

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

March 24, 2022

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

In Attendance:

Commissioners: Lois Robertson, Lynnette Elswick, Susan Johnson, Melanie Endicott, and Becky Walrath. Executive Officers: Tom Wilbur, Kim Manus, Chris Wagar, and Theresa Hollinger
Others: Chief of Medical Staff, Aaron Reinke, MD; Casey Scott, Glenn Talmage, Tracy Hinz, Casi Densley, Jane Tilley, Theresa Johnson, John Stuvenga, Chelsea Stumph, Becky Dana, Walter Price, Tom Garrett, Sara Rainey, Brent Broadstone, Nicole Kingery, Trina Gleese, and Nancy Shaw.

CALL TO ORDER:

Lois Robertson, Chairperson called the meeting to order at 10:02 a.m.

READING OF LEGAL NOTICE:

The regular meeting legal notice was distributed as required.

APPROVAL OF AGENDA / CONSENT ITEMS:

The Meeting Agenda, Auditors Report and Uncompensated Report (Consent Packet) were approved via motion made, seconded and passed unanimously.

Auditors Report –February:

Warrants #304119 through 304441	1,489,253.54
Electronic warrants: #400226-400240	286,765.07
Mountain West, Loan payment, disbursed 01/10/2022	<u>40,000.00</u>
Total, warrants and disbursements	\$ 1,816,018.61
<u>Bad Debt/Charity:</u> February 2022, inclusive District Write-off:	\$ 23,178.59

APPROVAL OF PREVIOUS MEETING MINUTES

The February 24, 2022 meeting minutes were approved via a motion made, seconded and unanimously passed.

OTHER BUSINESS:

There was no other business to discuss.

COMMITTEE REPORTS:

Joint Conference: Chris Wagar reported on behalf of Dr. Reinke, noting the significant staffing challenges we are facing in the OB dept. The physicians are concerned with the sustainability of the dept. and the prospect of physicians leaving the District. Theresa Hollinger added that she has been working with the physicians to discuss staffing, service limitations, and potential solutions.

Upon arrival, Dr. Aaron Reinke reiterated provider concern with the OB Dept. challenges and sustainability, particularly RN staffing. He noted the medical staff members remain committed to ensuring the success of the department and considering creative options. He noted the dilemma is not unique to our facility, and our providers may be considering relocating elsewhere if not able to practice obstetrics. Dr. Reinke stressed the need to be recruiting physicians and mid-level providers.

Commissioner Robertson suggested employing a mid-wife and asked Dr. Reinke if this has been considered. Dr. Reinke responded, noting that the medical staff is open to the idea, provided it is the correct fit. In addition, VBAC's have been considered, but determined it was not feasible due to safety concerns.

Commissioner Elswick asked if NHHS nurses have been OB trained; Dr. Reinke stated that unlike floating from ER to ACU, an OB nurse must possess specific skills and training, which can take many years. Theresa explained that our job postings have been opened up to those that may not have L&D experience in an effort to identify interest levels and possibly receive additional applicants. She noted that two graduate nurses have applied with no prior experience; however, one of them is not able to take call due to her living distance from the hospital. Another experienced nurse has applied and is interested in working in L&D; the dilemma remains with core staffing for deliveries and training. Theresa noted that Providence is willing to assist in orientation once a qualified candidate has been identified. She noted they would not be able to function independently for at least 12 months.

Finance: Casi Densley, Controller, reviewed the financial statements, noting our 2020 audit is now complete. The State Auditors accountability audit is also complete and a final review will be presented at the April board meeting. She briefly noted today's action item; explaining that our regular M&O taxes have been directed (auto deposited) into an LTGO Bond Fund account (initial bond for the RMV building) which has subsequently been paid off. The funds remaining in the account (approximate \$1M) will be reclassified under our Board Designated Funds to our capital acquisitions account. It is just a general ledger shift with no effect on balance sheet presentation.

The Noridian Medicare 2018 cost report audit is underway and expected to take up to 2 weeks.

Kim Manus explained our metric "AR Days" (days of revenue held in accounts receivable) effectively estimates the time from the patient being served until all payments are collected on the account – we are presently running at 60 days since our Epic conversion; our regular goal is 45 days. She noted claims can be held up for a number of reasons: claim transmission/submission errors (software and coding), denials for medical necessity, medical records copy requests, and any number of other issues, depending upon the payor. Claims generally can be re-submitted for up to a year. If not submitted within the specified time frame, the bill may need to be written off. Kim noted we have been using HRG to help on a coding backlog of claims and recently learned that HRG has sold out to another company; she will be watching that service closely over the next few months.

Casi explained that the Medicare accelerated payments were \$3.1M at the end of February, which is required to be paid back by the end of September.

Residential Care & RHC Updates: Chris W. included the clinic reports and distributed the residential care reports. She noted RMV census, which had been low at both facilities, was back on the rise post-Covid with RMAC census increasing to 50 residents – with all open beds spoken for and with a wait list. RMV occupancy has been steady. Chris is addressing private pay rates to ensure we are competitive with the market.

