

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

July 22, 2021

Due to CoVid-19 protocols, the meeting was offered via tele-conference. Those in attendance: Commissioners: Terry Zakar, Robert Rosencrantz, Lois Robertson, and Susan Johnson; Chief of Medical Staff, Dr. Aaron Reinke; Executive Officers: Tom Wilbur, Chris Wagar, Kim Manus and Joseph Clouse, Others: Michelle Nedved, Newport Miner; Casey Scott, Susan Schwartz, Jennifer Johnston, Jen Allbee, Jenny Smith, John Stuvenga, Jane Tilley, Becky Dana, Regan Ireland, Jenny Smith, and Nancy Shaw.

Excused: Commissioner Lynnette Elswick; Theresa Hollinger, CNO; Chelsea Stumph, Trina Gleese and Casi Densley.

CALL TO ORDER:

Terry Zakar, Chairperson called the meeting to order at 10:05 a.m.

READING OF LEGAL NOTICE:

The regular meeting legal notice was distributed as required.

APPROVAL OF AGENDA / CONSENT ITEMS:

Consent Packet: Meeting Agenda, Auditors Report and Uncompensated Report. A motion made, seconded and passed unanimously approved the Consent Packet with one change to the Agenda: Commissioner Rosencrantz requested an action item addition to re-review the Pend Oreille Paramedics lease agreement and business association. He proposed a resolution/addendum to the Pend Oreille EMS Lease agreement approved at the June 24 meeting of the Commission. The Addendum language was reviewed and discussed. Robert expressed his concerns, noting the language was not entirely clear with regards to construction and use of the garage. Specifically, there should be a stated limit for the cost to construct the noted garage; the lease between PHD#1 and POEMS is in full force and effect and shall remain so; therefore, any expenditures will be presented to the PHD#1 Board of Commissioners for approval for construction or relocation of potential garage at 831 West Spruce St.

A motion made, seconded and passed unanimously approved the Addendum to June 1, 2021 Commercial Lease to Pend Oreille Paramedics. (Refer to the addendum for specifics).

APPROVAL OF PREVIOUS MEETING MINUTES

The June 24, 2021 meeting minutes were approved via a motion made, seconded and unanimously passed.

BUSINESS FROM THE AUDIENCE:

Chris Wagar reported on several items that were identified following the recent Board retreat: 1) status reports for residential care services and clinic; the Acct. Dept. continues to onboard/train to the budget-finance-reporting (BFR) system. Chris noted she is impressed with the features of the BFR program and shared a graph indicating census at RMV and RMAC. RMAC bed capacity is 54 and 45 at RMV; two rooms are designed to house couples; otherwise, the bed capacity is 41 at RMV. Chris will include the financial data, bed capacity and vacancy rate/percentages in the future.

2) Epic Reporting: the clinic visit data is being fine-tuned to eliminate duplicate entries. Chris included a report identifying the total number of visits by provider.

Commissioner Rosencrantz asked why \$8,700 was listed under EPIC Charity Services. Kim Manus responded, noting it was likely an Epic account created post go-live (vs. our Centricity and/or Meditech systems). If the patient qualified for charity care, the transaction would appear on Epic A/R.

Auditors Report – June:

Electronic Warrants Outstanding	422,209.23
Premier Warrants #301525 through 301796	1,037,450.01
Premier Electronic warrants: #400098 through #400099	109,143.46
Mountain West, Loan payment, disbursed 01/11/21	<u>39,453.85</u>
Total, warrants and disbursements	\$ 1,626,084.40
<u>Bad Debt/Charity: June, 2021, inclusive District Write-off</u>	\$ 151,799.96

COMMITTEE REPORTS:

Joint Conference: Dr. Aaron Reinke, Chief of Medical Staff reported hiring challenges in many departments, noting in particular the need for mid-level provider assistance in the ED due to high volumes (up to 50 patients daily). Jennifer J. noted the additional ED space (conversion of the ED waiting area) has been very helpful; after reviewing the data, she anticipates up to 1,000 visits by month end, noting there are 736 as of yesterday. In comparison, there are typically 7,500 ED visits annually.

