

SPECIAL JOINT MEETING
CITY COUNCIL & HEALTH SERVICES BOARD
MARCH 31, 2010 @ 6:00 PM
LIBRARY MEETING ROOM
MINUTES

A. CALL TO ORDER

Mayor James Kallander called the Special Meeting to order at 6:00 pm on March 31, 2010 in the Library Meeting Room.

B. ROLL CALL

Present for roll call were *Mayor James Kallander*, Council members *Keith van den Broek*, *James Kacsh*, *David Allison*, *Bret Bradford*, *EJ Cheshier*, *David Reggiani* and *Robert Beedle*. Also present were City Manager *Mark Lynch*, City Clerk *Lila Koplín* and from the Health Services Board: *President Kristin Smith*, *Kerin Kramer*, *EJ Cheshier*, *John Renner*, and *Sandra Aspen*.

C. APPROVAL OF AGENDA

M/Reggiani S/van den Broek to approve the regular agenda.

Vote on motion: 12 yeas, 0 nays. (7 Council members, 5 HSB members) Motion carried.

D. DISCLOSURES OF CONFLICTS OF INTEREST –none.

E. COMMUNICATIONS BY AND PETITIONS FROM VISITORS

1. Audience comments regarding agenda items.

Rebuttal letter from *Mr. Bryant* included handouts.

Vicki Blackler, 921 Center Dr., read a letter she wrote to council regarding item “F” on the Agenda. *Blackler* states that she has 20 years of experience in the Health Care Financial field and asks Council to consider CCMC’s financial status in their decisions and shares her concern of continuing *Mr. Bryant’s* employment as CCMC’s administrator. She states that *Bryant’s* rebuttal letter does not take responsibility for CCMC’s expenses exceeding revenue. In her opinion, *Mr. Bryant’s* lack of knowledge of finance and ability to operate within a budget is what has created this issue not the lack of collecting by the financial department as he suggests.

F. UNFINISHED BUSINESS

2. Evaluation and continued employment of Health Services Administrator.

Restated pending motion from previous meeting

M/Bradford S/Kacsh to accept the Health Services Board’s evaluation of Dave Bryant as Council’s evaluation.

Council presented multiple questions to the Health Services Board in order to gain clarity regarding the Health Services Administrator’s evaluation.

David Allison expressed concern regarding the Boards required monthly meetings not being held due to lack of quorum. He also asked for clarity regarding the discrepancy with the meeting dates and the evaluation period. *Allison* asked how the Board approves their minutes. He commented that meeting

minutes need to state the reason and the topic of the meetings. The minutes he was given to look at did not have enough information to rebuild a history which he can see being problematic. He mentioned that there are several times noted that the board was displeased with the administrators not accomplishing what they wanted him to but finds nowhere in the minutes where the administrator was asked to do the assigned tasks. He finds it hard to hold someone accountable for something we have no record of him being told to or not to do.

David Allison asked the Board why in December 2009, the 15th meeting, the Board approved a 6 months performance plan and then 2.5 months later recommend an evaluation be administered.

Kristin Smith responded that at the November 16, 2009 meeting the Board made and accepted a motion to not make a recommendation on the administrator's contract and reevaluate in March. The Board discussed various benchmarks for the administrator. These were compiled then presented and adapted at the December 7, 2009 meeting.

EJ Cheshier stated that the Board had agreed upon a 3-month evaluation period contrary to the 6-months the minutes state.

David Allison said he has no problem accepting the evaluation as the Health Services Board's evaluation but is concerned with accepting it as the council's evaluation. He is prepared to do an evaluation himself and not willing to accept the Board's evaluation.

Kristin Smith wanted to note that a 12-month period was taken into account in this evaluation.

EJ Cheshier wanted to point out that 6-months criteria is not equivalent to 6 months evaluation. The Board decided on a 3-month evaluation on a 6 month criteria.

Bret Bradford stated that the Council appointed the Health Services Board members to administrate the administrator.

David Allison stated that the Council should not be doing an evaluation but feels the Charter, which overrules everything, called for a health administration board to be in charge of the communities' health and, although appointed by the council, should have separate administrative control. *Allison* says he does not want to do an evaluation but does not feel comfortable accepting the Board's evaluation as the Council's evaluation. He would feel better about the action if the motion were changed to accepting the Health Services Board's evaluation.

