

Three Rivers Hospital

Board of Commissioners Regular Meeting

February 24, 2015

Minutes

The Three Rivers Hospital Board of Commissioners called a regular meeting to order at 8:00 a.m. Tuesday, February 24, 2015 in the Hillcrest Commons Area, 415 Hospital Way, Brewster, WA 98812. The presiding officer was Vicki Orford, Chair.

A quorum was present, including:

Vicki Orford, Chair
Tracy Shrable, Secretary Arrived at 8:03 a.m.
Mike Pruett, Member
Cherri Thomas, Member

Others present:

J. Scott Graham, Chief Executive Officer
Melanie Neddo, Chief Operating Officer
Jennifer Munson, Chief Financial Officer
Gretchen Aguilar, Chief Nursing Officer
Edgar Arellano, Information Technology Manager
Anita Fisk, Director of Human Resources
Jennifer Marshall, Administrative Assistant
Ty Witt, M.D.

Vision, Mission & Values

Board members read the mission, vision, and values statements.

Agenda

V. Orford added an executive session to follow board education. M. Neddo will provide a report on the lean methodology during S. Graham's administration report. C. Thomas motioned to accept the agenda, and M. Pruett seconded. Motion passed unanimously.

Previous Meeting Minutes

M. Pruett motioned to accept the January 27, 2015 regular board meeting minutes, and the January 27, 2015 town hall meeting minutes. C. Thomas seconded. Motion passed unanimously.

Consent Items

Charity care was \$17,925.30, and bad debt was \$107,418.79.

V. Orford noted payroll and vouchers needing approval as follows:

- Payroll total: Gross: \$511,158.85 Net: \$352,053.91
 - 1/18/15-1/31/15 Gross: \$261,131.11 Net: \$179,806.41 Employees: 108
 - 2/1/15-2/14/15 Gross: \$250,027.74 Net: \$172,247.50 Employees: 104
- Vouchers total: \$1,113,480.81
 - 1/29/15 75331-75549 \$33,392.57
 - 2/5/15 75550-75612 \$414,048.01
 - 2/12/15 75613-75631 \$179,165.16
 - 2/19/15 75632-75679 \$486,875.07

Three Rivers Hospital

Board of Commissioners Regular Meeting

February 24, 2015

Minutes

V. Orford has reviewed the medical staff applications and agreed with the recommendations to approve. M. Pruett motioned to approve the consent items, and C. Thomas seconded. Motion passed unanimously.

Old Business

None.

New Business

None.

Finance Report

The hospital had a small profit in January. Revenues were much improved. Salaries and wages were over budget; all the departments are still working on getting staffing levels in line with patient volumes. M. Pruett said the board appreciates the staff's efforts. S. Graham noted that the long-term answer to our problem is higher volumes, but for now we need to be as conservative as possible with staffing. Professional fees were also over budget mostly due to some unexpected legal fees. J. Munson expects an increase in cash flow in early March. As of this morning, revenue is \$942,000. February is typically a slow month. Inpatient days are about 58 as of today. The warrant balance is \$2.24 million. An expected check from Medicaid will help drop the warrants balance, which is higher due to payroll and arranging a six-month repayment plan to Medicare. DZA will be here the week of March 16. Last week, she and S. Graham visited with Leah McCormack, county treasurer. It was a positive meeting. McCormack approved of the hospital's strategic plan.

Foundation Report

None. V. Orford stated that the foundation is seeking volunteers.

Physician Report

None.

