KERN HEALTH SYSTEMS

REGULAR MEETING OF THE BOARD OF DIRECTORS

Thursday, August 13, 2015
at
8:00 A.M.

At
Kern Health Systems
5701 Truxtun Avenue, Suite 201
Bakersfield, CA 93309

The public is invited.

For more information - please call (661) 664-5000.
AGENDA

BOARD OF DIRECTORS

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Bakersfield, California 93309

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All agenda item supporting documentation is available for public review at Kern Health Systems in the Administration Department, 9700 Stockdale Highway, Bakersfield, 93311 during regular business hours, 8:00 a.m. – 5:00 p.m., Monday through Friday, following the posting of the agenda. Any supporting documentation that relates to an agenda item for an open session of any regular meeting that is distributed after the agenda is posted and prior to the meeting will also be available for review at the same location.

PLEASE REMEMBER TO TURN OFF ALL CELL PHONES, PAGERS OR ELECTRONIC DEVICES DURING BOARD MEETINGS.

BOARD TO RECONVENE

Directors: Patrick, Rhoades, Deats, Hoffmann, Brar, Casas, Hinojosa, Judd, McGlew, Melendez, Nyiray, Stewart

CONSENT AGENDA/OPPORTUNITY FOR PUBLIC COMMENT: ALL ITEMS LISTED WITH A "CA" ARE CONSIDERED TO BE ROUTINE AND NON-CONTROVERSIAL BY KERN HEALTH SYSTEMS STAFF. THE "CA" REPRESENTS THE CONSENT AGENDA. CONSENT ITEMS WILL BE CONSIDERED FIRST AND MAY BE APPROVED BY ONE MOTION IF NO MEMBER OF THE BOARD OR AUDIENCE WISHES TO COMMENT OR ASK QUESTIONS. IF COMMENT OR DISCUSSION IS DESIRED BY ANYONE, THE ITEM WILL BE REMOVED FROM THE CONSENT AGENDA AND WILL BE CONSIDERED IN LISTED SEQUENCE WITH AN OPPORTUNITY FOR ANY MEMBER OF THE PUBLIC TO ADDRESSED THE BOARD CONCERNING THE ITEM BEFORE ACTION IS TAKEN.

STAFF RECOMMENDATION SHOWN IN CAPS
PUBLIC PRESENTATIONS

1) This portion of the meeting is reserved for persons to address the Board on any matter not on this agenda but under the jurisdiction of the Board. Board members may respond briefly to statements made or questions posed. They may ask a question for clarification, make a referral to staff for factual information or request staff to report back to the Board at a later meeting. Also, the Board may take action to direct the staff to place a matter of business on a future agenda. SPEAKERS ARE LIMITED TO TWO MINUTES. PLEASE STATE AND SPELL YOUR NAME BEFORE MAKING YOUR PRESENTATION. THANK YOU!

BOARD MEMBER ANNOUNCEMENTS OR REPORTS

2) On their own initiative, Board members may make an announcement or a report on their own activities. They may ask a question for clarification, make a referral to staff or take action to have staff place a matter of business on a future agenda (Government Code section 54954.2(a)(2))

CA-3) Minutes for KHS Board of Directors meeting on June 11, 2015 (Fiscal Impact: None) — APPROVE

CA-4) Proposed renewal and binding of employee benefit plans for medical, dental, life insurance, short-term and long-term disability, and long-term care, effective September 1, 2015 (Fiscal Impact: $3,833,172 Estimated; Budgeted) — APPROVE

CA-5) Proposed Agreement with Ceridian HCM, Inc., for human resources and payroll management services from April 1, 2016 through April 1, 2019, in an amount not to exceed $30,94 per employee per month, plus a one-time implementation fee of $54,200 (Fiscal Impact: $404,027 Estimated; Budgeted) — APPROVE; AUTHORIZE CHIEF EXECUTIVE OFFICER TO SIGN SUBJECT TO APPROVAL AS TO FORM BY COUNSEL

CA-6) Proposed Agreement with MCG Health, LLC, for evidence based clinical guidelines from August 13, 2015 through August 12, 2016, in an amount not to exceed $179,192 (Fiscal Impact: $179,192; Budgeted) — APPROVE; AUTHORIZE CHIEF EXECUTIVE OFFICER TO SIGN SUBJECT TO APPROVAL AS TO FORM BY COUNSEL

CA-7) Proposed retroactive renewal of annual membership with Local Health Plans of California for the period July 1, 2015 through June 30, 2016, in an amount not to exceed $80,000 (Fiscal Impact: $80,000; Budgeted) — APPROVE
CA-8) Proposed Amendment to Kern Health Systems 457(b) Plan document, adding loan and hardship distribution provisions (Fiscal Impact: None) – APPROVE; AUTHORIZE CHIEF EXECUTIVE OFFICER TO SIGN SUBJECT TO APPROVAL AS TO FORM BY COUNSEL

