

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

September 22, 2022

In Attendance: Commissioners: Lois Robertson, Lynnette Elswick, Susan Johnson, Melanie Kiss, and Becky Walrath; Executive Officers: Tom Wilbur, Kim Manus, Chris Wagar, and Theresa Hollinger. Others: Jenny Smith, Jane Tilley, Tammy Roberts, Monica Wiese, Melody Brown, Rhi Drake, Sara Rainey, Becky Dana, Kim Bradstreet, Walter Price, Deanna Watson, Casey Scott, and Nancy Shaw.

Excused: Aaron Reinke, MD; Casi Densley, Controller and Laura Hamilton, CHRO.

CALL TO ORDER:

Chairperson Robertson called the meeting to order at 10:01 am.

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 – August:

Warrants #306074 through 306360	1,556,627.40
Electronic warrants: #400300-400339, 400341-400353	701,174.27

Mountain West, Loan payment, disbursed 08/10/2022	40,000.00
Total, warrants and disbursements	\$ 2,297,801.67

Bad Debt/Charity: August 2022, inclusive District Write-off: \$ 2,078.45

APPROVAL OF PREVIOUS MEETING MINUTES

The August 25, 2022 meeting minutes were approved via a motion made, seconded and unanimously passed with the following correction: Pg. 1 – Finance – Kim Manus, CFO vs. COO.

COMMITTEE REPORTS:

Joint Conference: Aaron Reinke, MD, Chief of Medical Staff was not in attendance.

Finance: Kim Manus, CFO, explained that with Casi Densley (Controller) already out on leave and John Stuivenga (Financial Analyst) announcing his resignation this week, financial statements were unavailable and will be sent out next week. She noted the Finance Committee had met to discuss clinic issues: provider recruitment and lowered visit volumes.

Kim reviewed clinic visit trends from 2015 through August 2022. The data included annual FP provider days/visits – Kim explained a provider days is calculated at a quarter day for each two hour increment a provider is scheduled in clinic seeing patients. She noted our average visits/per provider day has remained fairly consistent over the years; which is good - documentation standards in the Epic system being more time consuming. However, our total annual visits are down (from 30K-31K/year in 2018-19' to 25K/year in 2021-22') due to the number of provider days we have maintained in clinic.

It was noted that Dr. Jones had transitioned out of the clinic (March) and Dr. Tessa Reinke has been on maternity leave since mid-June (but starting back in clinic soon) and we have two new providers (PA-C's: Jonathan McCord and Karla Rivera) that will be starting in October.

Kim provided a brief Medicare Cost Reporting history lesson for the Board, noting the shift of our RHC, Medicare Cost-per-Visit (Encounter) rate from \$244 (in 2018) to \$371 in 2021. Kim explained that historically there was no "cost limit" on a provider based RHC's encounter rate - the amount paid for every Medicare patient visit was simply calculated/paid (via settlement) using the Medicare cost report filed each year - determined using total allowable clinic costs divided by total allowable clinic visits. However, the rules changed in 2020 when CMS placed a cap on every provider based RHC's encounter rate - the lid being equal to their 2020 "as filed" cost report - which for NHHS was determined to be \$315 per visit.

Beginning in 2021, each RHC's Medicare encounter rate would be capped at 2020 cost adjusted for inflation - for NHHS the 2021 rate was \$319/visit ($\$315 * \text{MEI factor of } 1.014$). When that is compared with 2021 actual costs ($\$371/\text{visit}$), the \$52 difference (actual vs. lid), results in \$300K Medicare cost settlement lost in 2021 - which is also trending in a similar fashion (or worse) for 2022. Discussions ensued over the data trends, annual clinic costs, and the overall effect recruiting and marketing will have on our clinic numbers. Based upon the discussions, it was noted that recruiting should be reviewed to see if we should continue to add another provider.

Kim noted that Medicare Advantage (MA) plans are also being sold in the community even though we do not contract with most MA plan carriers (Kim adding the District receives no cost report settlements for MA patients), nor were the plans supposed to be offered in the County. Jenny Smith indicated she is developing a campaign to educate the community as to which Medicare Advantage plans the District contracts; noting that agents may not be making it clear with our patients who purchase plans that the District may no longer be available to them.

Tom noted that he would be addressing this issue in the future with The Rural Collaborative (TRC). He cited examples related to shared savings vs. Medicare Advantage plan coverage.

