

HOSPITAL DISTRICT NUMBER ONE OF MOHAVE COUNTY
KINGMAN REGIONAL MEDICAL CENTER
3269 Stockton Hill Road Kingman, Arizona 86409

August 29, 2024

The Board of Hospital District Number One of Mohave County will meet in Special Session on Thursday August 29, 2024 at 4:00 p.m. The meeting will be held at the Kingman Regional Medical Center in the H. I. Johnson Board Room, 3269 Stockton Hill Road, Kingman, Arizona. The Board may vote to go into Executive Session pursuant to A.R.S. § 38- 431.03(A)(3) for legal advice on matters as set forth in the agenda and A.R.S. § 38- 431.03(A)(4). Board Members or other participants may attend by telephonic conference. The following topics and any variables thereto will be subject to Board consideration, discussion, approval, or other action. All items are set for possible action.

- I. **CALL TO ORDER** – 4:00p.m. MEETING CALLED TO ORDER BY CHAIR HOLDEN

- II. **ROLL CALL OF THE HOSPITAL DISTRICT BOARD MEMBERS**
BOARD MEMBERS FRENCH, NEWMYER AND HOLDEN IN ATTENDANCE.
BOARD MEMBERS MATHIESEN AND VALENTINE NOT PRESENT.
QUORUM IDENTIFIED.

- III. **FINANCIAL MATTERS AND REPORT** – Josh Hoffman, KRMC CFO
 - A. **Discussion and Possible Action to Approve** an additional Intergovernmental Agreement between Arizona Health Care Cost Containment System Administration and Kingman Regional Medical Center on behalf of Hospital District One of Mohave County for the support of the Access to Professional Services Initiative. This additional partnership would assist with improving healthcare and population health by ensuring Residents are provided post graduate training in safe, high-quality environments that supports patient safety, education and physician well-being. The additional KRMC/District Board Graduate Medical Education (GME) partnership requires the District Board to provide funds in the amount of \$2,269,250.00. The first payment is due on or before November 1, 2024 in the amount of \$453,850.00 plus \$90,760.00; the latter is an administrative fee. Subsequent payments in respective equal amounts of \$453,850.00 are due February, May, August of 2025 and August 2026.

Therefore, the District Board's recommended action is requested as follows:

1. Agreement of a partnership between KRMC and the District Board for this additional GME Program.
2. Agreement of the overall funding amount of \$2,269,250.00 and payments as stipulated
 - a. an initial payment of \$453,850.00 plus an administrative fee of \$90,760.00 for a total of \$544,610.00 due on or before November 2024
 - b. four subsequent equal payments of \$453,850.00 due February, May, August 2025 and August 2026.
3. Agreement to send the additional GME contract to the Board's attorney for review.

APPROVED AN ADDITIONAL INTERGOVERNMENTAL AGREEMENT FOR A GRADUATE MEDICAL EDUCATION PARTNERSHIP BETWEEN ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM ADMINISTRATION AND KINGMAN REGIONAL MEDICAL CENTER ON BEHALF OF HOSPITAL DISTRICT NUMBER ONE OF MOHAVE COUNTY.

APPROVED OVERALL FUNDING AMOUNT OF \$2,269,250.00 AND PAYMENTS AS FOLLOWS: INITIAL PAYMENT OF \$544,610.00 DUE NOVEMBER 2024 AND SUBSEQUENT EQUAL PAYMENTS OF \$453,850.00 DUE FEBRUARY, MAY, AUGUST 2025 AND AUGUST 2026.

APPROVED SENDING ADDITIONAL GME CONTRACT TO BOARD'S ATTORNEY FOR REVIEW.

MOTION: BOARD MEMBER FRENCH/NEWMYER.

ROLL CALL VOTE: BOARD MEMBR FRENCH - YES; BOARD MEMBER NEWMYER - YES; BOARD MEMBER HOLDEN - YES. VOTE: 3/0.

IV. CALL TO THE PUBLIC - NONE

Consideration and discussion of comments from the public. Those wishing to address the District Board need not request permission in advance. The District Board is not permitted to discuss or take action on any item raised in the call to the public. However, individual Board members may be permitted to respond to criticism directed to them. Otherwise, the Board may direct that staff review the matter or that the matter be placed on a future agenda. The District Board cannot

discuss or take legal action on any issue raised during the Call to the Public due to restrictions of the Open Meeting Law.

Individuals wishing to speak during Call to the Public will have 3 minutes to address the District Board. Prior to speaking, please state your name, city and state.

V. **ADJOURNMENT - WITH NO FURTHER BUSINESS TO DISCUSS, THE MEETING WAS ADJOURNED AT 4:09 P.M.**

Notice: Persons with a disability may request a reasonable accommodation by contacting the Hospital District at 928.757.0602.

CERTIFICATION OF POSTING OF NOTICE

The undersigned hereby certifies that a copy of the attached notice will be duly sent to the Mohave County Board of Supervisors on August 27, 2024, for posting on their public information board. Also, notice will be posted at 3269 Stockton Hill Road (Main Entrance to KRMC) in Kingman, Arizona on August 27, 2024, and on the District's Website: azkrmc.com/about-krmc/hospital-district-number-one-mohave-county in accordance with the statement filed by the Hospital District Number One of Mohave County.

