



Seneca Healthcare District

Minutes

Regular Meeting

February 27, 2025 03:00 PM

Lake Almanor Clinic (LAC) Conference Room, 199 Reynolds Road, Chester, CA 96020

<https://senecahospital.org/>

1. Call to Order

The meeting was called to order at 3:00 pm by President Jerri Nielsen.

A. Roll Call

Present: President Jerri Nielsen, Vice President Shelley Stelzner, Secretary Kenneth Crandall, Treasurer Rich Rydell, Assistant Secretary/Treasurer Sherrie Thrall

Staff Present: Rich Rydell attended the meeting via Zoom.

B. Pledge of Allegiance

Led by President Jerri Nielsen

- 2. Additions or Modifications to, or Deletions from the Agenda** Item #17 was moved to the March 27th, 2025, Regular Board Meeting. Assistant Secretary/Treasurer Sherrie Thrall motioned to approve. Secretary Kenneth Crandall seconded the motion.

The roll call vote:

Aye President Jerri Nielsen Aye Vice President Shelley Stelzner Aye Secretary Kenneth Crandall Aye Treasurer Rich Rydell Aye Assistant Secretary/Treasurer Sherrie Thrall

- 3. Approval of the Agenda** Vice President Shelley Stelzner motioned to approve. Secretary Kenneth Crandall seconded the motion.

The roll call vote:

Aye President Jerri Nielsen Aye Vice President Shelley Stelzner Aye Secretary Kenneth Crandall Aye Treasurer Rich Rydell Aye Assistant Secretary/Treasurer Sherrie Thrall

4. Public Comments

There were no public comments or concerns presented to the Board Members for response.

- 5. Resolution No. 451 - Commendation and Appreciation to Shell Stoops - 2024 Employee Of The Year**

Resolution No. 451 - Commendation and Appreciation to Shell Stoops - 2024 Employee Of The Year, was read aloud by Jerri Nielsen, President, and **approved** by the Board.

Assistant Secretary/Treasurer Sherrie Thrall motioned to approve. Secretary Kenneth Crandall seconded the motion.

The roll call vote:

Aye President Jerri Nielsen Aye Vice President Shelley Stelzner Aye Secretary Kenneth Crandall Aye Treasurer Rich Rydell Aye Assistant Secretary/Treasurer Sherrie Thrall

6. Approval of the January 30th, 2025 Regular Board Meeting Minutes

Kenneth Crandall **abstained** from voting due to being absent from the February 27th, 2025, Regular Board Meeting.

Vice President Shelley Stelzner motioned to approve. Treasurer Rich Rydell seconded the motion.

The roll call vote:

Aye President Jerri Nielsen Aye Vice President Shelley Stelzner Aye Treasurer Rich Rydell Aye Assistant Secretary/Treasurer Sherrie Thrall Abstained Secretary Kenneth Crandall

7. Staff Reports

1. Chief Executive Officer - Presented by Shawn McKenzie, CEO - Absent, No Report.
2. Chief Nursing Officer - Presented by Judith Cline, CNO - Written Report.
3. Chief Operations Officer - Presented by Brady Haynes, COO - Verbal Report.
4. Information Technology (IT) Director - Presented by Brian Churchill - Verbal Report.
5. Human Resources Manager - Presented by Shanna Roelofson - Written Report.
6. Marketing/Public Relations Director - Presented by Chelssa Outland - Written Report.
7. Compliance/Privacy/HIM Director - Presented by Charlene Almocera - Report will be shared with the Board Members - Quarterly. The next report will be at the March 27th, 2025 Regular Board Meeting.

8. Chief Financial Officer Reports - Steve Boline, CFO



Requesting Acceptance/Approval from the Board:

1. December 2024 Financial Report. - The Board **accepted** the Financial Report via vote. Motioned by Rich Rydell; Seconded by Kenneth Crandall.
2. Updated Cash Flow Report as of 02/21/2025. - The Board **accepted** the Updated Cash Flow Report via vote. Motioned by Sherrie Thrall; Seconded by Shelley Stelzner.

Informational Discussion Only:

3. Amendment to R1 Coding Support Agreement. Steve Boline, CFO, presented the amended Coding Statement of Work to the Board as **informational**. See attached.

4. December 2024 R1 and Revenue Cycle Reports.

5. Interim Financing Update.

Treasurer Rich Rydell motioned to approve. Secretary Kenneth Crandall seconded the motion.