Kim announced purchase of the storage building on Spokane Ave. is complete and noted that discussions with Pend Oreille Paramedics (POP, LLC) to construct a temporary garage for their ambulances on the District property they currently lease (next to the call house). The building would be permitted by the City/County, but owned/maintained by POP, LLC - when the lease expires, the contract terms will require POEMS to remove the building from District premises.

The Board members discussed the proposition - all agreed this would benefit both the ambulance company and the District. Kim stressed that the agreement will be in the form of a written contract. **Becky Walrath motioned to allow Pend Oreille Paramedics to construct a temporary building under a specified lease agreement at 831 W. Spruce Street. The motion was seconded and passed unanimously.**

Kim requested time during Executive session to discuss a legal matter.

Nursing Services - Theresa Hollinger, CNO welcomed and introduced Kim Bradstreet, ACU Manager. Kim shared her background has been in nursing for 23 years, beginning at a Providence-owned hospital in a rural area. She worked at St. Peters Hospital in Olympia specializing in oncology and outpatient services as a charge nurse for 12 years. Most recently, Kim worked in Las Vegas involving clinical trial research and also with the VA for two years.

Theresa extended recognition to Sharon Jacobson, RN, who has announced her plans to retire at the end of the year, but who also made the effort to complete her 2023 budget and who has worked to maintain a cohesive team for many years.

The DNV plan of correction has been implemented in anticipation of an October 18 re-survey. Theresa explained that our corrective plan was accepted without any changes; however, when DNV re-surveys for condition-level findings, they will also review for NC (non-conformity) level 1 & 2 citations, related to policies and procedures. Theresa explained that NC-1 citations require corrective action in 60 days but we requested to extend the timeframe to 6 months due to the complexity and need for appropriate and proper policies for patient safety, which was accepted. We have engaged NA-C Architecture to draw plans for the ED construction/expansion, which will be submitted to DOH Construction Review.

The radiology equipment is working well. Theresa explained we plan to meet with Rad Speed to discuss issues with the manufacturer's counter response, noting it is lacking.

Patient diversion was discussed at a recent Tri-County Health meeting. Theresa explained that diversion may occur when depts. (typically ACU or ED) determine that it is safer for patients to go elsewhere than present at our units, due to lack of adequate resources. If District leadership makes the determination to divert, the ambulance services are notified to divert patients from our facility and transport to the next closest facility.

Commissioner Robertson requested details of the process; Theresa explained it begins internally when we assess and recognize that our resources are becoming scarce. If, after redistribution of patients and shifting nursing staff, resources remain low, District leadership determines whether to divert patients; which applies only to patients arriving via ambulance; the ED will continue to accept walk-in patients during times of diversion. Theresa noted that ER and ACU were on divert five times during the month of August, and two times in September for each unit, respectively. Reasons for diversion can vary, depending upon the number/acuity of patients. Commissioner Johnson asked how long diversion lasts; Theresa explained it is until we can adequately determine that patients are safer coming to NHHS than an alternate location, but generally last only a few hours, at most.

Theresa reported we are seeing higher volumes in the ED, and speculated there could be 9,200 visits by the end of 2022. A process improvement project report was shared with positive results.

RHC & Residential Care Updates: Chris Wagar, COO reported clinic visits were higher in August than July. The "next available appointment" statistics will continue to be shared.

Recruitment – Chris reported two PA-C's have been hired; Jonathan McCord will begin in October and Karla Rivera was hired today with a goal to begin October 17th. Karla has been working most recently at Providence Urgent Care. Chris noted she plans to meet with PAC's Keith Bell, Brian Taft and Chris Buscher, as well as Glenn and Deanna to strategize methods for building the new PA's practices – i.e. seeing walk in patients and same-day appointments. This should alleviate the extra patient load from the PCP's. Triage nursing staff remains short; solutions are being explored.

RCS - Chris referred to the current reports, noting census is up at residential care and that the furniture delivery for the new wing is expected within eight weeks. Kim explained our community town hall meetings to notify residents/families of rate increases will occur in the next month.

Safety/Security – Chris announced Aron Hutchinson and Jess Steward have announced their resignation from the Engineering Dept. Aron was recently named Safety Committee Chairperson. Todd Balentine has been interviewing replacements; Chris will be re-structuring the Safety Committee in an effort to comply with both DNV and State expectations.

