

<p>Community Medical Center 2827 Fort Missoula Road Missoula, MT 59804</p>	<p>Board of Directors Meeting May 22, 2014 Meeting Record</p>	<p>Recorder: Caroline Deak, Executive Assistant</p>
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**PRESENT:** Scott Stearns; Tanya Ask; Frank D'Angelo; Mark Garnaas, MD; Scott Hacker; Bill Johnston; Barry Kenfield, CMC Foundation President; Jay Lowder, MD; Jan Parks; Robert Phillips; Mike Stewart, MD; John VanStrydonck

**EX OFFICIO:** Steve Carlson, President/CEO; David Lechner, MD, CPG President and Chief Medical Officer; Timothy Richards, MD

**NOT PRESENT:** Suzanne Peterson

**GUEST(S):** Stan Moser, EVP; Gary Chumrau (Garlington, Lohn & Robinson); Carsten Beith (Cain Brothers) via telephone

TOPIC	DISCUSSION	FOLLOW-UP	RESPONSIBLE PERSON
<p><u>Call to Order</u></p> <p><u>Agenda</u></p> <p><u>Consent Agenda</u></p> <p><u>Quality and Patient Safety</u></p> <p><u>Medical Staff Report</u></p> <p><u>Committee Reports</u> <u>Audit and Finance</u></p>	<p>Mr. Scott Stearns, Chair, called the CMC Board of Directors meeting to order at 12:02pm.</p> <p>The agenda stood as presented. All referenced materials are filed with the permanent record.</p> <p>A <b>MOTION</b> was made, seconded, and carried to approve the April 24, 2014 Board of Directors meeting record, April 24, 2014 Audit and Finance Committee meeting record, and the March 26, 2014 Board Quality and Patient Safety meeting record.</p> <p>Mr. Stearns presented the Harm Reduction and Series Safety Event reports. Ernie Shishido will present a lean report to the board in July.</p> <p>Dr. Timothy Richards presented the medical staff recommendations.</p> <p>A <b>MOTION</b> was made, seconded, and carried to accept the two initial applicants, four resignations, four changes in privileges, nineteen reappointments, and four privilege lists as recommended by MEC and the Quality and Patient Safety Committee.</p> <p>Mr. VanStrydonck provided an overview of the financial reports. The Audit and Finance Committee met with auditors and discussed issues regarding sale, liabilities, concerns over controller's position, and Cerner.</p> <p>A <b>MOTION</b> was made, seconded, and carried to approve the <b>SECONDED MOTION</b> from the Audit and Finance Committee stating if a definitive Letter of Intent is signed for the sale of CMC assets, the board directs management to engage Cain Brothers to create and Clifton Larson Allen to review an estimate of the amount of necessary administrative holdback for the purposes of: enforcement of the sales contract; ensuring that proper insurance is in place to protect the board and foundation from future liabilities; to perform any indemnity agreements, sufficient funds must be reserved; and pass the remaining funds onto the designated foundation after all obligations have been paid and the contract enforcement is completed.</p>		

<p><u>Planning and Foundation Report</u></p> <p><u>Governance Committee</u></p> <p><u>President's Report</u></p>	<p>Another <b>MOTION</b> was made, seconded, and carried to approve the <b>SECONDED MOTION</b> from the Audit and Finance Committee stating if a definitive Letter of Intent is signed for the sale of CMC assets, the board directs management to acquire additional accounting resources to resolve outstanding issues, including Cerner contract issues, and billing issues, prior to the closing date or the sale of CMC.</p> <p>Mr. Hacker stated the committee met to review the strategic plan, 2015 map and budget. These items will be presented to the board at the June/July meeting. Mr. Hacker presented information discussed at the new foundation task force meeting held this month. Decisions at hand are: [REDACTED] 2% JV ownership; representation on JV and BC Boards; move toward independent or "outsourcing" foundation operations; and presentation to Montana Attorney General. The board decided to wait until more information was obtained, including a scheduled meeting with the Montana Attorney General, before making these decisions.</p> <p>Mr. Johnston stated the committee did not meet in April, but is scheduled to meet in June.</p> <p>[REDACTED]</p> <p>Carsten Beith from Cain Brothers presented an update on the partnering process, and the Letter of Intent has been signed. Work continues on a definitive Agreement and it should be completed by the end of June.</p> <p>CMC Audit and Finance Committee discussed the amount of money to be held back for administration. Cain Brothers will run an estimate, based on risk, and a detailed statement will be presented.</p>		
<p><u>Adjournment</u></p>	<p><b>Mr. Stearns adjourned the meeting at 1:48pm.</b></p>		