

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

October 28, 2021

Due to CoVid-19 protocols, the meeting was offered via tele-conference.

Those in attendance: Commissioners: Terry Zakar, Lynnette Elswick, Lois Robertson, and Susan Johnson; Executive Officers: Tom Wilbur, Chris Wagar, Kim Manus and Joseph Clouse. Others: Aaron Reinke, MD; Casey Scott, Casi Densley, John Stuvenga, Deanna Watson, Trina Gleese, Tim Rumph, Brent Broadstone, Leif Furman, Steve Kinney, Becky Dana, Melanie Endicott, and Nancy Shaw.

CALL TO ORDER:

Terry Zakar, Chairperson called the meeting to order at 10:03 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.

APPROVAL OF PREVIOUS MEETING MINUTES

The September 23, 2021 meeting minutes were approved via a motion made, seconded and unanimously passed.

BUSINESS FROM THE AUDIENCE:

There was no business from the audience to discuss.

Auditors Report – September:

Warrants #302493 through 302804	1,295,542.73
Electronic warrants: #400120, 400130-400131	
#400147-400160	231,249.17
Mountain West, Loan payment, disbursed 08/10/21	<u>39,453.85</u>
Total, warrants and disbursements	\$ 1,566,245.75
<u>Bad Debt/Charity:</u> September, 2021, inclusive District Write-off:	\$ 43,197.90

COMMITTEE REPORTS:

Joint Conference: Dr. Aaron Reinke, Chief of Medical Staff reported the providers are in a transitional phase as Dr. Jones moves into providing only hospital based care. The provider pay structure is at the forefront, as the CMS w/RVU shift is not tenable with our current contract structure. Dr. Reinke will propose his ideas and a framework during Executive Session.

Dr. Reinke noted that CoVid infections are on the decline.

HR Update: Joseph Clouse, HR Director, deferred to Casey Scott to provide the current Open Positions report. Casey noted there were approx. 31 openings as of October 22; currently there are 36

openings. Our recruiting effort is going well with 18 new employees hired during October; an L&D and two ACU med/surgical night shift RN positions are slated to be filled in the coming weeks.

Commissioner Zakar commented on the vacated greeter positions. Casey Scott stated that one greeter position was filled and the temporary HR Assistant position (6 month term), to assist with the additional workload for recruiting, filing, etc..., was also added.

Commissioner Johnson suggested recruiting volunteers for greeter position. Tom W. noted that the greeter position is an extremely sensitive role right now. Some in the community feel that masks are not necessary, so those on the front lines are: 1) feeling the heat; and 2) need to bring a skill set and demeanor to the role. It is not presently a volunteer type position.

Holiday Gift Cards – Casey explained the Board historically approves an annual holiday gift card benefit for employees and volunteers; the Board approved \$20 gift cards in 2021, the cost was \$7,600 for 400 gift cards. Casey proposed upping the gift cards to \$25 this year; explaining 360 cards – (including a 10% discount) would cost \$8,100, an increase of \$500 over 2020. There were no objections from the Board to continue this benefit.

Medical Plan Benefits/Premium Cost – Casey informed the Board that the cost increase for the 2022 employer portion was 3.61%, with a 3.48% increase to employees. Commissioner Johnson asked whether deductible amounts were changed; Joseph indicated there were no changes to deductibles.

Finance/funding: Casi Densley, Controller explained the State Auditors Office scheduled the District's 2-year accountability audit has been re-scheduled for January 2022 and will encompass the 3-years 2019-21, which is good for us. Casi is continuing to close the 2020 audit and financial statements.

The District received \$5.4M in Medicare Advanced Payments back in May 2020, which is now being paid back via claims withhold (started in April 2021), and have paid back approx. \$781K, to date.

