

**BOARD OF COMMISSIONERS  
PUBLIC HOSPITAL DISTRICT NO. 1 OF PEND OREILLE COUNTY**

April 25, 2019

In Attendance: Commissioners: Raymond King, Lynnette Elswick, Thomas Garrett, Lois Robertson, Terry Zakar; Tom Wilbur, CEO; Directors: Kim Manus, Pete Peterson, CRNA; Walter Price; Jennifer Johnston, RN; Casi Densley, Diane Anderson, Jennifer Allbee, RN; Robert Rosencrantz, Trina Gleese, and Nancy Shaw.

Excused: Dr. Jeremy Lewis, Chief of Medical Staff; Chris Wagar, Susan Schwartz, RN.

CALL TO ORDER:

Chairperson Raymond King called the meeting to order at 12:30 p.m.

READING OF LEGAL NOTICE:

The regular meeting legal notice was distributed as required.

APPROVAL OF AGENDA / CONSENT AGENDA:

The meeting Agenda, Auditors Report and Uncompensated Report were included.

The following consent agenda items were approved as presented by a motion made, seconded and passed.

Auditors Report: March 2019: Net Vouchers #211033 – #211429 and electronic warrants #1929 - 1948 in the amounts of \$1,930,470.62 and \$1,672,767.19, respectively, plus an automatic loan payment deduction of \$40,000 for a grand total of \$3,643,237.81.

Bad Debt/Charity Care: all-inclusive February District Write-off's for \$145,630.27.

APPROVAL OF PREVIOUS MEETING MINUTES

The regular March 21, 2019 meeting minutes were approved by motion made, seconded and passed.

BUSINESS FROM THE AUDIENCE:

There was no business from the audience to discuss.

COMMITTEE REPORTS

Joint Conference/Planning – Dr. Jeremy Lewis, Chief of Medical Staff was not in attendance.

Finance: Casi Densley, Controller reported the latest financial information for the new RMV-advanced care facility and provided a project spreadsheet from Kilgore Construction, Inc. (KCI). She explained the cost and change order breakdown and noted that after taking out the 4<sup>th</sup> neighborhood add-on (\$1,051,000), change orders will be approx. 3% of the original construction budget. Casi provided an itemized list of owner purchased items: furnishings, dietary equipment, nurse call system, etc., that brought total “all-in” project costs to \$12.1M; which matched our original project cost estimate.

She noted bond “Construction Fund” will be drawn down with the next two KCI invoices and all remaining owner/project costs will be paid using Board-Designated Funds which, with average daily cash operating expenses of approx. \$93K, will decrease our days expense in cash on hand from 113 to 102. Casi noted we are keeping in line with budget for owner purchased items; (the budget reflected a

54-bed facility; 4th neighborhood furnishing are not included). She noted there was a substantial savings realized on the budgeted nurse call system.

On a lighter note, our LTGO bonds for RMV/facility remodels were paid off in March.

Quality Assurance – Jen Allbee discussed the WRHC benchmarks for 2018. 6 of 9 hospitals reported acquired infections last year. NHHS had only 3 hospital-acquired infections in 2018. The information is reported for CAH hospitals only, which does not include nursing homes or clinics.

Falls were reduced from 11 (2017) to 6 during 2018, a marked improvement. Twice last year the Acute Care unit saw over 100 days with zero patient falls - the longest stretch being 193 days. Currently, we have been 108 fall-free days. NHHS ranked 8 of 15 for readmissions as compared to the Collaborative facilities. Last year there were 24 readmissions. All readmissions are reviewed by that UR Committee, of which Dr. Kersting is a member. It has been determined that our readmission rate is attributed to non-compliance and chronic conditions of our patients.

Jen reviewed new standardized Sepsis Protocol elements and noted we are also working on the Coverdell Stroke Program in conjunction with the WRHC. Established stroke metrics include obtaining a head CT within 20 minutes, a radiologist-read turnaround time of 45 minutes and TPA given within 60 minutes for suspected stroke. Jen noted that all patients that present with stroke symptoms must be evaluated through the Coverdell stroke program guidelines to rule out stroke. It was noted that not all of these patients actually experienced a stroke event.