Dr. Reinke noted there have been increased cases of heat stroke, dehydration and renal failure due to the extremely hot weather. Patients have indicated they are not able to schedule appointments at the clinic. Commissioner Johnson commented that Providence is having difficulty recruiting mid-level providers.

HR Update: Joseph Clouse, HR Director, provided the current Open Positions report, noting a resume was submitted for the Compliance Officer position. Two LPN positions will likely be filled post implementation of our proposed mid-year market adjustments. A NAC class is planned in September and Lisa Fisher is working closely with Theresa to recruit OB nurses next week via agency. HR has been “reverse” searching (i.e.- seeking posted resumes on a variety of sites) and contacting them to inquire if they are interested in working at NHHS. It was noted that a job description is being developed for Regan’s position, as she will be departing on August 4. Two resumes were located on the Indeed website for a Clinical Informaticist.

Finance: Kim Manus, CFO, reported PTO accrual solutions under the Paycom payroll system are still in process. A manual accrual was completed for Jan-June totaling approximately \$700K. Kim noted the 2021 year-to-date budget is on track. All providers are working on a guaranteed pay model; however, they are anxiously anticipating RVU reports to evaluate productivity. Kim explained several features of the Epic reporting system and challenges in the conversion process.

Kim reported that we received notification this week that our RHC encounter rate “future floor” will be established using the 2020 cost report – it was not previously undetermined – it could have been either 2019 or 2020. This is significant in that costs were up and visits were down during this period. Kim will provide updates as they become known.

The payroll protections plan [PPP (aka P3)] loan forgiveness paperwork is completed; next steps: submit paperwork for provider relief funds. There have been some changes in the rules and calculations, but we are closer to having final independent review (via DZA Accountants) and those should be submitted in the next couple of weeks.

Cyber Liability Insurance – Kim announced the renewal of our Professional Liability and Cyber policies. The District’s broker negotiated the cyber premium costs on behalf of the WA Rural Health Collaborative. Tom explained that the 15 hospitals involved in the Collaborative receive “group rating” but independent plan coverage. This has been beneficial for group premium pricing; the initial 3-year contract term ends next year; Tom noted premiums could be affected by changes in volumes or experience rating (NHHS represents very well w/experience/claims). We will look to purchase excess cyber liability coverage as a group (if available); Kim added we also moved to MFA technology (multi factor authentication), which requires a phone app for authentication to access District e-mail.

Kim is participating in a virtual 340B conference based out of Washington D.C. The focus has been to ensure an internal policy is in place that evidences use of the funds to serve the community. Patty Murray is slated to present next week. Most legislators are supportive of the program; however, big Pharma is pushing back due to the flow of cost savings to providers.

Commissioner Zakar commented that the online education has been valuable; she added that the Board and other senior staff would likely benefit from the seminars as well.

Quality/PI: Jen Allbee, Quality Manager shared patient satisfaction data extracted from the District’s new program, Survey Vitals. Many of the WA Rural Health Collaborative hospitals moved from Press Ganey to Survey Vitals to realize a savings of \$5-7K per year. The program features e-mail, text messaging, and interactive voice response in near real-time. Jen noted that CMS requires paper survey responses for inpatients. It was noted the response rate has greatly improved as compared to our previous vendor, Press Ganey.

Jen played a positive voice response for the group as an example. Chris noted that training is scheduled to occur in mid-August. In addition, she has been very impressed with the company’s performance and the ease of transition to the new system. Results will be reviewed at Quality Council meetings.

CoVid Update: Jenny Smith referred to the CoVid report, noting that Newport Health Center is now offering the Pfizer CoVid vaccine to established patients 12 years and older. Safeway and Super One are also offering vaccines. Patients that may be reluctant to receive the vaccination will have the opportunity to discuss concerns with their primary care provider. 102 doses are available at the clinic; 3 have been administered over a 2 week period.

33% of Pend Oreille County residents have completed the full vaccination series; 3% have received the first dose. Comparatively, 62% of Washington residents have received the full series with 6% initiating the first dose.