Rural Health Clinic – The reports were included with a slight uptick in visits since 2021. Chris anticipates a dramatic increase for the month of March, noting the impact during the Epic conversion last year. She explained that clinic phone system features have been revamped and updated due to concerns expressed in survey results, including providing an option to leave a

message at the five minute wait time to receive a callback. Chris is also monitoring specific data points such as hang ups or abandoned calls exceeding five minutes to review moving forward.

Dr. Tessa Reinke, the Clinic Medical Director has been formulating no-show and late appointment policies in an effort to streamline clinic operations.

Dr. Jones will discontinue with a regular clinic schedule effective March 31st, but he remains interested in assisting with a walk-in clinic service during his I/P call coverage weeks.

HR Update: Casey Scott provided a current Open Positions report and provided a packet for seven additional CEO candidates. He also received a resume today for the Compliance Officer position. He noted that our primary challenges remain in filling nursing positions: ACU/ER night shift and L&D. RMAC is presently staffed well with NA-C positions, but we will run another NA-C class is scheduled to start immediately follow the current one in progress to make sure we can prepare for opening a 4th neighborhood at RMAC, if demand continues to rise.

Safety Committee: the annual report will be presented in April. Chris stated that we are continuing to manage and monitor visitors (Covid protocols) and the Security Dept. has added hand-held metal detectors to be deployed by security officers if/when the need arises. ER lockdown drills are planned this year; Todd Balentine is addressing our key-card safety system. The Safety Committee updated the departmental safety inspection forms.

Quality/PI: Jen Allbee was not in attendance; Chris reported that a new position for Quality Analyst has been posted. Jen will continue as Quality Manager; the DNV training is scheduled to occur in June.

CEO Report – Tom W. provided several updates.

ACO Program – Tom shared preliminary Q4, 2021, ACO results, explaining the NWMHP-ACO is comprised of approx. 28,000 members in four Pods (Olympia, Lewiston, Vancouver, and our Rural PHD group). The ACO is measured by CMS as an overall entity but NWMHP tracks performance (on a per-member basis [PM/PM or PM/PY]). He overviewed the NWMHP's 2021 performance data, by Pod and overall, noting NHHS is grouped with the WRHC (rural) Pod. He reviewed the various PMPM / PMPY data, including quality/risk discounts, PMPM capitation loans provided by CMS (and repaid), and benchmark cost, spend, and savings generated by the ACO/Pods in 2021; noting that 2021 was again greatly impacted by the Covid pandemic. He noted the NWMHP is on track for another productive year (10% savings overall) with our WRHC Pod showing a 12%+ savings. Tom noted this was NWMHP's 6th consecutive year of generating savings. It was also the 4th consecutive year of savings generated by ACO's under which NHHS (rural PHD's) has participated – going back to our RMACO years of 2016-18.'

Tom provided a recap of total savings “generated” vs. savings “earned” by NHHS over four ACO years (PMPY and grand total) and two ACO model types (MSSP vs. CMMI). He noted that in our history under the programs, the VBP work/design/ACO waivers are virtually identical under CMMI vs. MSSP; the only difference between the two has been the shared saving “risk/return” under the programs. Under MSSP, providers incur no downside risk (when annual spend exceeds benchmark); however, shared savings is limited to 50% on any upside gains. Under CMMI, providers assume first dollar gains/losses under a pre-selected corridor range up to +/- 15%. He noted that provider's “collective aversion” to risk has cost them over **\$3.8 billion** in total forgone shared saving (gains) over the last six years under the two programs.

Tom overviewed detail CMS data showing total ACO returns under the two ACO program groups (MSSP: 2,800+ years; CMMI: 191 years of collective data) for the 2015 thru 2020 program years. General takeaways: the overall bell curve on annual returns falls in the +2%/+3% range; taking risk pays off (upsides higher and more often (65%+); year-over-year gains don't appear to negatively affect future year benchmarks; the larger the ACO, the less volatility; the longer a provider participates, the better they perform; and the Covid pandemic had a very positive effect on returns.

Tom noted that the hindsight 20/20 rule was in full effect; that it was unrealistic to assume anyone would have immediately entered into full-on +/- risk at ACO inception. However, after looking back, don't you wish we would have? He noted NHHS's total savings "generated" in four ACO years has been over \$4.0M, but we have only "earned" approx. \$400K due to our very rational (at the time) "risk avoidance." But now, as we enter into the second decade of ACO modeling and our 6th year (2023) of participation, shouldn't we rationally reassess our risk? We are much better prepared to do the work, can timely monitor our progress, and can ensure engaged provider/client participation. Focusing on tiered targets: highest risk first (2%, 5%, and 15% of the population represents 25%, 50%, and 65%, of care delivery spend), build better care systems, help clients to better manage their health/wellness/chronic conditions, and contract with carriers to share in savings (if we build better programs). It makes sense for us to get skin in the game, ensure we do the work to build the systems, and fully share in our earned savings!

