

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

October 24, 2019

In Attendance: Commissioners: Raymond King, Lynnette Elswick, Thomas Garrett, Lois Robertson, Terry Zakar; Tom Wilbur, CEO; Directors: Kim Manus, Walter Price; Chris Wagar; and Pete Peterson, CRNA; Controller, Casi Densley, Diane Anderson, John Stuvenga, Robert Rosencrantz, Rick O'Brien, Jen Allbee, and Nancy Shaw.

Excused: Jeremy Lewis, DO; RCS Director, Susan Schwartz, RN.

CALL TO ORDER:

Chairperson Raymond King called the meeting to order at 1:30 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: September 2019: Net Vouchers #213540 – #213949 and electronic warrants #2063 - 2086 in the amounts of \$1,231,886.02 and \$1,696,303.34, respectively, along with an automatic loan payment deduction of \$40,000 for a grand total of \$2,968,189.36.

Bad Debt/Charity Care: all-inclusive September District Write-off's for \$153,544.87.

APPROVAL OF PREVIOUS MEETING MINUTES

The regular September 26, 2019 meeting minutes were approved by motion made, seconded and passed.

BUSINESS FROM THE AUDIENCE:

Members of the audience and the Board congratulated Tom Wilbur on his recent Washington State Hospital 2019 Joe Hopkins Memorial award. Tom stated that he accepted the award on behalf of the entire district and thanked all of the staff members for their contribution, dedication and hard work to the district's mission.

Audience member Rick O'Brien reported back on the hospital HEAR radio system's progress, extending thanks to Pete Peterson for moving the project forward. Rick noted that Mark Ford spearheaded the project as a HAM radio operator involved in the Spokane network for paramedic emergency responders.

Robert Rosencrantz, audience member also noted that he recently observed a helicopter landing at the hospital that appeared to be having difficulty due to wind. He inquired whether there is an authorized alternate landing site in the event of inclement weather. He also asked that if there is no designated an alternate landing site whether there is a backup plan when the helicopter is not able to land.

Tom Wilbur responded, noting that helicopter landing issues are rare, but in the event that landing is not possible, alternate sites are located at the rodeo grounds and high school; Tom noted he wasn't sure if these were officially "designated" as landing sites but had been used in the past, when necessary. Pete Peterson added that ground units are dispatched in the event of inclement weather and the helicopters can't fly. The hospital can assign a nurse (with BLS experience) to attend patients in the ambulance for transport to Spokane. He noted this occurred only twice over the past five years.

COMMITTEE REPORTS

Joint Conference - Dr. Lewis was not in attendance at the meeting; Tom W. noted there were no significant issues to report from the medical staff point of view.

Finance: Casi Densley, Controller reported that the transfer of \$45,000 from the Board-Designated Fund to the General Fund, requested under Action items, is to close out final invoices for the ALF Advanced Care facility. The expenses are related to adding fire system pull alarms.

Casi reported that the Finance Committee confirmed that the holiday gift cards that go to all staff during Thanksgiving were approved as a component of the District's compensation plan.

Casi noted that the month was closed in 10 days; she plans to bring graphs and reports that include statistical data for the Board members to review in upcoming months.

The Accounting team has been working on finalizing the 2020 budget and completing the DSH and final nursing home cost report. Casi noted the cost report deadline was extended to December 31st (from Nov. 30).

Casi explained that under our recent annual audits, DZA had noted that certain internal controls were a concern. In order to better ensure compliance, Casi has been cross training staff members and working on additional separation of duties. With our small number of staff, this has been an added benefit for the department, as some staff members will be on extended leave in the near future. In addition, Casi noted that a new program, Positive Pay was recently implemented; the program verifies all check amounts on a daily basis and features acceptance or denial options.

Quality Assurance: Jen Allbee, Quality Manager presented comparative data taken from the Washington Rural Health Collaborative benchmark reports. The WRHC group met this morning and determined that they will not be changing the core clinical quality reporting measures in 2020; however, Sepsis, Code Stroke and Workplace Violence indicators will now be included.

Jan.-Aug. results: NHHS ranked 9 of 15 reporting hospitals; we currently are at 60 days with 0 falls. Inpatient readmissions within 30 days are well below the WRHC average – 18 readmissions have occurred year-to-date; the total for 2018 was 24; the State average rate is 15%. To date, the NHHS rate for 2019 is 2.5%.

