

Three Rivers Hospital

Board of Commissioners Special Meeting

May 14, 2015

Minutes

The Three Rivers Hospital Board of Commissioners called a special meeting to order at 9:02 a.m. Thursday, May 14, 2015 in the Douglas Okanogan County Fire District 15 station, 191 Industrial Way, Pateros WA 98846. The presiding officer was Vicki Orford, Chair.

A quorum was present, including:

Vicki Orford, Chair
Jerry Tretwold, Vice Chair
Tracy Shrable, Secretary Arrived at 8:08 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
Anita Fisk, Director of Human Resources
Jennifer Marshall, Administrative Assistant
Ty Witt, M.D.
Gordon Tagge, M.D.
Michael Hassing, Family Health Centers
Ron O'Halloran, North Valley Hospital
Kevin Abel, Lake Chelan Community Hospital
Steve McKenna, Pateros School District
Eric Driessen, Brewster School District
Stephanie Brown, Care Net Pregnancy Center
Laura Brumfield, Pateros and Methow Valley School Districts
Sebastian Moraga, Quad City Herald

Welcome

S. Graham thanked everyone for coming and reviewed the ground rules. Attendees introduced themselves and explained why they chose to participate.

Strategic Plan Update

Hospital staff created vision, mission, and values statements in September. Those statements are read at every meeting and posted throughout the facility, and they serve as the hospital's standard and ethical guide when determining decisions.

Also in September, the hospital developed strategic priorities: quality and safety, financial viability, just culture, communication, and community partner/collaboration. The top two Wildly Important Goals are operational break-even and providing the ideal patient experience. S. Graham reviewed a list of accomplished tasks – implementing the vision and mission, website renovation, strategic planning, quarterly newsletter, executive safety rounds, all-staff meetings, and town hall meetings. Administration is still working on implementing the Four Disciplines of Execution, customer service training, new dress standards and a reward and recognition program for employees, along with increasing patient volumes and productivity, and improving campus security. Management of contracts and policies and procedures is underway following a state Department of Health survey.

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The hospital has also started a provider-based clinic, reorganized leadership, started an employee wellness program. We share daily metrics about patient volumes and finances to help us stay focused on where we are what the targets are. The emergency room is planned to move to the clinic area, pending final approval from the state. Coast to Coast will be hired to staff the emergency room 24/7.

Current State Concerns

Registered warrants are about \$1.8 million as of this morning. Administration is working on a plan to curb spending and raise revenues, with a net savings of \$100,000 per month.

R. O'Halloran said North Valley Hospital also hired Coast to Coast to staff its ER. Dr. Witt thinks we should be able to do what North Valley has done to turn around the hospital, as our district has less employees and more residents.

Future Concerns

Declining volumes, declining reimbursement, aging hospital structure, perception that there are too many hospitals in the area, provider and nursing shortage, and no capital for improvements.

E. Driessen said our concerns mirror that of schools, such as limited capital and a small pool of teachers.

L. Brumfield asked how many hospital district residents are uninsured. S. Graham said more people are insured through Medicaid and Medicare, but we do have a large migrant population who may not be.

Regarding volumes, the hospital's lab is exceeding its target, radiology is about the same as last year, surgery is down, inpatient is down and ER is sporadic, but about the same as last year overall. G. Aguilar noted that this year's projection for births is 58, compared to 97 babies born last year.

M. Hassing said health care organizations are being pressured to provide more preventive care.

Next Steps

S. Graham posed three questions about the existing strategic plan: do we continue forward as planned? Do we stop, reassess and revise? Or do we go back to the drawing board? Dr. Tagge asked if there has been any discussion of fusing Family Health Centers with the hospital. A hospital owning an FQHC is not possible under that governance, but the two organizations can collaborate.

J. Tretwold thinks we still have the opportunity to have a top-rate urgent care facility with help from grants and other funding sources. With good planning, we could find out the core services our community wants to keep. We're not giving up on the hospital, but have a solid backup plan. M. Hassing added that the hospital should provide what the community needs, not wants.

S. McKenna said Three Rivers appears to be going through the same thing others have. For an organization to be healthy, you need clarity in your purpose and direction. He commends the hospital for developing the vision, mission, and values, which are clear commitments.

E. Driessen said it seems like there's a lot of competition for patients. The hospital's struggles aren't surprising, but disconcerting because there's a possibility that we might lose some services the community has grown to count on. Sometimes you have to specialize instead of competing.

Dr. Witt noted that there may be several hospitals in the same region, but they are geographically far apart. Each hospital has chosen priority services; nobody is doing everything. People don't necessarily want to drive two hours to have basic services done.

M. Hassing stated that from a consumer's point of view, sometimes insurance provides better coverage elsewhere than your closest facility. For primary care and emergency services, the consumer will want to stay close by, but for electives some people will shop around and possibly go elsewhere.

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L. Brumfield likes the process the hospital is focusing on. She asked why the clinic was developed. There's only four physicians in the community, and they are the primary driver of volumes. There was a feeling that the hospital needed to take its destiny into its own hands and create a source to generate more volumes. We're happy with our clinic providers, but it can take 1-2 years to build up a solid patient base. She thinks it's good to reach out to clinics and find new ways to collaborate.

S. Graham said we've given ourselves a time limit of 2017 to get the warrants paid off, but it will be tough with low volumes so we're looking at options such as a bond or levy lid lift.