CA-9) Report on Kern Health Systems investment portfolio as of June 30, 2015 (Fiscal Impact: None) – RECEIVE AND FILE

10) Proposed approval of non-safety net provider grant agreements for recruitment and retention grant program from July 1, 2015 through June 30, 2016 (Fiscal Impact: $500,125; Budgeted) – APPROVE; AUTHORIZE CHIEF EXECUTIVE OFFICER TO DEVELOP AND SIGN AGREEMENTS SUBJECT TO APPROVAL AS TO FORM BY COUNSEL

a) Arvin Medical Clinic/Kern Rural Wellness, Inc., in an amount not to exceed $100,625
b) Central California Foundation for Health (Delano Regional Medical Center), in an amount not to exceed $148,000
c) Clinica Del Pueblo, in an amount not to exceed $67,000
d) Kern Valley Healthcare District, in an amount not to exceed $148,000
e) Pinnacle Primary Care, Inc., in an amount not to exceed $36,500

CA-11) Proposed Amendment No. 5 to Agreement with Douglas A. Hayward, for services as Chief Executive Officer, to incorporate performance goals for fiscal year 2015-2016 (Fiscal Impact: None) – APPROVE; AUTHORIZE CHAIRMAN TO SIGN

CA-12) Report on Kern Health System anti-fraud plan (Fiscal Impact: None) – RECEIVE AND FILE

13) Report on Kern Health Systems Strategic Plan for second quarter ending June 30, 2015 (Fiscal Impact: None) – RECEIVE AND FILE

CA-14) Report on Kern Health Systems staff training and development program (Fiscal Impact: None) – RECEIVE AND FILE

15) Report on Kern Health Systems financial statements for May 2015 and June 2015 (Fiscal Impact: None) – RECEIVE AND FILE

16) Kern Health Systems Chief Medical Officer report (Fiscal Impact: None) – RECEIVE AND FILE
17) Kern Health Systems Chief Executive Officer report (Fiscal Impact: None) – RECEIVE AND FILE

CA-18) Report on Accounts Payable Vendor Report and non-claims paid through MHC system for May 2015 and June 2015 (Fiscal Impact: None) – RECEIVE AND FILE

CA-19) Proposed Kern Health Systems provider contracts (rates confidential per Welfare and Institutions Code Section 14087.38(m)) – APPROVE; AUTHORIZE CHIEF EXECUTIVE OFFICER TO SIGN

20) Proposed nomination of Kimberly A. Hoffmann, Pharm.D., as Pharmacist Representative to Kern Health Systems Board of Directors (Fiscal Impact: None) – APPROVE; REFER TO KERN COUNTY BOARD OF SUPERVISORS

21) Proposed revisions to Kern Health Systems formulary (Fiscal Impact: $7,250,000) – APPROVE

CA-22) Proposed additions to Kern Health Systems formulary (Fiscal Impact: None) – APPROVE

CA-23) Proposed modifications to Kern Health Systems formulary (Fiscal Impact: None) – APPROVE

ADJOURN TO CLOSED SESSION

CLOSED SESSION

24) CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Government Code Section 54956.9(d)(1)) Kern Health Systems v. Allied Management Group Special Investigation Unit, Inc., et al. –

25) Request for Closed Session regarding peer review of a provider (Welfare and Institutions Code Section 14087.38(o)) –

26) PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Title: Chief Executive Officer (Government Code Section 54957) –

27) CONFERENCE WITH LABOR NEGOTIATORS
Agency designated representatives: Chief Deputy County Counsel, Karen S. Barnes, and designated staff - Unrepresented Employee: Chief Executive Officer (Government Code Section 54957.6) –

BOARD TO RECONVENE
REPORT ON ACTIONS TAKEN IN CLOSED SESSION

ADJOURN TO THURSDAY, SEPTEMBER 17, 2015 AT 8:00 A.M.

AMERICANS WITH DISABILITIES ACT
(Government Code Section 54953.2)

The meeting facilities at Kern Health Systems are accessible to persons with disabilities. Disabled individuals who need special assistance to attend or participate in a meeting of the Board of Directors may request assistance at the Kern Health Systems office, 9700 Stockdale Highway, Bakersfield, California or by calling (661) 664-5000. Every effort will be made to reasonably accommodate individuals with disabilities by making meeting material available in alternative formats. Requests for assistance should be made five (5) working days in advance of a meeting whenever possible.