Submitted this date, August 27, 2024.

Penny Holden
Chairman

Catherine Furtado
Recording Secretary/Custodian of Records

HOSPITAL DISTRICT NUMBER ONE OF MOHAVE COUNTY
SPECIAL REGULAR SESSION BOARD MEETING – AUGUST 29, 2024

The Hospital District Number One of Mohave County met in Special Regular Session this 29th day of August 2024 at 4:00p.m. at Kingman Regional Medical Center, 3269 Stockton Hill Road, Kingman, Arizona 86409 in the H.I. Johnson Board Room. In attendance were Penny Holden, Chair, Board Member Dave French, Board Member Carol Newmyer. Board Member Libby Mathiesen and Board Member Dan Valentine were not present. A quorum was identified.

The following KRMC/KHI Executive Team Members in attendance were Heath Evans, Chief Executive Officer, Josh Hoffman, Chief Financial Officer, Kevin Keener, Director of Finance, Barry Moore, Controller.

- I. **CALL TO ORDER:** Board Chair Holden called the meeting to order at 4:00 p.m.
- II. **ROLL CALL OF THE HOSPITAL DISTRICT BOARD MEMBERS.** Board Chair Holden stated okay it's 4:00 p.m.. So, we're going to call this meeting to order. We have to make sure that we take turns talking so the computer is not picking up crosstalk and me and you are going to have to be slow. Okay, lets do roll call. Board Member French – here; Board Member Newmyer – here; Board Member Valentine – not present; Board Member Mathiesen – not present; Board Member Holden – here.

III. **FINANCIAL MATTERS AND REPORT**

Chair Holden stated, okay this brings us to Financial Matters. This is with Josh Hoffman, the KRMC CFO.

- A. **Discussion and Possible Action to Approve** an additional Intergovernmental Agreement between Arizona Health Care Cost Containment System Administration and Kingman Regional Medical Center on behalf of Hospital District Number One of Mohave County for the support of Access to Professional Services Initiative. This additional partnership would assist with improving healthcare and population health by ensuring Residents are provided post graduate training in safe, high-quality environments that supports patient safety, education and physician well-being. The additional KRMC/District Board Graduate Medical Education (GME) partnership requires the District Board to provide funds in the amount of \$2,269,250.00. The first payment is due on or before November 1, 2024 in the amount of \$453,850.00 plus \$90,760.00; the latter is an administrative fee. Subsequent payments in respective equal amount of \$453,850.00 are due February, May, August 2025 and August 2026.

Therefore, the District Board's recommended action is requested as follows:

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Chair Holden stated do I have a motion on the table?

Board Member French stated you do.

Chair Holden stated, do I have a second?

Board Member Newmyer stated I'd like to know about it before we decide whether we're going...

Chair Holden stated, I sent you all the equipment, the information, it was in your packet.

Board Member Newmyer stated can't read that on the phone.

CFO Hoffman stated I'm happy to speak to it. To give you a little bit of background, so this is a program that in the past we have not been eligible for. We actually had the Arizona Hospital Association reach out to us a few months back to make us aware that they've been working with Access to try and make some smaller hospitals eligible for it. So, it's ones that have a GME program tied to them. Before, it was for the larger facilities. They kind of lowered that threshold a little bit so we and a couple of other facilities within Arizona became eligible for it and as part of that, though, we had to have a public entity funding partner. And so, we've worked very well in the past with you as the Hospital District so we reached out and said, hey, this opportunity is here and has been presented to us. I apologize for the short timeline but this was what was given to

Hospital District Number One of Mohave County
Special Regular Board Meeting – August 29, 2024

us. They actually originally asked us to have this signed by last Friday. And, I said, well, can I get an extension on this because I need to be able to meet with our public entity and kind of work through this.

Board Member Newmyer stated so all ACCESS patients will be eligible for this program?

CFO Hoffman stated so it's essentially supplemental funding essentially is what it is to help additional funding to providers that are tied to a GME Program and

Board Member Newmyer interrupted and stated so providers make more money?

CFO Hoffman stated so we receive more money as an organization for services from ACCESS because ACCESS doesn't pay us enough to cover our costs. Right. So, this is additional funding that's provided and so it's one of those, you know, money supplied and then there's federal dollars that are matched.

Board Member Newmyer stated this is for a state program, right but the federal government is the one providing extra funds?

CFO Hoffman stated these are federal dollars that you supply; you know the initial program.

Board Member Newmyer stated this is for a state program, but the federal government is the one providing....

CFO Hoffman stated correct they fund it through to ACCESS, yes.

CFO Hoffman stated so, there's, you know, we've been told initially that it's looking like a little over \$9,000,000.00 that we are eligible for, that we could bring to Kingman.

Board Member Newmyer stated how do the patients benefit?