In January, during Department of Health survey we targeted our lack of documented performance improvement projects and developed a new PDSA form that: 1) specifies a problem / plans a process for improvement, 2) identifies responsible parties, 3) implements a process improvement; 4) measures progress or lessons learned, and, 5) identifies whether changes or improvements/adjustments are required to be successful. Also, whether the department will adopt, adapt or abandon the project.

Departments are presenting their projects to the Quality Committee on a rotating basis. Jen reported we are currently tracking 38 projects; she will update the Board every 2-3 months. There were no Commissioner questions and Jen was thanked for the informative report.

#### SUPERINTENDENT REPORT

Tom W. presented six-year financial information from a cash flow perspective, noting cash on hand (sum of all cash) is presently \$11.4M and capital additions totaled \$22M over the past 6 years; days operating expenses in cash on hand has remained holding steady at around the 100-110 day mark. At present, annual debt service is approx. \$1.3M; routine capital refresh is approximately \$700-\$900K.

Tom noted that he was providing the overview to show how our comprehensive District services (including residential care) generate cash streams for capital purchases and debt service coverage and shared two methodologies – one earnings before interest, depreciation and amortization (EbIDA); the second also removed the taxes (EbITDA).

EMR – Walter “Buzz” Price is hosting EMR “EPIC” demonstrations next week. The program could cost up to (7 figures). Some of our physicians are familiar with the program and have expressed their approval. Tom noted that EPIC is only an EHR and billing management system and does not include

a finance/accounting, payroll, etc. software is not included in the package. Tom will be obtaining more information prior to making any decisions.

Buzz noted that the EPIC system would be less costly as compared to Meditech Expanse. Even remaining with our existing system (Centricity and Meditech) the costs are approximately \$40K monthly; EPIC (before financial software) is approximately \$20K per month. From a cash flow standpoint, it will pay for itself.

Parking Upgrades: Tom W. noted that we obtained two quotes and shared a map of the exiting areas under consideration: administration/finance buildings, parking lot to the East, and employee parking lot to the West. The geotechnical quote is approximately \$7-10K and civil engineering costs to include landscaping, electrical, drywells, curbing, etc. The quote from Kauffman does not involve paving the Administration property. Tom requested approval to test the soil of the properties; after discussion, the Commissioners requested to delay and soils testing until a later date.

Property purchase: Tom W. explained that he was contacted by the owner of a property adjacent to the clinic, letting us know it is back up for sale. After discussion, it was determined that Tom W. will work with the Finance Committee and move, as needed, to review a purchase on behalf of the Commission.

ALF Project – Tom anticipates that the keys to the new facility will be turned over on May 31. The project is on target with painting, kitchen equipment installed, sidewalks poured, etc. Tom has met with members of the Dept. of Health to discuss licensure. A Certificate of Occupancy will be required prior to the construction review release, which triggers the State survey prior to the license being issued. The State will set the rates thereafter. May 31 to July 9 is the established timeline for moving the residents to the new facility. Each resident will be assessed by the State, who has indicated it will take a week to assess 3 residents.

Recruiting – Tom has reached a tentative agreement with ED providers from the Sandpoint group. He noted that a few EmCare providers cover 1-2 shifts a month and will remain in the area. The Emcare contract contingency states that if we continue to utilize Emcare providers, we will be charged a recruitment fee of approximately \$25K. Tom is researching our options prior to making a decision; he anticipates our agreement with Emcare will terminate by September.

Legislative Update – On April 24, the Washington State House and Senate passed Substitute House Bill 1155, implementing new restrictions on hospital staffing, with most elements of the bill taking effect Jan. 1, 2020. The final bill passed after lawmakers formed a conference committee to determine the bill's final details. SHB 1155 now awaits the governor's signature to become law.

Tom explained that nurses, radiology, surgical and scub techs, NA-C's are required to have an uninterrupted break every 4 hours. One issue that was raised was related to urban facilities requiring mandatory call due to nurse staffing shortages; nurses being sent home with the premise they could be called back in. Tom does not believe this to be significant, as nurses working without a break are compensated with overtime and it is rare that a surgery would last longer than 4 hours.