In the month of July, 3 new CoVid patients were admitted (as of July 20). Jenny noted extra small exam gloves have been in short supply; however, we were able to locate a supply today.

NHHS Laboratory has performed over 16,000 CoVid tests since March 2020. Jenny complimented the Admitting staff as well for registering the patients.

HR has implemented a new policy to address healthcare CoVid emergency standards.

Jenny noted that a new document was released yesterday and can be accessed via a link in the e-mail sent out to the Board members. The information indicates the variants present in each County. As of now, there is no Delta variant present in Pend Oreille County; however, the Alpha and Gamma are present. Evidence suggests that the Delta variant is highly transmissible as compared to the Alpha variant. Vaccines have been reported to be effective against the Delta variant.

Epic Conversion: Regan Ireland reported that we have entered a stabilization phase under the Epic conversion. Issues have slowed greatly as they are being corrected in coordination with Providence support staff, which is typical of the process. We have extended our participation with Providence leadership for two months in order to directly address concerns. We have experienced some frustration in accessing information for reports, as there are multiple methods to extract reports and data.

We are at the four month mark since converting to the Epic system. Regan noted several of the District's employees have participated in an e-learning module provided by Providence. Super Users have been designated in each dept. utilizing check lists for training purposes.

Regan announced her resignation due to personal reasons. She will continue in a consultant capacity to assist with the transition. Regan was thanked for her contribution and hard work in the Epic transition effort.

CEO Report: Tom referred to information in the packets, noting his request to the Board to complete the WIG's [Wildly Important Goals] and SWOT analysis [Strengths, Weaknesses, Opportunities and Threats]. The top three priorities: staff recruitment/retention, behavioral health/substance use disorder program, and capital planning.

Tom explained that our RCS/AL TSA contract has been extended; our RMVAC rates will remain in effect until the end of the year. Tom remains hopeful for good news, noting this is a State-wide issue to improve residential care reimbursement. He will remain diligent to find solutions to provide this important service in a fiscally manageable manner. He noted that residential care has never been a "profitable" endeavor on its face; our 2013-14 cost analysis (when we shifted to the RMVAC path) showed LTC carried a \$1.2M loss (including \$700-800K in allocated overhead). At present, those OH costs were shifted to the hospital and are being cost reimbursed. Tom stated this has been beneficial to our community and allows 85 residents to remain living locally with their families and evidences our commitment to manage losses and continue providing the service. Tom explained that many statewide facilities have "shut down" and converted to swing bed (hospital based) skilled nursing only.

Tom shared several of the key goals including: alternate health modalities – i.e. midwifery services, right sizing of the medical staff, value-based contracting, KPI reporting, facility planning etc.

Capital: Tom reminded the group that we hired the services of Trinity/NAC to complete the first order analysis on a 40K sf. "new building" with a target to resolve space issues for the ED, outpatient treatment, specialty clinics, therapies, lab, reconfiguration of OR space, and remove administrative houses/relocate staff, utilizing the space for parking. The cost estimate was \$29M (2022 dollars) to complete the entire package. Discussions then shifted to alternatives involving ED expansion, new Laboratory space (now at maximum electrical capacity) and remodel of existing spaces and also utilizing the former LTC building until a later date. Tom met with consultant, Doug Hammond to review the budget, trying to cap it in the \$12-\$15M range. A brief discussion ensued on financing, the cost reliability, and potential project phasing.

Tom included debt limit information, noting any capital expansion will not be voted debt; the M&O tax levy could be used solely as LTGO bond, allowing the ability to go to the Capital markets with a \$15M project - \$7M cash - \$8M borrowed, with flexibility. Tom shared a power point outline of the proposed changes. Tom will provide additional data and information as it becomes available.

ACO – PSW will be here for a site visit and discussion of rural health population management. We have started to receive preliminary ACO '21 VBP care data. Tom noted that cost settlements are not included in year-over-year costs (claims data only) – so our 2020 cost settlement (Tom guesstimated at \$1.0-1.2M) will not be included in 2020 baseline cost calculations for setting future benchmark years.