Tom indicated that his goal remains to try to recruit WA rural providers (particularly, those who have performed ACO work) to expand our ACO lives (Rural TRC Pod) and enlist in the CMMI program (REACH) for 2023 in a 1st dollar +/- risk, 10% corridor. He noted he likely has no chance to succeed, but will keep the Board posted as he reaches out to engage those potential participants.

ACTION ITEM AGENDA

Covid-19 Crisis Standards of Care Plan. Chris Wagar, COO explained that the plan was presented at the February meeting; however, due to time constraints it was not approved. The plan addresses methods to extend limited resources as far as possible to benefit as many patients as possible in the event there is not ample staff, space or supplies to provide usual care.

A motion made, seconded and passed unanimously approved NHHS's Covid-19 Crisis Standards of Care Plan.

Capital Purchase – Kim explained that the Board approved a capital purchase of a new kitchen stove for residential care services in October; however, supply chain issues caused a delay in delivery until February 2022. Timing of the transaction requires a new motion by the Board to approve the purchase as a 2022 Capital purchase.

A motion made, seconded and passed unanimously approved the 2022 Capital purchase of a 36" restaurant range in the amount of \$5,768.63.

Financial Assistance/Charity Care Policy. Per Department of Health proposed changes, the District updated Charity Care policy was approved via a motion made, seconded and unanimously passed.

Self-Pay Legacy Account Write-Off. Following review and recommendation of the proposed designed by the Finance Committee, a motion made, seconded and passed unanimously approved offering a one-time discount to reduce the outstanding self-pay account balances residing in our two Legacy accounts receivable systems,.

Resolution No. 2022-02 – A motion made, seconded and passed unanimously approved Resolution No. 2022-02 to close old funds and consolidate two existing capital replacement funds.

Direct M&O Tax Revenue to Capital Replacement Fund. A motion made, seconded and passed unanimously authorized the District Treasurer to deposit future M&O Tax Revenues to the Board Designated Fund for Capital Acquisitions.

Capital Purchase for new Chemistry Analyzer. Following a motion made, seconded, and passed unanimously, a contingency amount in excess of the original Priority One Capital was approved. Kim explained that she will provide the exact dollar amount when it is determined.

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

TEMPORARY PRIVILEGES FOR EMERGENCY/DISASTER:

Jaron Lee, M.D.- Critical Care Intensivist
Vasiliy Sim, M.D. - Surgery/Critical Care Surgery
Israel Villanueva Jr., M.D. - Intensivist
Roman Bernstein, M.D. - Intensivist
Sanjay Subramanian, M.D. - Internal Medicine/Critical Care
Natalia Solenkova, M.D. - Internal Medicine/Critical Care
Anunpam Verma, M.D. - Internal Medicine/Critical Care/Infectious Disease
Lois Sakorafas, M.D. - Surgery/Critical Care Surgery
Dmitry Lisenendov, M.D. - Internal Medicine/Critical Care
Christopher Palmer, M.D. - Emergency Medicine/Internal Medicine Critical
Yoosif Abdalla, M.D. - Intensivist – Critical Care Medicine
Paula Shepherd, M.D. - Radiology Off-Site
William Lou, M.D. - Off-Site Teleneurology

OTHER BUSINESS

CEO Recruitment - Tom Garrett stated there is no requirement to publish a closing date on the CEO position posting. Tom has reviewed 17 resumes, noting there are approx. 6 applicants that he would suggest interview screening. He indicated that he would request a meeting with the Personnel Committee board members (Commissioners Johnson and Walrath) following today's meeting to obtain feedback. Tom W. suggested that the candidates under consideration should possess a background in current, CAH and RHC ALF, RSC services. He added that rural facilities can vary greatly – i.e. stand alone, system-based, etc.

Casey Scott stated the process to hire involves board member review of the applications and elimination of those who don't meet our qualifications. At this point, the HR dept. will notify those candidates who have not been selected for potential future screening interviews. The top candidates will be scheduled for a ZOOM screening interview with the Personnel Committee and

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Tom W., Tom Garrett, and Laura Hamilton, new CHRO. Thereafter, second interviews can be scheduled with a full interview panel.

Chris W. stressed that medical staff should be involved on the full interview panel. Tom Garrett suggested inviting Dr. Aaron Reinke to a ZOOM interview with the final selected candidates. Commissioner Elswick also suggested inviting Dr. Jones. Casey Scott stressed the need to develop consistent interview questions. Tom Garrett developed a set of questions and Casey Scott stated that a library of interview questions specific to the position has been developed.

NEXT MEETING DATE

The next regular Board of Commissioner meeting will occur at 10:00 a.m., Thursday, April 28, 2022 in the Sandifur meeting room. The meeting will be available via ZOOM.

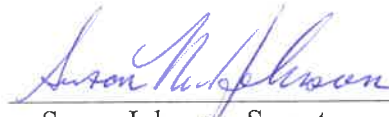
ADJOURNMENT

There being no further business, the meeting adjourned at approximately 12:40 pm.

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



Lois Robertson, President
Board of Commissioners



Susan Johnson, Secretary
Board of Commissioners