> <p><i>Meeting recessed at 1:42 p.m.</i> <i>Meeting reconvened at 1:54 p.m.</i></p> <p>Board Culture and Functioning A review of a functional and dysfunctional culture was provided.</p> <p>How to get an elected board to become a functional culture and effective board. A board must be intentional about the objective, individually accountable, and accountable to the group.</p> <p>Jayne O’Flanagan provided background related to the TFHD organizational values and <i>Just Culture</i>. Employees know and live the values of the organization. <i>Just Culture</i> training is available for new board members after the first of the year. There is a standard expectation of performance for employees and medical staff that outlines professional standards for both groups. Employees and medical staff are expected to lead the values and cultures of the organization.</p> <p>Board and Leadership Roles and Responsibilities John Mohun provided a summery of the process of identifying</p>	



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	<p>the Board Chair. The Board Chair has no special authority, and can represent and speak on behalf of the Board only as given authority by the Board.</p> <p>Board members cannot go out and try to do things that are not the consensus of the Board. Suggestion made that the Chair speak last on topics to allow other Board members to participate in the conversation.</p> <p>Governance-Management Distinction: Board-CEO Relationship The Health Care organizational triad presented for discussion.</p> <p>The Board has the opportunity to bring the community perspective into the room. Important to use the term “we” vs. “They” when speaking.</p> <p>Fiduciary duties are not limited to financials. There are three legal duties for a board; Care, Obedience, and Loyalty.</p> <p>Care: make sure you have enough information and have asked questions</p> <p>Obedience: faithful to the charitable purposes and goals of TFHD</p> <p>Loyalty: to benefit only the hospital district and not the</p>	
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	<p>directors personally. Important to remember that perception is often reality.</p> <p>It was recommended that the Board Chair, ask if there is any member of the Board who has a conflict related to any of the agenda items at the beginning of each meeting.</p> <p>There is no Board liability if...</p> <ul style="list-style-type: none"> • Action is made in good faith • Trustee is disinterested and reasonably informed • Trustee believes that the decision is in the best interest of the organization. <p>It is the Board's responsibility to address board member infractions of confidentiality and to take action.</p> <p>Steve Gross provided an overview of some items that should / would be included in closed session.</p> <ul style="list-style-type: none"> • Litigation • Real property negotiations • Performance reviews for CEO • Labor negotiations • Trade Secrets <p>Compared to other special districts, the hospital district is so much more complex.</p>	
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	<p>Suggestion made to the Board to be more transparent on the topics included in the closed session without providing details.</p> <p>Action Planning/ Discuss Next Steps Brown Act clarification provided for candidates by Steve Gross.</p> <p>Recommendation made to commit to summarizing follow-ups and timelines at the end of each meeting; and evaluate the meeting at the end of each meeting</p> <p>A sample meeting evaluation form and draft group guidelines will be provided by Ms. Bass.</p>	
<p>12. Board Members Reports/Closing Remarks</p>	<p>None.</p>	
<p>16. Adjourn</p>	<p><i>Meeting adjourned at 4:35 p.m.</i></p>	

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