The CODE (Blue, Red, Grey, Silver, Orange, Stork) protocols have been reviewed and approved via the Sr. Team.

HR Report: Casey Scott, Employee Services Mgr. reported on behalf of Laura Hamilton, CHRO.

There are currently 45 openings, with 14 new hires in the queue. Casey explained to Commissioner Johnson that our Covid-Techs are screeners at the front doors of the hospital and clinic and hired on a temporary basis and who may be eligible to move to open positions.

Quality/PI: Theresa welcomed and introduced Rhiannon Drake, Quality and Accreditation Mgr. Rhi explained she is a Certified Medical Assistant and holds a Bachelor's degree in Public Health, specifically epidemiology and considering a Master's degree at EWU in healthcare administration or public health. She noted she has 10 years of experience in clinical/surgical management of ortho and general surgery, analytics and healthcare system integration.

CEO Report – Tom Wilbur, CEO, presented CMS's latest MSSP ACO data (2021 plan year) and cumulative ACO savings for the 2015-2021 plan years. He noted the disparities in 2019 CMS data remain; however, total MSSP-ACO "net" savings over the seven program years was \$13.6B, of which providers kept \$8.4B – collectively, \$5.2B was foregone due to collective risk aversion. He noted pre-Covid (2015-19') losses netted to \$1.65B, with the 7-year MSSP-ACO giving up on average just over \$1.5M per year (avg. ACO size = 20K lives) on savings earned vs. collected.

Tom referred the group to the regionally operated ACO members including NHHS' participation under the Rocky Mountain ACO (2016-18') and NW Momentum Health Partners ACO in 2021 – the only next generation ACO model in the comparative group data. He noted our 2022 ACO returns weren't faring as well to date (only a 3.5% YTD savings) and that PSW's expectation of benchmark computations increasing had yet to come to pass.

OTHER BUSINESS

There was no other business to discuss.

ACTION ITEM AGENDA

Antibiotic Stewardship Leader Appointment – Jan Steinbach was previously appointed as the Antibiotic Stewardship Leader; however, following the DNV survey, it was determined that Cori Farrar, PharmD manages the antibiotic usage and data reporting and more appropriately should be designated as the Committee leader. Following recommendation by the Medical Staff, a motion made, seconded and passed unanimously, appointed Cori Farrar, PharmD to the position of NHHS Antibiotic Stewardship Leader.

Resolution No. 2022-06 – A motion made, seconded and passed unanimously approved Resolution No. 2022-06 to surplus property deemed no longer needed for District purposes, specifically a Vitek Laboratory analyzer.

Capital Purchase Cost Difference – The estimated cost for the ED Radio system exceeded the amount approved by the Board last month in the amount of approximately \$19,000. A motion made, seconded and passed unanimously approved the additional cost in the amount of \$19,000.

Resolution No. 2022-08 (Draft) – was presented for review and consideration during Executive Session to appoint Merry-Ann Keane as the District's CEO / Superintendent.

EXECUTIVE SESSION

As permitted by RCW 42.30.110(1)(g), the meeting was moved to Executive Session at 11:46 am for approx. thirty minutes to discuss legal and real estate matters.

RETURN TO OPEN SESSION

The Commission returned to Open Session at approximately 1:05 pm.

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

Courtesy Reappointments

Jared Wyrick, MD – Cardiovascular
Sherwin Foster, MD – Nephrology/Internal Medicine
Michael Schicker, DO – Orthopedic Surgery

Following review and consideration of Resolution No. 2022-08, a motion made, seconded and passed unanimously approved Resolution No. 2022-08 to appoint Merry-Ann Keane as the District's CEO and Superintendent effective October 31, 2022.

NEXT MEETING DATE

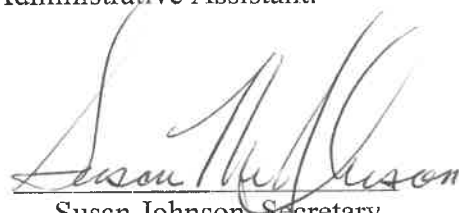
The next regular Board of Commissioner meeting will occur at 10:00 a.m., Thursday, October 27, 2022 in the Sandifur meeting room.

ADJOURNMENT

There being no further business, the meeting adjourned at approximately 1:10 pm.

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


Lois Robertson, President
Board of Commissioners


Susan Johnson, Secretary
Board of Commissioners