CFO Hoffman stated so the patients benefit because we're able to utilize those dollars to improve capital, right, buy additional capital things, for raises that we've been working on for our staff. All these things that help bring more staff and providers to Kingman invest back into the organization and our community.

Board Member Newmyer stated does it help increase the access, of current access of patients to be able to use this hospital as opposed to having to go somewhere else?

CFO Hoffman stated absolutely, we're working heavily to recruit additional physicians. We've had multiple physicians come in on recruiting trips.

It's one of our biggest initiatives right now trying to get additional physicians here in Kingman to help with that access because we know it's a challenge, right. I know in our specialties as well as primary care these are all areas that we want to be able to invest and, you know, it does, it takes money, it takes resources to be able to get those positions here.

CEO Evans stated in our GME program, we have 30 graduate students in our Residency Program. We're funded for 18 I believe. So, the federal government sends funds. It probably doesn't even cover what it needs to cover but it's 18 that they fund for us. So, the additional 12 on top of that is something that we fund out of the hospital operations. This is the state coming forward on GME Programs just like the other program we partner with to provide the supplemental funding to keep those programs alive and growing. With this kind of funding, if it looks like it's going to stay consistent, this is something where we can start looking at is 30 where we need to be or do we need to go to 32 or 34 Residents in a cycle, which is our Family Practice Residency Clinic that we just moved to the Santa Rosa Campus. It's hard to get into primary care but typically we say, we can get you into the Resident Clinic and that's ACCESS money's main funding point.

Board Member Newmyer stated I'll second.

Board Chair Holden stated any discussion?

MOTION MADE BY BOARD MEMBER FRENCH AND SECONDED BY BOARD MEMBER NEWMYER TO APPROVE AN ADDITIONAL INTERGOVERNMENTAL AGREEMENT FOR A GRADUATE MEDICAL EDUCATION PARTNERSHIP BETWEEN ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM ADMINISTRATION AND KINGMAN REGIONAL MEDICAL CENTER ON BEHAL OF HOSPITAL DISTRICT NUMBER ONE OF MOHAVE COUNTY. APPROVED OVERALL FUNDING AMOUNT OF \$2,269,250.00 AND PAYMENTS AS FOLLOWS: INITIAL PAYMENT OF \$544,610.00 DUE NOVEMBER 2024 AND

**SUBSEQUENT EQUAL PAYMENTS OF \$453,850.00 DUE FEBRUARY,
MAY, AUGUST 2025 AND AUGUST 2026.**

**ROLL CALL VOTE: BOARD MEMBER FRENCH – YES; BOARD
MEMBER NEWMYER – YES; BOARD MEMBER HOLDEN- YES.
APPROVED; VOTE: 3/0**

Board Chair Holden stated yes. So, it's passed. So, the second thing I need to do is I need to take this contract and send it to Tom Price. He has to sign off on it as well, so I need to get a motion on the floor to.

Board Member Newmyer stated to pay him?

Board Member French stated we can't do anything today; it's not on the agenda.

Board Chair Holden stated yes it is.

Board Member French stated or is it?

Board Chair stated it's number 3, agreement to send additional GME contract to the Board's attorney.

Board Member Newmyer interrupted stating this is to allow to pay him? Is that what you're asking for?

Board Chair Holden stated he's going to review the contract to make sure it's okay just like he did the last one.

Board Member Newmyer interrupted stating okay this motion is to pay him is that right?

Board Chair Holden stated pay who?

Board Member Newmyer stated the lawyer.

Board Chair Holden stated no, this has nothing to do with payment to the lawyer.

Board Member French stated this has nothing to do with a bill.

Board Chair Holden stated this is just authorizing him to review it.

Hospital District Number One of Mohave County
Special Regular Board Meeting – August 29, 2024

Board Member Newmyer stated okay.

Board Chair Holden state okay, so, do I have a motion?

Board Member French stated I'll make a motion.

Board Chair Holden stated do I have a second?

Board Member Newmyer stated I'll second.

Board Chair Holden stated any discussion. All in favor? Aye. The motion passed.

**MOTION MADE BY BOARD MEMBER FRENCH AND SECONDED BY
BOARD MEMBER NEWMYER TO SEND ADDITIONAL GME
CONTRACT TO BOARD'S ATTORNEY FOR REVIEW.**

**ROLL CALL VOTE: BOARD MEMBER FRENCH – YES; BOARD
MEMBER NEWMYER – YES; BOARD MEMBER HOLDEN – YES.
APPROVED; VOTE 3/0**

IV. CALL TO THE PUBLIC

Board Chair Holden stated and we have Call to the Public. Is there anybody from the public that would like to speak. Seeing none we're going to adjourn this meeting.

V. ADJOURNMENT

There being no further business to come before the Hospital District Number One of Mohave County Board this 29th day of August 2024, Chairperson Holden adjourned the meeting at 4:09pm.

HOSPITAL DISTRICT NUMBER ONE OF MOHAVE COUNTY

PENNY HOLDEN, CHAIRPERSON

ATTEST:

Catherine Furtado, Recording Secretary/Custodian of Records