The roll call vote:

Aye President Jerri Nielsen Aye Vice President Shelley Stelzner
Aye Secretary Kenneth Crandall Aye Treasurer Rich Rydell Aye Assistant
Secretary/Treasurer Sherrie Thrall

9. **New CAH/SNF - Request 003 for Contingency Usage Upon Concurrence with USDA Vice**

President Shelley Stelzner motioned to approve. Secretary Kenneth Crandall seconded the motion.

The roll call vote:

Aye President Jerri Nielsen Aye Vice President Shelley Stelzner Aye Secretary
Kenneth Crandall Aye Treasurer Rich Rydell Aye Assistant Secretary/Treasurer
Sherrie Thrall

10. **Resolution No. 452 - For SHD Tiered Approval of Contingency Usage**



Resolution No. 452 was presented to the Board for Approval. The Board voted to approve the resolution with the following edits (see attached):

- **Tier 1 to require CEO & CFO approval**
- **Tier 2 to require CEO, CFO & Two (2) Board Directors**

Assistant Secretary/Treasurer Sherrie Thrall motioned to approve. Vice President Shelley Stelzner seconded the motion.

The roll call vote:

Aye President Jerri Nielsen Aye Vice President Shelley Stelzner Aye Secretary
Kenneth Crandall Aye Treasurer Rich Rydell Aye Assistant Secretary/Treasurer
Sherrie Thrall

11. **New CAH/SNF - General Update Report**

Presented by Donna Huntingdale, Building Rx.

12. **New Hospital Lab Transition – Net New**

Presented by Brady Haynes, COO, for Shawn McKenzie, CEO.

13. **Seneca Healthcare Foundation Report**

Presented by Chelssa Outland, SH Foundation Executive Director.

14. **Medical Staff Report**

The Board voted to approve the Medical Staff Appointments as submitted by Dr. Marc

Nielsen, Chief of Staff.

Assistant Secretary/Treasurer Sherrie Thrall motioned to approve. Vice President Shelley Stelzner seconded the motion.

The roll call vote:

Aye President Jerri Nielsen Aye Vice President Shelley Stelzner
Aye Secretary Kenneth Crandall Aye Treasurer Rich Rydell Aye Assistant
Secretary/Treasurer Sherrie Thrall

15. Closed Session

A. Conference with Legal Counsel - Existing Litigation Pursuant to Gov. Code Section 54956.9 (d)(1)

Gullotto vs. Seneca Healthcare District - Case #202404-24213903

No Action

B. Health and Safety Code Section 32106 - Report(s) involving Trade Secrets.

No Action

16. Report on Closed Session

The Regular Board Meeting Recessed @ 5:55pm

Closed Session Commenced @ 6:00pm

Closed Session Concluded @ 6:30pm

The Regular Board Meeting Returned to Open Session @ 6:31pm

Board President, Jerri Nielsen, stated for the record there were no reportable actions taken during Closed Session.

17. Proposed Changes to Salary and/or Fringe Benefits of the Chief Executive Officer

Item #17 was moved to the March 27th, 2025, Regular Board Meeting.

18. Future Board Meeting Agenda Topics

1. Finance Investment Policy
2. Physician Contract Negotiation, Execution, Termination and Administration Authority of CEO
3. Board Planning Session

19. Next Regular Board Meeting Announcement

Date: Thursday, March 27th, 2025

Time: 3:00pm

Location: Lake Almanor Clinic (LAC) - Conference Room -199 Reynolds Rd., Chester

The Regular Board Meeting Adjourned @ 6:33pm

20. Agenda Posting Notice

CODING STATEMENT OF WORK

This Amended and Restated Coding Statement of Work (the "Coding SOW") is effective on the last signature date set forth below ("Coding SO Effective Date") by and between **Seneca Healthcare District**, a **California Special District**, on behalf of itself and its affiliates and subsidiaries (the "Client"), and R1 RCM Holdco Inc., a Delaware corporation ("R1"). This Coding SOW replaces in its entirety the previous Coding Statement of Work executed by R1 and Client on December 4, 2023 as of the Coding SO Effective Date. Client and R1 are Parties to that certain Master Services Agreement ("MSA"), dated as July 22, 2022. The terms and conditions of the MSA shall govern this SOW and are incorporated by reference herein. The MSA and this SOW are intended to be correlative and complementary, and are hereinafter collectively referred to as the "Agreement". Capitalized terms not otherwise defined in this SOW shall have the meanings ascribed to such terms in the MSA. Client and R1 are sometimes referred to herein as a "Party" and collectively as the "Parties". All signatories to this SOW shall be bound to the terms of the MSA as if original signatories thereto.