Jen explained that the District is participating in the Coverdell Stroke program, which monitors core stroke measures: head CT's ordered within 20 minutes, etc. NHHS ranked 7 of 13 reporting hospitals; Jen noted that we continue to work toward improving this process. The Radiology team is also

working to improve head CT read/response times < 45 minutes, reducing all ED radiology read times to less than 30 minutes, and administering thrombolytic therapy within 60 minutes (for stroke patients), if ordered. Jen noted that this has occurred only twice in the past two years.

The Collaborative decided to measure six elements of sepsis infections in 2020. These include blood cultures, IV antibiotics, lactaids, and fluid bolus. CMS requires repeat Lactaid's within four hours; however our physicians don't necessarily always believe that repeat Lactaid testing is always necessary, and can depend upon a patient's underlying condition and treatment status.

The State is introducing new bills relating to workplace violence so monitoring incidents is a new measure for the Collaborative this year. NHHS reported 10 of these incidents for the year, ranking five of the nine hospitals that are reporting the measure. A workplace violence incident is defined as any incident involving patient-to-employee, perceived threats, employee-to-employee, anytime security presence is requested to assist with agitated patients requiring restraints. Tom W. noted that we will continue to stress our internal reporting here, particularly in the ED.

SUPERINTENDENT REPORT

2019-20' Strategic Planning outlines - Tom Wilbur noted that as he was preparing for the Board strategic planning session, and after reviewing the extent of the material/changes, he decided to forgo the planning session until after the election. He noted the our core targets have only minor changes and our staff time is currently better spent on the 2020 operating/capital budgets, interim cost report, and other year-end close. Strategic planning will commence over the next 5 to 6 weeks; Tom plans to conduct a manager/leader retreat to review the "big bullet" targets for 2020. We will prioritize targets, cascade goals, and continue to identify the measures that will improve our metrics/processes.

Tom noted that our financial outlook remains on a positive path (balance sheet and cash flow stable, w/340(B) funding in place), and barring something completely unforeseen on the legislative front, we will press on into the value-based realm. He stated that we will continue to move to support wellness and improve access to care as we transition; and try and monetize the work we have already started.

He noted that we built our care coordination systems through grants, (BHT, State, and ACO funding); although there is no guarantee on "payment for health," we will continue to consider how best to manage medical care, health/wellness, and integrated models, maximizing our new assisted-living facility and capital planning to contemplate the next iteration of NHHS. Our goal is to drive focus/clarity for staff: align managers, directors, and staff on specific targets that will push us toward meeting our mission. Our quad aim is accessible, cost effective services (w/a lean towards health/wellness), that are convenient and high quality. We will continue with quality/service performance measurement, managing functionality/margin, and clarifying design (refocus, align, repeat).

Tom announced that the District's care coordination team will attend the board meeting next month and present the important work that they are accomplishing every day. Tom reminded everyone that five years ago we did not have any care coordinators; now we employ five who are engaged with clients every day.

Commissioner Garrett asked what the District's HR leadership development program entails for 2020. Tom W responded that we will continue to center on the Franklin Covey models for staff/leadership development: 7-Habits (all staff), 5-Choices/Situational Leadership (managers), and 4-Disciplines of Execution (all). We will continue to be proactive onboarding new employees (start in general orientation) and pursue the wildly important goals (WIGS) every year – to cascade one to three meaningful projects (by dept./manager) each year.

Tom presented results of our 2016-18' RMACO program and a brief overview for a NHHS 2021-ACO v.2 model – which will be one of the big strategic initiatives to finalize in 2020. The other "biggies:" EHR system platform (to EPIC), monitoring our size/services, capital planning (utilization of LTC/Circa '58 space vs. building something new), address parking/way-finding, and value-based ACO/ACH monetization.

Tom noted that when we started to entertain value-based models in 2014-15,' the CMS ACO model had just rolled out, the WA State-1115 Waiver application was just being finalized, and the ACH model was only an outline. At that time, we looked at the next four years with "complete and total uncertainty!" Now, five years in, we are feeling much better in our position. We are fully engaged, learning, and doing the work. We are exploring means to balance revenue shifts, keep people healthier, and continue to identify the "2%" population with huge health disparities. We have utilized funding, built systems, and are adding performance/service metrics to ensure our financial viability.

To date, the fixed costs/services added have been matched with grant/other funding and shared savings; however, the continued timing/shift to value must be managed. Tom noted that larger health systems are pushing management out to regional health systems and explained that Denny Lordan of Providence Health will be here to discuss telehealth options with our medical staff in November. Our goal is to keep patients local, especially as the larger tertiary hospitals are facing capacity problems, nursing shortages, and full ICU's. Tom explained that we will continue to use technology/informatics and consider telemedicine as a virtual tool to shift services and create value to consumers.