State Budget – Tom has not learned of any significant impacts, he will provide updates to the Board as any new information develops.

1115 Waiver – Tom W. announced that our work is in progress and we are meeting our targets with the goal to receive \$350,000 payment. In an effort to provide public information and collect local data, Pend Oreille County is seeking other municipal/agency participation. The purpose is to build partnerships to bring accurate data to the community as we plan for the future.

EMS District – Tom will continue to explore a long-term solution to forming an EMS District.

### ACTION ITEM AGENDA

**Resolution No. 2019-02 Surplus Property** - Via motion made, seconded and passed unanimously, Resolution No. 2019-02 was approved, authorizing the surplus of property no longer needed for District business, specifically, a 2001 Chevrolet truck, Boss plow, and miscellaneous physical therapy items.

**Capital Purchase – Various Items** – A motion was made to modify the 2019 Priority One Capital Budget as follows:

Engineering/Plant Capital Requests: remove the following: Acrovyn Project (\$17,840); Riding Lawnmower Zero Turn (\$8,200); Work Order Software (\$17,790); and increase the amount of: Helipad Repairs and Paint-approved \$8,200-actual cost \$22,997 (14,797 increase); RMV Water Softener-approved \$7,480-actual cost \$8,070 (\$590 increase). Add the roof repairs identified as critical in the amount of \$24,815.

Lab Chemical Analyzer-increase the approved amount from \$40,000 to \$43,040 (due to pricing with sales tax).

Return a Touch Source Directory to the Priority One list – approximately \$12,500 plus sales tax & installation costs – this approval is based on the offset contribution to be received from the NHHS Foundation in an amount not to exceed \$13,500. The motion was seconded and passed unanimously.

### OTHER BUSINESS:

Commissioner Zakar commented there is a lack of comfortable chairs in the emergency room waiting area. She stressed the need for comfortable chairs for patients, especially mothers that may need to hold a child for a long period of time. She noted that two reclining chairs that were removed have not been replaced. Commissioner Robertson asked whether the chairs are required to be of “hospital grade”; Walter Price responded and noted that a specific grade of material is required due to cleaning/sanitizing regulations.

Pete Peterson addressed Commissioner Zakar’s concerns and noted that patients should be able to wait in the designated quiet room area or should be moved to a room if they are in need. Commissioner Elswick suggested that furniture from LTCU could be considered in the interim. Commissioner Garrett added that gliding rocking chairs are also comfortable.

Commissioner Zakar encouraged the other Board members to explore educational opportunities via the WSHA webinar series. Commissioners participating in 12 webinars are considered to have obtained certification for Board Education.

EXECUTIVE SESSION

As permitted by RCW 41.05, the meeting was moved to Executive Session at 2:55 pm. for approximately 15 minutes to discuss a personnel and credentialing matter.

RETURN TO OPEN SESSION

The Commission returned to Open Session at approximately 3:15 pm. Per the recommendation of the Medical Staff Executive Committee, the Commissioners approved:

**Initial Appointment:**

Muhammad Farooq, MD – Teleneurology

**Reappointments:**

A.B. Harris, MD – Emergency Medicine

Pete Peterson, CRNA – Anesthesiology

**Resignations:**

Emergency Medicine – Randall Fryer, DO; Cody Ellefsen, DO; Mark Mueller, MD; Tyler Pedersen, MD; JG Johnson, DO, Sara Ragsdale, DO;

Pain Management - Jeffrey Isperscu, MD

NEXT MEETING DATE


The next regular meeting of the Commission will occur on Thursday, May 23, 2019 at 1:30 pm.

ADJOURNMENT

There being no further business, the meeting adjourned at 3:15 pm.

Minutes recorded by Nancy J. Shaw, Administrative Assistant and Tom Wilbur, CEO.

  
Raymond King, President  
Board of Commissioners

  
Lynnette Elswick, Secretary  
Board of Commissioners