Clarity was offered that either the Council accepts the motion or they administer their own evaluation.

David Reggiani states that he feels the evaluation was consistent and that he is satisfied with the results.

Kristin Smith commented that she did not realize the severity of the issue until the Auditor came and pointed out in chart and graph form the shortfalls of this year's revenue versus expenses. The Board is comfortable with 6 months expenses to be kept in reserve and now has less than a month's worth of funds available in reserve. She feels the medical Center does not have financial stability, which is a critical business element. The Auditor pointed out to her that the Center is not reinvesting in its future (equipment, capitol, facility etc.) and that this will hurt the Center's competitive edge.

Mark Lynch offered explanation that the minutes presented should have been marked as draft as he paid someone to transcribe them for this meeting and have not been approved by the HSB as of yet.

Sandra Aspen asked how long it would take to replace the administrator should the council choose to release Mr. Bryant from employment. Also, who will be the interim administrator and who will hire that person? If the Board is responsible than they will need to get some people vetted as they are not vetted as of yet. It was explained that it is HSB's responsibility to hire a new administrator and that the point about vetting people is noted.

David Allison requested the Council be kept better informed of the activities at the medical center and on the HSB in order to avoid surprises like this in the future.

Keith van den Broek says he is not comfortable doing an evaluation as a council and since left with no other option would vote in favor of accepting the motion.

Bret Bradford encouraged council to appoint Health Services Board members with more careful consideration.

Vote on motion: 6 yeas, 1 nay. van den Broek – yes; Kacsh – yes; Allison – no; Bradford – yes; Cheshier – yes; Reggiani – yes; and Beedle – yes. Motion carried.

M/Reggiani S/Bradford that the Council terminate the employment of Dave Bryant as Administrator/Chief Executive Officer of the Cordova Community Medical Center without cause, effective immediately, that Mr. Bryant receive two months severance pay in lieu of notice, and that Mr. Bryant receive upon termination any other benefits to which an at-will CCMC employee is entitled upon termination of employment without cause.

Vote on motion: 7 yeas, 0 nays. Kacsh – yes; Allison – yes; Bradford – yes; Cheshier – yes; Reggiani – yes; Beedle – yes; and van den Broek – yes. Motion carried.

G. NEW BUSINESS

1. Review of CCMC financial statements as of January 2010

Keren Kelley, acting administrator at Cordova Community Medical Center, presented the financials for CCMC noting that she had asked *Mary Staab* to help prepare the financials for this meeting. All bills are current as of today but feel the center is behind on the collection side due to shortage in staffing. She has requested the staff to prepare some ideas for their next meeting in order to limit their expenses. She is looking at restructuring some positions in the interim in order to accomplish more and not hire. She is only an interim administrator and so cannot hire new employees. She is also looking at options to outsource some of the billing in order to relieve personnel pressured by the staff shortage. *Kelley* explained the financials so the Council could better understand what she had presented. Council presented the question whether CCMC was going to be able to make payroll this month. *Kelley* confirmed payroll would be met this month.

Opportunity for a Council member to sit on the Health Services Board was offered. *Kacsh* stated that he would like to serve on the board.

Sandra Aspen requested to know her rights as an HSB member. How can she find out what is going on at CCMC? As this was a time for comments, no response was offered.

H. AUDIENCE PARTICIPATION

Dave O'Brien, owner of Cordova Drug, read into the record a letter he wrote and was unable to read at the opening of the meeting. Spoke to the Council as a health care provider of 30 years and as a patient himself. He fears hasty decisions will be made by a board of volunteers and municipal government trying to manage the local hospital and clinic. *O'Brien* says that customer loyalty is his utmost concern and that it is at risk. Patients will seek consistent health care elsewhere. The community has seen in the lack of faith due to inconsistent health care and transient providers. He does not want the community to have to rely on rumor for information regarding CCMC and requests that a press release be produced on any action taken in order to keep the community informed. *O'Brien* read from the December 7, 2009 HSB regular meeting minutes, relayed comment from *Max Mertz*, financial auditor, "the hospital needs to find a way to attract and retain doctors that will stay in the community for long periods of time. So the

community will have a connection to the facility and will feel comfortable coming to the medical center for their medical needs.” He would like to see if there could be an interim approach to keeping doctors and patients here in the community with the goal of maintaining the communities confidence in the health care available here in Cordova. If we cannot get consistent doctors to stay at the center we will continue to struggle with the revenue and loyalty issues.