Administration Report

V. Orford asked why patient feedback data is delayed, referring to a feedback summary shared from December. In the future, S. Graham will compile the data in the administrative report; it gives more of a snapshot over time. V. Orford asked him to explain the labor ratio graph. The hospital is over-staffing. C. Thomas stated that managing staffing levels is difficult for everyone and requires a lot of discipline. M. Pruett asked about the status of the Department of Health survey. The staff has developed and submitted an action plan, and they're working on making those corrections. E. Arellano has requested an extension from DOH to allow more time for the fire doors to arrive and be installed. M. Neddo shared progress with implementing the "lean" philosophy. She and S. Graham are working on training managers in leadership meetings. A lot of the metrics being tracked and shared with the board are part of the lean methodology. S. Graham added that they're also teaching "The Four Disciplines of Execution" and developing a customer service training program. The goal by the end of the year is to break even operationally and maintain that so any extra revenue can be applied to the warrants balance. The hospital's property tax revenue has declined slightly. S. Graham reviewed the February strategic tasks progress. M. Neddo is working on pulling out more specific patient satisfaction data.

Three Rivers Hospital

Board of Commissioners Regular Meeting

February 24, 2015

Minutes

Satisfaction with the hospital in general is increasing, but it's decreasing in the ER and that's primarily due to provider complaints.

S. Graham encouraged the board members to review the new website mock-up and provide feedback. He will ask Cevado to rework the proposed logo. C. Thomas requested diversity in our photos. She thinks it's a great start.

Meaningful Use: C. Thomas would like to make sure we're well prepared for audits and have excellent documentation. She also asked if the hospital has applied for any exclusions, specifically for the summary of care requirement. If there are less than 100 transfers, less than 100 prescriptions sent externally, and less than 100 orders entered by CPOE, the hospital may qualify for an annual exclusion.

E. Arellano will look into that and report his findings to the board. He explained the process the IT department goes through to help patients sign up for Patient Portal. C. Thomas suggested making sign-up part of the patient registration process, so nursing or admitting staff would be taking care of it.

S. Graham reviewed a chart estimating where we are with meeting the strategic objectives.

ICD-10 Preparation Update

J. Munson noted that Nicky Markey shared a written update with the board. C. Thomas thinks it looks great. She stressed the need for physicians' understanding of what needs to be documented.

Education

C. Thomas presented a PowerPoint about Meaningful Use. State Medicaid, IOG and Flex Rule 2014 can all audit at any time. In Stage 3, some changes that are anticipated include higher percentages for core projectives, standardized patient-specific education, noting patient family history in documentation, and reporting any patient events to the referring physician.

Executive Session

V. Orford called an executive session at 9:25 a.m. to evaluate the qualifications of an applicant or to review the performance of a public employee, to last for 30 minutes. At 9:55 a.m., the executive session was extended by 15 more minutes.

V. Orford reconvened the meeting at 10:10 a.m.

T. Shrable motioned to give S. Graham permission to sign a contract with Coast to Coast, pending DZA's review. C. Thomas seconded. Motion passed unanimously.

C. Thomas motioned to approve the new organizational chart as explained. T. Shrable seconded. Motion passed unanimously.

Public Comment

None.

Upcoming Meetings

V. Orford reviewed the meetings listed on the agenda:

- All-Staff Meeting: 7:30 a.m. Wednesday, February 25, Hillcrest Commons.
- Quality Assurance Meeting: 7:30 a.m. Thursday, February 26, Room 105.
- ER Multidisciplinary Meeting on March 4: Canceled.

Three Rivers Hospital

Board of Commissioners Regular Meeting

February 24, 2015

Minutes

- Northwest Rural and Critical Access Hospital Conferences: March 17-19, Spokane.
- Medical Staff Meeting: 7 a.m. Wednesday, March 18, Room 105.
- Board Meeting: 8 a.m. Tuesday, March 24, Hillcrest Commons.

J. Munson will not be able to attend the rural health conferences in Spokane next month due to DZA's arrival that week. V. Orford and M. Neddo still plan to attend.

Adjournment

C. Thomas motioned to adjourn the meeting at 10:14 a.m. and M. Pruett seconded. Motion passed unanimously.

ABSENT WITH PERMISSION

Vicki Orford, Chair

Jerry Tretwold, Vice-Chair

Tracy Shrable, Secretary

Mike Pruett, Member

Cherri Thomas, Member