Commissioner Rosencrantz commented on the robust discussion related to the lease of the Spruce Street property to POEMS. Robert noted that the ambulance service is a private company and requires an arrangement that reflects (as a public hospital district); that our sole interest is protected. Robert noted this was accomplished and he is fully confident that the amended lease reflects the best interest of the hospital district.

ACTION ITEM AGENDA

Market Wage Adjustments. Tom W. explained that upon review of the mid-year Milliman Wage Survey results and mitigating market conditions, it has been difficult to recruit and/or retain staff in a number of key positions. Therefore, it became necessary to make adjustments to compete with regional wages. A mid-year market adjustment to nine job codes, affecting approx. 100 staff at a total annualized cost of \$450-\$500K was proposed.

ACTION: Following review and discussion, a motion made, seconded and passed unanimously approved the proposed market wage adjustments for the listed job codes effective as of payroll period #16 beginning July 18, 2021, paid on August 5, 2021.

Joseph Clouse explained we are experiencing difficulty recruiting obstetrical nursing staff. He proposed a \$5,000 sign-on bonus (specifically for RN's specializing in obstetrics) to be paid as follows: \$3,000 paid after 90 days and the remaining \$2,000 paid at the end of 2 years.

ACTION: A motion made, seconded and passed unanimously approved a sign-on bonus for RN's specializing in obstetrics in the amount of \$5,000 (paid as indicated above).

A broader discussion related to recruiting and retainage for all positions will likely occur at a later date. Commissioner Rosencrantz questioned the rationale; Joseph explained that Theresa is traveling to another facility to learn about other models for OB coverage and options. Commissioner Robertson suggested enlisting a nurse midwife as an alternative.

OTHER BUSINESS

There was no other business to discuss.

EXECUTIVE SESSION

As permitted by RCW 41.05, the meeting was moved to Executive Session at 11:50 pm for approx. 20 min. to discuss provider credentialing matters.

RETURN TO OPEN SESSION

The Commission returned to Open Session at approximately 12:10 pm.

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Per the recommendation of the Medical Staff Executive Committee, the Board of Commissioners approved the following privileges by motion made, seconded and passed unanimously:

Approval Re-appointment status:

Aaron Petersen, M.D. – Emergency Medicine

Amit Kansara, M.D. – Teleneurology

Lisa Yanase, M.D. - Teleneurology

Provisional Status:

Crystal Schluter, LICSW – Behavioral Health, Provisional Status

Cody Ellefsen, D.O. – Emergency Medicine, Provisional Status

OFF-SITE RADIOLOGIST – Provisional Status Approval

Rupinder Penna, D.O.

Ben H. LeCheminant, D.O.

David W. Holt, M.D.

Seth Gillham, M.D.

Terry Chun, M.D.

Marc Bruce, M.D.

Michael J. Lee, M.D.

Brent J. Kind, M.D.

Eric Graham, M.D.

Patrick E. Davis, M.D.

James Buratto, M.D.

Logan Bebee, D.O.

Provisional to Courtesy Off-Site Status

James Wang, M.D. – Teleneurology

Michael Posch, M.D. – Radiology

Phillip Smith, M.D. – Radiology

Elizabeth Jointer, M.D. – Radiology

Neha Mirchandani, M.D. - Teleneurology

Allison Tillack, M.D. – Radiology

Scott Bruschwien, M.D. – Radiology

Jason Roth, M.D. – Radiology

Resignations:

Jodi Bailey, M.D. – OffSite Radiology

Gregory Lewis, M.D. – OffSite Radiology

NEXT MEETING DATE

The next regular Board of Commissioner meeting will occur at 10:00 a.m., Thursday, August 26, 2021 in the Sandifur meeting room. The meeting will be available via ZOOM.

ADJOURNMENT

There being no further business, the meeting adjourned at approximately 12:15 pm.

Minutes recorded by Nancy J. Shaw, Executive Administrative Assistant.

Terry Zakar, President
Board of Commissioners



Lois Robertson, Secretary
Board of Commissioners