

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

November 21, 2019

In Attendance: Commissioners: Raymond King, Lynnette Elswick, Lois Robertson, Terry Zakar; Tom Wilbur, CEO; Directors: Kim Manus, Walter Price; and Chris Wagar; Controller, Casi Densley, Diane Anderson, John Stuvenga, Robert Rosencrantz, Jenny Smith, Jen Allbee, Trina Gleese, David Easley, RPH, Denise Rowsey, Alicia Bell, Jodi Bezold, Michelle Ells, and Nancy Shaw.

Excused: Thomas Garrett, Commissioner; Dr. Jeremy Lewis, Chief of Medical Staff; Susan Schwartz, RN, RCS Director; Lynn "Pete" Peterson, CRNA, Director of Nursing;

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: October 2019: Net Vouchers #213950 – #214426 and electronic warrants #2087 - 2113 in the amounts of \$1,444,918.65 and \$2,621,755.87, respectively, along with an automatic loan payment deduction of \$40,000 for a grand total of \$4,106,674.52.

Bad Debt/Charity Care: all-inclusive September District Write-off's for \$176,466.98.

APPROVAL OF PREVIOUS MEETING MINUTES

The regular October 24, 2019 and Special Board November 15, 2019 meeting minutes were approved by motion made, seconded and passed.

BUSINESS FROM THE AUDIENCE:

Members of the District's Care Coordination team were welcomed and introduced by Chris Wagar, who noted the team is managed by Clinic Manager, Glenn Talmadge (who was unable to attend the meeting). The team members include: Denise Rowsey, Michelle Ells, Sarah George, Jodi Bezold, Alicia Bell, and David Easley, Rph. Diana Bernard also assists with social service needs from time to time. Each team member explained their role and involvement with health population oversight and chronic disease management with our community's high risk populations.

Denise Rowsey, RN addressed the group and explained that the team members are very passionate about working together in their care coordination efforts. She shared specific examples related to the patient appointment experience and what occurs between provider visits including addressing medication management, referrals, health complications, etc. Denise specializes with diabetic clients and visits patients on a one-on-one basis, holds regular educational classes, calls patients, assists in managing blood sugar levels, and assesses social determinants which could impact management of

their chronic health condition. Each day the provider schedules are reviewed in anticipation of lab results, insurance coverage, etc. Denise is also available to the providers during patient appointment times. There are approximately 1,100 diabetic patients that are seen at the clinic; of these, Denise actively assists with approx. 110 (of 200) that have A1c levels > 9. This has had a positive impact in improvement of patient outcomes, provider satisfaction, decreased costs and unnecessary ER visits.

Chris added that the focus is primarily on preventative care; Denise and Michelle stated that the team is learning as they progress and the members are truly pioneers as development of these programs is new. Michelle has worked with children with Asthma and Diabetes in coordination with the school district nurses and works with clients with hypertension in the clinic. Denise noted that she recently attended a conference in Seattle and noted that we are far ahead of even our much larger "system" peers in care coordination and health management.

The team is also implementing a chronic care program whereby providers may order home visits for patients with multiple chronic conditions; they work together with the Pharmacy and Rural Resources in an effort to identify support for patients that may require further assistance. Findings are noted in the client's health record with follow up phone calls being made by the nurses. Funds are provided under a pilot project by an Empire Health Foundation medication management grant at this time.

Alicia Bell oversees Medication Assisted Treatment (MAT) for clients struggling with opioid addiction and assists in connecting patients with needed services along with care coordination within the clinic program. Results have been found to reduce mortality in management of Suboxone medications. Chris added that the service has proven to be a beneficial resource for patients in need.

The entire team was thanked for attending and their efforts in providing this important service to our patients and community.

COMMITTEE REPORTS

Joint Conference - Dr. Lewis was not in attendance at the meeting; Chris Wagar noted Dr. Lewis called to relay there is nothing significant to report and questions may be directed to him, if needed.

Finance: Casi Densley, Controller reported the department is looking into contractual adjustments; as there has been a slight bump in AR Days. Overall, mammography services were up (October was breast cancer awareness month); clinic visits, deliveries and surgeries were also higher.

The department has been very busy with finalizing the 2020 budget, completing the DSH and final nursing home cost report, and preparing for a visit from the State Auditors prior to month-end. Under our recent annual audits, DZA reported certain controls around check verification were a concern, due to size (number of staff). To better ensure compliance, Casi implemented a stop-gap system that verifies all check numbers, amounts and dates with the local bank. In addition, the department's team has been cross training to ensure there is adequate staffing during absences and vacations.

Quality Assurance: Jen Allbee, Quality Manager presented comparative data taken from the Washington State Hospital Association benchmark reports. The Partnership for Patient report was shared that included the Antimicrobial Stewardship data. The team meets weekly and participates

with UW. The State-wide focus is to reduce antibiotic use. Some Alaska hospitals were included in the new data sets.

Sepsis Protocols - Jen explained there was one case only during 2019 and 2018 for patients diagnosed with severe sepsis or septic shock after being admitted to this hospital.