The HCA/1115 Waiver transition is in full swing and on schedule to be complete in 2022 – Tom noted that the majority of State's commitments are on-track with the exception of developing an alternative payment model. NHHS remains on track to receive all funding due us for its participation under the program and we are well ahead of VBP contract targets. By 2022, the State expects 50% of payments to be in advanced payment models. We have two value-based contracts with Molina and Amerigroup that pay based on value with shared saving and no downside cost risk.

Our goal remains to continue learning, work through the WRHC collaborative and BHT to review comprehensive, population-based payment models. Tom reviewed the 2016-2018 ACO data, noting there was improvement with each progressive year on care coordination, reimbursement savings, and quality metrics, etc. – we have shown we can perform the work necessary under the VBP models.

Care Coordination - audience member, Rick O'Brien stated that approximately two years ago Pend Oreille Paramedics solicited support from the community to support a plan for Fire District's EMTs and Paramedics to provide outreach/care coordination services; Rick asked whether anything transpired as a result? Tom W. stated that the typical paramedic outreach model involved post-acute follow-up care, for those communities who didn't have care coordination available. However, at present, District Care Coordinators call the patient and/or a nurse, pharmacist, or licensed social

worker goes to the home for follow up. Tom stated that the paramedic involvement hasn't necessarily been needed. However, we have explored the role of using paramedics to identify "frequent flyers" who may call repeatedly, but do not have an acute condition and are not necessarily transported to the hospital. Can those folks be looped into the health home program? We continue to look for means to build care coordination within the County for patients with chronic conditions.

RMV-AC – we will continue to monitor our run-rate, cash flow, and census; the current combined census is 86 residents (up from approx. 73 on Aug. 1).

Recruitment – Dr. Lisa Matelich, family practice MD from Colorado plans to begin her practice in Fall 2020; her experience has included an ACO model with integration of behavioral health and chemical dependency. Tom stated there is also a lead on an FP w/surgical OB candidate to begin in February to primarily cover call.

Commissioner Robertson asked if Dr. Kersting's patients are being referred to our providers. Chris W. noted that Dr. Kersting has been very proactive in ensuring his patients are experiencing a positive transition of care. She also announced that a farewell party to honor Dr. Kersting is planned for October 31st, in the clinic classroom, from 11 am to 1 pm.

NHHS/SEIU RN Contract negotiations are scheduled to for Oct. 30th / Nov. 1st, and we remain confident all parties want this process to go quickly. With the potential change in family medical coverage and open enrollment, all parties are motivated to make this work. Stay tuned.

ACTION ITEM AGENDA

Fund Transfer to Pay Final Closeout Costs – as discussed previously, a motion made, seconded and passed unanimously authorized the transfer of \$45,000 from the Board Designated bank account to the General Fund bank account to complete payment for outstanding invoices and one change order for the RMV Advanced Care facility.

Proposed Changes to District Medical/Dental/Vision Cost Share Program – Following discussion, Commissioner Elswick moved to approved changes to the District's Cost Share Program as recommended by the Benefits Committee; the motion was seconded and passed unanimously.

Capital Purchase – Snow Equipment – Following a motion made and seconded, the capital purchase of snow removal equipment (portable sander) was unanimously authorized in the amount of \$7,300.

OTHER BUSINESS:

Tom announced that the NHHS Foundation Board pledged \$75,000 to support the purchase of a 3D Mammography unit.

Commissioner Robertson announced that the Annual Women's Health Seminar will occur on October 26, 2019 at the Priest River Events Center. The free event, in its' 5th year has been very well received by the community members and will include inspiring women's health speakers, and a free luncheon.

EXECUTIVE SESSION

As permitted by RCW 41.05, the meeting was moved to Executive Session at 3:15 pm. for approximately 20 minutes to discuss personnel matters.

RETURN TO OPEN SESSION

The Commission returned to Open Session at approximately 3:35 pm. There was no action taken.

NEXT MEETING DATE

A Special budget hearing meeting of the Commission will occur on Friday, November 15, 2019 at 1:30 pm in the Newport Health Center clinic classroom.


Due to the Thanksgiving holiday, the next regular meeting of the Commission will occur one week earlier on Thursday, November 21, 2019 at 1:30 pm.

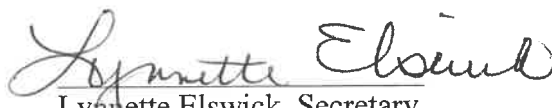
The December regular meeting of the Commission will occur December 19, 2019 at 1:30 pm in the Sandifur meeting room and is one week earlier than usual due to the Christmas holiday.

ADJOURNMENT

There being no further business, the meeting adjourned at approximately 3:40 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-