CoVid Cares Act – the application was filed on Tuesday to determine the amount the District will retain and recognize in 2020 vs. 2021 periods. Casi discovered an inventory adjustment when we moved to the new Premier system and a new OR asset location was created. In doing the CARE's accounting exercise, it was noted the entry posted was incorrect (understating 2020 expenses by approx. \$250K) which would equate to a \$100K Cost Report refund. After consulting with DZA Accounting Firm, it was determined that we may re-file our 2020 Cost Report, because the 2020 RHC Clinic Encounter rate will be set as the "base-line" for all future cost report years.

Revenue Cycle – Kim explained our accounts receivable (AR) has increased dramatically since going live on Epic; noting the Providence claims structure set-up was incomplete and/or incorrect. She has also learned that other similar rural facilities on the PHS-Community Connect platform are doing a "work arounds" (e.g.- registering patients twice, coding twice, etc...). As a rural provider-based clinic/CAH, there are many unique rules and, although we were assured by Providence they could accommodate our needs, our claims have not been processing correctly. Claims have been placed on hold (by the District) and Kim contacted Bluetree Consulting, the firm that assisted us in selecting our systems (and wholly owned by Providence) and Community Technologies under a joint meeting with PHS on Monday. Based on the discussion, Kim feels Bluetree does have the resources and expertise available to accommodate our needs. She noted that we are unable to transmit claims until these issues are corrected and indicated we are fortunate to have received the \$5M advance payments from Medicare. AR has increased approx. \$3M since going live in March and we have submitted nearly 200 trouble tickets to Providence. Kim plans to engage Blue Tree to correct our situation and is working

thru the Rural Collaborative members to discuss the financial impacts with Providence. She explained that Trina, Julie, and Nicole have contacted other facilities in an effort to form a rural coalition to collectively address the issues as one, unified voice with PHS.

Kim also added that we are down two clinic Coders and are in the process of negotiating with HRG, a national billing company, to hire replacements. After speaking with other hospitals, Kim remains encouraged that the company will provide stability with our coding. Our commitment will likely require a two to three year contractual commitment. HRG provided an outline of their coding standards, which includes feedback to providers.

Commissioner Johnson commented that she doesn't support outsourcing services if local jobs can be maintained. Kim stressed there are no plans to outsource any other services and coders are very difficult to find right now; she will provide a progress report to the board members at the next meeting. Tom commented that we are building synergy with our Collaborative partners and noted that they would agree that this is an industry-wide dilemma.

RCS & RHC Updates: Chris included the monthly statistical reports. Clinic staffing held during the mandate transition, while residential care has struggled with staffing shortages - RMAC is down 15 NAC-s. Susan Schwartz wished to express her thanks to the Board members for offering incentive pay and overtime to staff to pick up additional shifts – it still remains less expensive than Agency staffing.

The NA-R program is being offered; however, the response to date has been low. Susan Schwartz hired one person and another is scheduled to interview next week. Commissioner Johnson suggested approaching the local school districts; Chris indicated we have done so and explained that Susan is being cautious to ensure that staff is not being over-extended.

Kim explained the State is granting a 6-month extension on our fixed rate contract for AL-EARC services in RMAC. It was noted that opening the 4th wing is out of the question due to our staffing challenges. Chris added the State requires facilities to be open for a full year prior to granting memory care licensure and Tom noted that RMAC has yet to receive their first survey (we opened Aug. 2019). He added that the State is aware that the reimbursement rates pose a huge problem and have yet to determine a solution or definitive answer to the problem – DSHS eligible clients can't find rooms.

Quality/PI: Jen Allbee was not in attendance; Chris noting she was at a Leadership Academy program. Chris reported the CMS Plan of Correction extension was granted and is in process; the Fire Marshall plan of correction will be submitted by the end of the week.

Chris, Theresa and Jen Allbee will be attending a DNV Conference next week in Reno, NV. Chris explained that DNV is a company that provides hospital facility Quality accreditation services. Members of the Collaborative hospitals have engaged the company and reported positive results. Chris will provide an updated report next month.