Other inpatient comparative data included Coumadin, Hypoglycemia, and Narcan. Jen noted there are hospitals in which we are not certain are reporting; therefore the comparative data ranking may be off. She noted the Narcan (opioid reversal agent) measurement ensures we are not over-utilizing opioids. Jen noted our one case involved a chronic pain patient who was very ill and deteriorating; Narcan was administered as a precaution; however it was found that an overdose was not the cause of his problems and he was subsequently transported to Spokane.

Three falls with injury were noted from Q3 2018 to Q2 2019; Last year at this time there were 11 falls. Diabetic measures include all clinic patients. Our clinic ranked 31 of 35 reporting. Data comparison accuracy may be questionable, as not all facilities measure A1c levels.

Tom W. noted that we still struggle to obtain and confirm global reporting measures that are meaningful and comparative amongst all entities – some of the problem relates to how data is transmitted from the clinic health record to external sources.

Jen explained that CMS uses a 5-star rating system for Medicare hospital providers, with 5 being the highest score. Ratings are based on 40 quality measures based upon patient's health, care coordination, customer service, among other performance measures. Jen received notification from CMS that Newport Hospital will receive a 4-Star rating in 2020 (up from a 3-Star in 2019).

SUPERINTENDENT REPORT

2019-20' Strategic Planning Outlines - Tom Wilbur provided materials for the board to review and prepare for strategic planning during 2020. He included our foundational principles, core initiatives, and defined strategies that are in play today; and looking forward over the next several weeks post budget. The outlines will preface our conversations/future planning moving forward; he encouraged the members to be sure to ask questions throughout the process.

Tom noted we should have the final EHR cost estimate (EPIC) by December 5. The Blue Tree Consulting firm (now owned by Providence Health Services) has been a key resource to assist us to transition from our current Meditech/Centricity systems. We are diligently trying to ensure we have an all-inclusive price; though we will still add a 10-20% contingency fee, such is the industry history on conversions. Tom indicated that all add-ons, links, products, etc. have all been considered and discussed in order for Blue Tree to have complete and accurate information for the estimate.

Tom noted that once the transition begins the NHHS team will be involved in intensive training and likely not in a position to address any other major tasks or goals until conversion is complete.

Tom overviewed a few of our NHHS leadership (director/manager) “core goals” in play the last several years on which cascading/goal setting have been predicated:

- Perfecting our service cycle: timely/correct/necessary - do it right, first time every time, and to assist clients in understanding their out-of-pocket expenses in advance (which is a difficult endeavor to practically apply). He noted there is much variability in the system and many times we are challenged with payer pricing/reimbursement and remaining transparent in relaying pricing to our patients.
- Quality metrics and patient satisfaction – leader choice: pick a target from the literal hundreds to choose and build a program to improve our metrics.
- Transition to VBP model – be it ACO trails (we paused in 2019, but will need to prepare in 2020 for a 2021, ACO-v.2 start), VBP contracts with MCO’s, and BHT/1115 waiver funding – continue to learn how to transition. Tom still desires to strive to keep first dollar premium, while limiting risk. There is no existing system in play, but we will continue to forge ahead.
- Capital planning - by June ’20 we will complete a new facility plan to determine gaps, space issues, regulations, etc. He does not believe that the circa ‘58 building would ever meet Code standards.

Although we remain ahead of our peers - as noted previously, glaring holes remain in utilizing and publishing meaningful data, using it to our optimal advantage, and still meet the community’s needs while maintaining a bottom line. Tom explained that the District’s leadership group is in the process of reviewing the 2019 goals and considering our key goals for 2020 and regional affiliations.

Jenny Smith reported that Dr. Jones will be attending the local schools once a month under a grant funded by Better Health Together Accountable Community of Health program. Jenny is hopeful that we will be asked to continue with the application process as Newport School District Superintendent Dave Smith indicated it would be very advantageous to have a physician come to the school one day per month to address those students in need of assistance for chronic conditions, immunizations, and well checks. Jenny added that Dr. Jones is very supportive of the program idea. There will be no cost to NHHS and the school District has saved approximately \$15,000; plans are to use these funds to create spaces for an exam room, table, and travel. We will bill for the service, which will initially be provided to kids covered under Medicaid/MCO programs. Chris Wagar noted this will be a starting point and could possibly expand to other populations.

Recruitment/Retention - issues remain with recruiting staff/ providers, and staying ahead of managing population health. Tom explained that our regional partners are boarding 100+ psychiatric/long-term patients daily; which can cause capacity issues for transferring patients to town. Telemedicine will likely play a key role in partnering with our regional peers for Acute, ICU, and Psych treatment for our patients - both while they are here or transferred.

Tom announced that members of the N. County Hospital Dist. 2 have contacted us requesting support—he noted this will require a creative approach, possibly utilizing tele-medicine, as it will be difficult to staff with “live” bodies at this time.

Jenny Smith reported the Pend Oreille Health Collaborative; (a sub-committee of the Pend Oreille Health Coalition) completed the Community Health Needs Assessment. She explained that five

priorities were identified; mental health being a major factor. Health equity gaps can be based upon race, gender, age, or income levels. The Committee's disparity level assessment was based upon age.