SECTION I CODING SERVICES

1. R1's Scope of Services. R1 will provide to Client such remote professional and facility coding services as mutually agreed upon by both Parties that shall include the following services (collectively, "Coding Services"):
 - a. Review completed patient medical records and health information and code each patient's medical record with the appropriate ICD-10-CM, ICD-10-PCS, CPT-4/HCPSCS, and or Modifier codes for professional and facility encounters, as appropriate.
 - b. Work with Client to promptly obtain all information necessary to code claims to include physician queries and chart deficiencies.
 - c. Resolve specific billing rejections or denials related to coding which may include: LCD/NCD determinations, CCI or NCCI edits, CPT/HCPSCS or modifier usages.
 - d. Provide a representative for Client support related to the Coding Services.
2. R1 Personnel. In performing the Coding Services, R1 shall ensure that all R1 personnel will be appropriately trained and comply with all applicable laws, rules and regulations, and the standards provided in the following professionally recognized coding guidelines: (i) International Classification of Diseases, Tenth Revision Clinical Modification (ICD-10-CM), (ii) Healthcare Common Procedures Coding System (HCPSCS) which includes Current Procedural Terminology (CPT), (iii) the Coding Clinic, and (iv) any other professional standard set forth by the American Hospital Association (AHA), American Health Information Management Association (AHIMA), or the Center of Medicare and Medicaid Services (CMS). Further, R1 personnel shall comply with all of Client's specific coding rules, including for assigning history, injury, and illness codes, so long as such rules are consistent with the above authoritative guidelines, after Client notifies R1 of such coding rules.
3. Monthly Reports. R1 shall provide standard month-end reports. Reports are compiled based on date of the Coding Services and are generally available upon receipt of all records for the given month. Custom reports may incur additional charges. R1 will provide Client with an estimate for approval prior to creating a specially requested report.
4. Audits. R1 will be responsible for conducting bi-annual audits of R1's coding work to ensure compliance with applicable coding guidelines, regulations, and industry standards.
 - a. Audits will be carried out by qualified personnel designated by R1. If audits reveal coding inaccuracies, R1 shall promptly address these issues and implement corrective actions.
 - b. R1 shall maintain the results of these audits reports, including the scope, findings, and corrective actions taken. Client may request access to the audit results, but R1 will not provide individual coder information such as Name or Employee identification.

SECTION II OBLIGATIONS OF CLIENT

1. Professional Services. Client shall furnish, and cause the licensed personnel who are members, employees or independent contractors of Client (collectively, the "Professionals") to furnish those health care services that are within

the scope of practice for Client's Professionals and necessary or appropriate for Client's patients as well as prepare related medical records and reports (collectively, "Medical Services"), all in accordance with applicable laws and payor requirements. Client agrees and acknowledges that it is responsible for performing, or ensuring the Professionals' performance of the following acts:

- a. Client shall have the exclusive authority to control all aspects of the provision of Medical Services, which shall be the sole responsibility of Client. R1 shall have no authority or responsibility regarding the provision or supervision of Medical Services.
 - b. The Professionals shall alone be responsible for the examination of Client's patients and will cause a complete and accurate record to be made of each patient examination, in keeping with applicable laws and payor requirements regarding adequate documentation and medical necessity.
 - c. Each Professional shall personally sign all charts for patients seen by the Professional and billed in the Professional's name and shall agree that he/she is responsible for all information recorded on the patient's chart as well as that he/she signed the original copy of the chart in an instance in which Client provides R1 only with an unsigned copy of the chart prior to the submission of a reimbursement claim for which the chart serves as necessary supporting documentation.
2. Professional Standards. Client shall ensure that Professionals shall be duly licensed to practice medicine, or to provide any other applicable category of health care services, and participate in continuing education as necessary to maintain such licensure, professional competence and skills commensurate with the standards of the medical community and as otherwise required by the medical profession. All Professionals will comply with their scope of licensure and payor rules with respect to eligibility and entitlement for payment.
3. Additional Obligations.
 - a. Client shall provide to R1 complete, accurate and timely patient medical records (electronic and/or paper), health information, billing documentation and other information reasonably required for R1 to perform the Coding Services. Client agrees to provide R1 with access to Client's patient accounting system and individual patient health information records as reasonably required by R1 to perform the Coding Services. Client agrees to obtain all patient authorizations and other consents required to provide R1 with such information and access.
 - b. Each Professional shall refrain from submitting false or inaccurate information, documentation, or records to R1. Once a Professional or Client becomes aware of any such submission, immediate action shall be taken to correct identified false or inaccurate information, documentation or records in accordance with applicable laws and payor requirements.
 - c. Client shall immediately notify R1 in the event it believes a coding error has been made to enable R1 to correct any such errors.
 - d. Client shall respond in a timely manner to R1's written requests for information regarding services, diagnoses, or other matters on any document relevant to coding received from Client.
 - e. Client agrees to work in good faith with R1 to implement appropriate processes to address any incomplete or inaccurate medical records to facilitate accurate and timely coding.
4. Notification. Subject to any attorney-client privilege, Client shall notify R1 promptly in writing upon receipt of notification of an investigation or audit by a government agency or contractor in which the subject of the investigation includes the Coding Services provided by R1.