Survey Vitals is the District's new patient satisfaction survey program. The response rate has been very high in comparison to Press Ganey (former program); Chris explained she is working on the reporting format and will update in the near future. The HCAPS (inpatient) surveys are conducted in a paper format and should be received during the first week in November.

Chris reported an injury fall occurred in the Acute Care unit on October 11th that resulted in a fracture. The event was reported to the Dept. of Health as an adverse event; an RCA was conducted with all staff involved, which will be submitted by the end of next month.

Commissioner Johnson asked whether the hospital was on divert status recently. Chris explained that this has occurred several times and e-mail notifications were sent to the Board members. It was noted the facility experienced a recent lockdown due to a potential active shooter in the area.

Coronavirus Update: – Chris reported on behalf of Jenny Smith. She noted as of October 18th, the NHHS staff vaccination rate is 89%. Jan Steinbach provided donning and doffing and N-95 training to a number of employees that received religious or medical exemptions. Effective October 22, Pfizer, Moderna and J&J booster vaccinations are available for the recommended population. Following a question from Commissioner Johnson, Chris explained booster vaccinations are not included in the Governor’s mandate, but are recommended for those over age 65 and ages 18-64 for those in long term care settings, with underlying medical conditions, and those who live/work in a high-risk setting.

Commissioner Johnson asked what medical exam is being performed for fit testing. Chris responded, noting it is a new, OSHA Federal requirement that requires a 4-page health questionnaire prior to fit testing. Any “yes” answer requires the patient to see an Occupational health professional and subsequent fit testing. This was untenable; Chris approached other rural facilities and learned that airborne precautions will include requiring pappers and cappers, which do not require fit testing. She briefly explained the guidelines and requirements for employees.

CEO Report - Tom gave an update regarding the Governor’s mandate proclamation. Commissioner Robertson inquired as to the numbers of staff that were no longer working as a result of the mandate. Tom indicated from the beginning of the mandate until the end of the mandate approx. 50 staff members left employment; though not all were due to the mandate. Joseph indicated a loss of 17 employees on October 18th. Tom explained there were approximately sixty exemption requests submitted; of those, 36 were approved.

Tom added that managers and staff members are fatigued and decompressing, while attempting to regroup. He noted that case rates are similar to peak numbers of last winter, but are improved from a month ago. The Delta variant is an efficient strain; Tom is hopeful that we will be much closer to endemic stage rather than full pandemic onslaught. We continue to remain in survival mode.

Tom reported we are at a 60-90 day time frame until the EPIC fixes are resolved. He noted the issues are not localized and he remains hopeful that the Collaborative as a group will have the ability to facilitate a resolution.

Tom thanked the Board members for their support of our incentive compensation plan; noting that many employees have been appreciative of the Board’s support.

Strategic/Facility Planning – Tom explained we were made aware of a recent \$10M rural capital grant opportunity. The requirements were very competitive and could have potentially afforded us the ability to raze/rebuild the circa ’58 space; however, the turnaround time (due Oct. 12) and practical application were not feasible. Tom commended the work of Jac Davies and Jenny Smith for developing an outline; he remains hopeful another opportunity will present itself in the future.

ACO – The Q3 data has yet to be released; Tom is confident we will see shared savings for 2021. He noted that the District received Shared Savings funds from Molina (for the first time) and Amerigroup 2-3 times. He explained we have been involved with Molina and Amerigroup, our two ACO partners since 2017. Tom anticipates the data will be similar for 2021, based on run rates.

Chris Wagar noted that during an ACO Collaborative meeting held last week, quality dashboard items included the number of annual wellness visits (AWV). As compared to Skyline Hospital (120 lives,

40% AWW rate); NHHS was second in comparison (2,200 lives, 25% AWW) - all the other facilities are at a 3-4% rate. Chris attributes our success to our previous ACO involvement. Chris explained the logistics of scheduling visits and challenges we face and Tom noted our historical AWW run rate was approx. 30-35%; Dr. Tessa Reinke has been reviewing the data and sharing it with our providers. Tom remains confident that we will continue to improve processes and streamline scheduling. He noted that 2022 will prove interesting, as the 2022 baseline is based upon 2019 costs, inflated.