The POHC focused on youth depression (by grade level) and found this to be prevalent at the 10th grade age group. The project was submitted; Jenny noted funding could be as much as \$180,000 to benefit the County.

Jenny explained that three strategies were implemented: 1) integrating youth perspective; 2) increased community connectivity and management opportunities for adults & youth; and 3) integrating youth perspective/reduced stigma associated with behavioral health issues. The focus will be to provide self-care wellness opportunities, increase referral capacity and resources using networks, and training specialists and counselors. Thirteen organizations support the effort and signed MOU's. Jenny stated that three of the school districts are engaged (a first for the Coalition). More partners are expected to join in January.

The Board members thanked Jenny for her efforts and continued vision.

Tom explained that he recently followed up with Carol Stone, who recently submitted a letter of concerns related to her sister's stay at RMVAC.

ACTION ITEM AGENDA

2019 Non-Contract Staff Compensation Plan – Kim submitted the 2019 bonus structure with the year-end projections. She noted that estimates were calculated based upon year end cash on hand – predicted to be 117 or higher. Each target was weighted by percentage with a maximum bonus payout of \$800 per FTE (2,080 paid hour) employee. Kim provided a year-over-year data comparisons and measures were reviewed and discussed. She noted that using the measures developed last March, the outcomes equated to a \$736 threshold.

Manager outcomes were also reviewed, noting it is dependent upon individual department performance. Included in the matrix was the total dollar impact. Kim explained that State Auditor requires a designed bonus plan, and a motion to approve the fund distribution at a future date. The Finance Committee discussed this and determined that eligible employees must remain employed through November 30, midnight. Bonus checks will be distributed the following week on Friday.

A motion made, seconded and passed approved the 2019 bonus compensation amount to be distributed equally amongst all eligible non-contract employees, based upon all benefit hours paid, not to exceed a total of 2,080 hours. Employees must remain employed at the District as of midnight November 30, 2019.

Kim requested a motion from the Board to approve a 2% annual cost of living increase for non-contract staff members; she noted the approval is requested in order to begin the calculations for next year. **A motion was made, seconded and passed unanimously approving a 2% annual cost of living increase for 2020.**

Resolution No. 2019-09 – this resolution was presented for approval to surplus the mammography machine that we are planning to replace; however, Chris Wagar stated that the machine remains in use, likely for several months. A motion was made; following discussion, it was determined to table the issue until the machine has been taken out of service. **The motion was rescinded via a motion made, seconded and unanimously passed.**

Resolution No. 2019-10 Capital Reimbursement – Mammo Unit / Endoscopes. Kim explained that the Resolution authorizes us the right to finance capital expenditures within 60 days of purchase using an LTGO bond issued at a future date, if desired – the right is secured via Resolution, but does not commit that the funds be borrowed. **Following a motion made and seconded, Resolution No. 2019-10 was approved unanimously.** Tom W. clarified that the Resolution must be approved within 60 days of spending; the loan can be received up to 2 years thereafter.

Ratify SEIU/RN 2020-2022 Contract – Tom W. explained the team did fantastic job ensuring that negotiations kept on track – he thanked Joseph for spearheading the management effort and the RN negotiating team lead by Doris Heibert, RN, as well – it truly was a collective effort. **A motion was made, seconded and passed unanimously to ratify the RN group contract thru 2020-2022.**

OTHER BUSINESS:

Tom discussed the possibility of constructing a storage/shop building behind our clinic. At present, we lease 2,400 sf. of storage space at approximately \$6/sf./year and have three garages across the District campus that will eventually be razed for parking. We will need the space. In addition, Pend Oreille Emergency Services (POEMS) has approached us with an offer to lease a call-house (our Spruce house) for an interim period that would need to have an ambulance barn adjacent. The new building could be used as the ambulance barn and transition to NHHS shop/storage, as needed. Tom noted he remains committed to support the local EMS/first response systems to ensure its viability. EMS/ambulance service viability remains a long-term problem in WA, particularly for rural providers – it is very difficult to make ends meet.

He noted that quotes have been obtained for a pole-style barn that can be installed at a cost of \$34-36K, electrical not included. Commissioner King agreed it makes business sense, considering the cost for leasing storage space from a third party. Tom noted he is not proposing a permanent floor at this time, based upon future parking/lot drainage considerations – he will check with our new Plant Manager and explore site options. **There was no action taken.**

The District Service Awards will be presented on Thursday, December 19, 2019 at noon.

EXECUTIVE SESSION

As permitted by RCW 41.05, the meeting was moved to Executive Session at 3:32 pm. for approximately 20 minutes to discuss personnel matters.

RETURN TO OPEN SESSION

The Commission returned to Open Session at approximately 3:50 pm. There was no action taken.

NEXT MEETING DATE

The next regular meeting of the Board of Commissioners is scheduled a week earlier due to the Christmas holiday to occur on Thursday, December 19, 2019 at 1:30 pm. in the Sandifur meeting room.

ADJOURNMENT

There being no further business, the meeting adjourned at approximately 3:50 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-