A Special Meeting of the San Gorgonio Memorial Hospital Board of Directors was held on Wednesday, April 16, 2014 in the Administration Boardroom, Banning, California.

Members Present: Lynn Bogh Baldi, Bob Ewert, Olivia Hershey, Ed Hiett, Jerilynn Kaibel (Chair), Estelle Lewis, DeNae Reagins, Irwin Reeves

Absent: Ludwig Cibelli, MD, Joe Dotan, MD, Farzad Farrokhi, MD

Guests: Eric Themm (MDS Consulting); Grover Trask (legal counsel-Best Best & Krieger)

Staff Present: Bobbi Duffy (Executive Assistant)

<table>
<thead>
<tr>
<th>AGENDA ITEM</th>
<th>DISCUSSION</th>
<th>ACTION / FOLLOW-UP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Call To Order</td>
<td>Chair Jerilynn Kaibel called the meeting to order at 11:31pm.</td>
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<td>Public Comment</td>
<td>None</td>
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<td>Adjourn to Closed Session</td>
<td>Chair Kaibel reported that the items to be reviewed and discussed/acted upon during Closed Session would be:</td>
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<td>➢ MDS Consulting preliminary report</td>
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<td></td>
<td>➢ Accept MDS Consulting recommendation on whether to affiliate or continue to stand alone</td>
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<td>➢ If recommendation is to affiliate: Authorize MDS Consulting to identify potential affiliation partners</td>
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<td>NOTE: Board members Ludwig Cibelli, MD, Farzad Farrokhi, MD, and Joe Dotan, MD were recused from attending this meeting to avoid any potential conflict of interest during this discussion. Hospital Chief Executive Officer, Mark Turner, also was not in attendance at this meeting.</td>
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<td>• Dr. Cibelli currently provides emergency room services to the Hospital. Since he has a potential financial interest in any contracts with any third party Hospital affiliation because of his Hospital contract he has abstained and recused himself from any participation in the Board’s affiliation review process</td>
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AGENDA ITEM

DISCUSSION

and potential third party affiliation agreement. This was disclosed at the Board meeting on December 3, 2013. (Health & Safety Code section 32111)

- Dr. Farrokhi currently provides anesthesiology services to the Hospital. Since he has a potential financial interest in any contracts with any third party Hospital affiliation because of his Hospital contract he has abstained and recused himself from any participation in the Board’s affiliation review process and any potential third party affiliation agreement. This was disclosed at the Board meeting on December 3, 2013. (Health & Safety Code section 32111)

- Dr. Dotan’s wife is currently employed as a nurse with the Hospital. Since Dr. Dotan has a financial interest in his wife’s employment and income, he has a potential financial interest with any third party affiliation as it relates to his wife’s employment contract. He has abstained and recused himself from any participation concerning the Board’s affiliation review and process. This was disclosed at the Board meeting on December 3, 2013. (Government Code Section 1091(b)(1))

The meeting adjourned to Closed Session at 11:32 pm.

Reconvene to Open Session

The meeting reconvened to Open Session at 1:20 pm.

At the request of Chair Kaibel, Bobbi Duffy, Executive Assistant, reported on the actions taken/information received during the Closed Session as follows:

The Board:

- Received the MDS Consulting preliminary report
- Accepted the recommendation of MDS Consulting to affiliate
- Authorized MDS Consulting to identify potential affiliation partners

Chair Kaibel cautioned Board members to not discuss the contents of the closed session portion of this meeting. She did state, however, that the 2 motions as read in open session are public information and may be relayed to anyone asking.

Adjourn

The meeting was adjourned at 1:22 pm.
In accordance with The Brown Act, Section 54957.5, all reports and handouts discussed during this Open Session meeting are public records and are available for public inspection. These reports and/or handouts are available for review at the Hospital Administration office located at 600 N. Highland Springs Avenue, Banning, CA 92220 during regular business hours, Monday through Friday, 8:00 am - 4:30 pm.

Respectfully submitted by Bobbi Duffy, Executive Assistant