SECTION III PAYMENT

1. Payments for Services. In consideration of the Coding Services rendered by R1 under this Coding SOW, Client shall pay R1 the applicable fees as set forth below:

Ongoing Monthly Volume

Chart Type	Minimum Monthly Volumes	Fixed Monthly Fee (Ongoing)
Professional, Office Coding	500	\$2,500

If the volumes set forth above are exceeded, additional chart types may be purchased at the rates in the table below. We will also use this per chart rate to bill for the backlog cleanup work as incurred. Additionally, following six (6) months from the effective date of this agreement, parties may agree to change the monthly minimum volume and will be agreed upon in writing.

Excess Volume Rates

Type	Price
Professional Office Coding	\$5/Chart

In addition to the monthly minimums for Professional Office Coding outlined above, we will also provide as-needed (PRN) coding assistance for the following chart types, at the rates listed below.

PRN Chart Types and Rates

Type	Price (Domestic Coding)
Pro Fee - Inpatient	\$12.30/Chart
Facility – Ancillary and Diagnostics	\$2.06/Chart
Facility – ED	\$2.58
Facility – Same Day Surgery	\$4.67
Pro Fee – Anesthesia	\$4.67
Professional Coding – Surgery	\$4.67

2. Payment Terms. R1 will invoice Client for the fees on a monthly basis in arrears for the Coding Services performed during the preceding month. All such invoices will be due and payable by Client within thirty (30) days of the invoice date.

SECTION IV FACILITIES

1. Facilities. Coding Services shall apply to the Medical Services provided by Client at the facility(ies) set forth in SOW Exhibit A (each a "Client Facility"). Should Client wish to amend Client Facilities, the Parties shall amend SOW Exhibit A as appropriate. Client acknowledges and agrees that the addition of a new Client Facility may result in additional charges to Client.

SECTION V TERM AND TERMINATION

1. Term of Statement of Work. The term of this Coding SOW shall begin as of the Coding SOW Effective Date and shall continue for one (1) year ("Initial Term") and thereafter shall renew automatically for consecutive one-year terms (each, a "Renewal Term") unless a Party elects not to renew this SOW by providing written notice of its intention not to renew

to the other Party at least one-hundred and twenty (120) days prior to the expiration of the then-current Term or until terminated in accordance with the provisions of the MSA. The SOW Initial Term and any SOW Renewal Terms are together referred to herein as the "Term".

2. Termination for Convenience. Following the SOW Initial Term, either Party may terminate this SOW without cause, upon one hundred twenty (120) days prior written notice to the other Party.
3. Termination. The termination or expiration of this Coding SOW shall not affect the underlying MSA or any other statement of work.

SECTION VI GENERAL

1. Order of Precedence. In the event of a conflict between the MSA and this Coding SOW, the terms of this Coding SOW will prevail.
2. Counterparts. This Coding SOW may be executed in several counterparts, all of which taken together constitute the entire agreement between the Parties hereto.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties have caused this Coding SOW to be signed as of the Coding SOW Effective Date.

SENECA HEALTHCARE DISTRICT

R1 RCM HOLDCO INC.

By:  Steve Boline

By:  Kyle Hicok

Name: Steve Boline

Name: Kyle Hicok

Title: Chief Financial Officer

Title: President, Revenue Performance Solution

Date: 2/27/2025

Date: 2/26/2025

Client Accounts Payable (AP) Information:

AP Email Address:

AP Mailing Address:

Billing Contact Name:

Billing Contact Email:

Billing Contact Phone:

ACH/Wire Instructions:

Purchase Order Number, if applicable:

SOW EXHIBIT A
CLIENT FACILITIES

Facility Name	Street Address
Lake Almanor Clinic	199 Reynolds Road PO Box 1460 Chester, CA 96020