Phil Hess, former member of HSB and Hospital Staff at Cordova Community Medical Center and current physician at Ilanka Community medical center. *Hess* served on the Health Services Board for a year and a half during which time he saw an egregious amount of disregard for procedures and for patient care. He was unwilling to serve in good faith on a board run by personal agendas and ruled by ignorance. He states the Council’s top priority should be restructuring the Health Services Board with people capable of supporting providers and patient care. The point was made that there is one person serving on the Board with medical experience. If the issue is not resolved, CCMC will lose staff.

Smith brought to the Council’s attention that the Board signed, in their last meeting, a two and a half year contract with the physician at the Medical Center allowing for consistence in health care provision.

Mark Hoover stated that in his nine years of service on the Board he does not think this is the worst situation he has seen. He looks forward to seeing the HSB and the Council decide who will run the CCMC and who is responsible for it.

John Renner recommended to the Council that they abolish the Health Services Board and the Administrator immediately. He states Council should take control and set up a new board with elected members or get Providence Hospital to manage the center.

Bill Crawford, PA at CCMC until April 16, 2010. He states that he is leaving CCMC because he does not want to work for the Council. He challenged Council to look into why the medical center is a revolving door. He requests someone be put on the Board who is concerned about the community. He feels sorry for those in Cordova who do not have the money to fly to Anchorage for health care.

I. COUNCIL COMMENTS

M/Bradford S/Cheshier Special Joint Meeting to recess at 7:15 pm until after Council Special Meeting. Vote on motion: 12 yeas, 0 nays. (7 Council members, 5 HSB members) Motion carried.

Mayor James Kallander reconvened the Special Joint Meeting of the City Council and the Health Services Board at 08:15 pm on March 31, 2010 in the Library Meeting Room.

Roll Call:

Present for roll call were *Mayor James Kallander*, Council members *Keith van den Broek*, *James Kacsh*, *David Allison*, *Bret Bradford*, *EJ Cheshier*, *David Reggiani* and *Robert Beedle*. Also present were City Manager *Mark Lynch*, City Clerk *Lila Koplín* and from the Health Services Board: *President Kristin Smith*, *Kerin Kramer*, *EJ Cheshier*, *John Renner*, and *Sandra Aspen*.

J. EXECUTIVE SESSION

M/Smith S/Cheshier moved to enter executive session to receive a briefing of CCMC’s financial situation and of potential liability involving terminations at CCMC. Subjects which may be discussed are matters the immediate knowledge of which would clearly have an adverse effect upon the finances to the government.

Vote on motion: 12 yeas, 0 nays. (7 Council members, 5 HSB members) Motion carried.

Mayor Kallander reconvened the Special Joint Meeting at 8:55 pm.

K. COUNCIL AND HEALTH SERVICES BOARD COMMENTS

Bret Bradford requested a meeting to discuss the Health Services Board sometime within the next month. *David Allison* and *Mayor James Kallander* agreed.

David Allison wants to look to the future and not dwell on the past. He is willing to give time to the HSB, if it is needed, considering his history with the Board.

John Renner states he is excited to know *Kacsh* and *Allison* will be working with the Board to get this straightened out or he probably would have been leaving the Board. So he welcomes there help.

Kristin Smith feels she has been concerned about the financials of the medical center and thanks the Council for looking into CCMC's financials so closely.

Mayor James Kallander thanks those on the HSB for their time and understands that the HSB is not an easy board on which to serve. He states that these are difficult times but with the current board, he thinks there is a will and an understanding that is needed to provide health care in Cordova.

L. ADJOURNMENT

M/ Reggiani S/Bradford to adjourn the special joint meeting.

Vote on motion: 12 yeas, 0 nays. (7 Council members, 5 HSB members) Motion carried.

The meeting adjourned at 9:00 pm.

Approved: August 16, 2010

Attest: _____

Robyn Kincaid
Robyn Kincaid, Deputy City Clerk