Provider Recruitment/retention – Tom stated that we moved providers to a guarantee model in 2020 due to CoVid, our EPIC system transition, and changes in the 2021 work/RVU values under RBRVS. We are currently seeking a primary care provider as Dr. Jones wants to transition to Hospitalist-based medicine, only. A locum's provider is under review for the beginning of the year with another provider graduating in July '22. A mid-level provider is also being considered.

Drs. Burns and Simpson will begin providing ED services January 1; Dr. Gill is moving out of the area.

In response to an inquiry from Commissioner Johnson, Tom noted that Crystal Schluter has been a positive addition to the clinic and District BH service line.

District Property Insurance – Tom explained that the insurance markets are in a bit of turmoil and we got caught up on a carrier transition under the re-insurance market. In 2020, regional fire risk maps were updated, due to the high fire losses over the last several years, and placed NHHS facilities within a mile of a designated fire danger zone. Travelers (our primary service carrier) was having trouble securing re-insurance and the District's insurance was dropped as a result of their "cleaning up" risks under their portfolio. However, after going to market, we will pay less and maintain the same level of coverage - total District's building value \$65M; business interruption/equipment \$40M; with flood and earthquake coverage \$5M.

Kim explained that we were required to purchase a separate policy for resident transport vehicle insurance. In addition, all drivers must be named and their motor vehicle records obtained from the Dept. of Licensing. She noted the premium is \$14,000.

ACTION ITEM AGENDA

Resolution 2021-04 – Surplus Property. 1) A surgical Glideslope is being traded in for \$600 credit against a new glideslope. 2) The oven portion of a range purchased in 2020 failed. The intent is to return the range to Home Depot for a full refund; however, Home Depot has not agreed to any return/refund terms. If terms are not satisfactory, we will surplus the range to maximize salvage/recovery value – i.e. 3rd party sale, auction, donation or consignment.

ACTION: The Board approved Resolution No. 2021-04 to surplus of the Glideslope and Range via motion made, seconded and unanimously passed.

Resolution No. 2021-05 – Changes to Authorized Signatories. Changes made to our Mountain West Bank account signatories: remove Walter Price and add Christina Wagar as Signer; affirm Tom Wilbur and Kim Manus as Signers.

ACTION: A motion made, seconded and passed unanimously approved Resolution No. 2021-05.

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Capital Purchase – Purchase New Kitchen Stove for Residential Care Services. The existing stove is inoperable and in need of replacement.

ACTION: A motion made, seconded and passed unanimously approved the purchase of a new kitchen stove in an amount not to exceed \$6,000.

Capital Purchase – Overage – Ultrasound Probe. The amount of this capital item was initially budgeted as Priority 1 for \$8,000; the quote was returned at \$8,470, which did not include tax in the amount of \$652.19 for a purchase price totaling \$9,123. There is no shipping charge.

ACTION: A motion made, seconded and passed unanimously approved the capital purchase overage of \$1,123 for an ED ultrasound probe.

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 11:44 am for approx. fifteen min. to discuss personnel matters.

RETURN TO OPEN SESSION

The Commission returned to Open Session at approximately 12:00 pm.

There was no action taken.

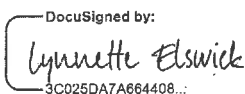
NEXT MEETING DATES

A Special Budget Hearing will occur on November 15, 2021 at 1:30 pm. in the Sandifur meeting room. The next regular Board of Commissioner meeting will occur 1 week earlier than usual due to the Thanksgiving holiday at 10:00 a.m., Thursday, November 18, 2021 in the Sandifur meeting room. The meetings will be available via ZOOM.

ADJOURNMENT

There being no further business, the meeting adjourned at approximately 12:45 pm.

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

DocuSigned by:

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Lynnette Elswick, Vice President
Board of Commissioners



Lois Robertson, Secretary
Board of Commissioners