V. Orford said the original plan for the clinic was not to be in competition with the others; it was supposed to be open later in the week and over the weekend. S. Graham, M. Neddo and M. Hassing explained that medical clinics are slow on weekends and without high demand, weekend clinics aren't cost-effective. In addition, new providers today prefer not to work weekends. Dr. Witt thinks a scheduled clinic for Saturday would make sense for working people.

Dr. Witt suggested the hospital report its patient surveys to the public. C. Thomas suggested putting positive patients' stories in the newsletter.

L. Brumfield was happy to hear the hospital is hiring Coast to Coast, but how do we know those physicians are making patients happy? R. O'Halloran said their performance is monitored through patient surveys, and any issues can be addressed. Rating scales could be added to the website. M. Pruettt said our goal is to develop a reliable team of providers with Coast to Coast who will become familiar with the community. R. O'Halloran thinks Coast to Coast can do our facility a tremendous amount of good. They've helped improve services and volumes at North Valley, but it takes commitment to make it happen. He has heard positive feedback from patients and staff.

Dr. Tagge said we have three incredible local physicians, and the hospital needs to take care of them. He and Dr. Witt shared concern over the board's decision last month to authorize S. Graham to sign a contract with Coast to Coast. M. Pruettt reiterated the reasons behind the decision. S. Graham added that the point was to make the providers' lives better by easing the burden on them. T. Shrable said the decision wasn't a feel-good choice for the board, but it's not off the table from the board's perspective. J. Tretwold noted that the draft contract the physicians came up with was initially provided by S. Graham to use as a template. M. Pruettt appreciates Dr. Witt's and Dr. Tagge's comments. We want to be vigilant in communications with our providers. J. Munson stated that what we've been doing hasn't been working, and it's time to try something new.

J. Munson explained how the hospital allocates each dollar it receives. There's nothing more to eliminate. The only area the hospital can affect is salaries and benefits. Staff morale, recruiting and retention all become issues as a result. We don't cut people, but have to cut their time.

Dr. Witt asked what potential liquid assets the hospital has. None; it's taxpayer property.

L. Brumfield believes all of us living rurally and working in health care need to be talking to each other and trying not to compete. Work on building relationships.

Recessed at 11:53 a.m. for lunch.

Reconvened at 12:35 p.m.

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S. Graham asked everyone to share what they want, need, and expect from Three Rivers Hospital, in terms of services. The top answers for needs were an emergency room, acute care, ancillary services, and observation. Wants included obstetrics/women's health services, surgical services, mental health, IV therapy, wound care, diabetes care, cardiovascular services, and wellness.

Dr. Witt believes the way the Three Rivers model is written right now is the way it should be. Primary care, pediatrics, women's health, and general surgery are the core services for hospitals. Orthopedics is a wonderful service to have. He liked our practice previously with bringing in specialists about once a month. He also thinks the strategic plan is just getting started and some patience is needed.

J. Tretwold wants to continue developing a quality health care system that meets the needs of our community. We're on our way with a plan, it just hasn't had time to fully come together.

R. O'Halloran stated that as a consumer, he would want to see friendly, competent attention to his health care needs. M. Hassing would need enough to keep him alive. If he were to reply on behalf of Dr. Wallace or Dr. Hanson, his answer would be different. They are here to provide full-scope family services, including OB. R. O'Halloran said it's a similar situation in Tonasket.

S. Moraga stated bilingual services are needed.

Can we be an urgent care center without being a critical access hospital? R. O'Halloran said we'd still need the same ancillary services. K. Abel said Quincy and Leavenworth have a scaled-down model, and the other option is to continue with the model TRH and Chelan use.

S. Graham said the amount of resources needed for so few births is expensive. However, in the past when the hospital looked at cutting OB services, it was an unpopular idea. C. Thomas said the only other option is to boost OB with marketing. Dr. Witt asked if there's a way to ask the community to help out more if they want to keep services like OB. A levy lid lift is one option, and the max we could ask to raise it is 75 cents. Another is a temporary one-year levy. Bonds are typically only for capital improvements. M. Hassing noted that Dr. Fitzgerald, an FP-OB, is coming to the Methow Valley in September and is bilingual. That could bring in more patients from the Methow as well as the Hispanic community.

S. Graham asked if the hospital needs to hire a marketer. C. Thomas thinks we just need to increase our presence in the communities. M. Hassing said his providers are pushing people to the hospital.

R. O'Halloran pointed out that labs and other ancillary services can be done at Three Rivers even if a patient's primary care provider is out of town, but not everybody knows they can request that.

V. Orford stated that a specific job description would be needed if the board is to consider re-filling the position. M. Hassing stated that the way to rebuild trust is through actions. Market relationships; that's what gets people coming back and new people through the door.

The administrative team will start compiling the feedback today and refine it for the board's approval.

V. Orford thanked everybody for coming. M. Pruettt would have liked to see more participation. There needs to be a commitment by the board to talk to local providers well in advance of strategic planning retreats. He and C. Thomas offered to sit down with Cindy Button and other groups to build relationships and keep them informed. She recommended building up better channels of feedback between the ER providers and ambulance services as well.

S. Graham said administration and staff have been spending a lot of time making sure we can live up to what we promise. J. Tretwold said the administration has proven they know what needs to be fixed.

The board discussed appropriate conduct for board members.

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Adjournment

The special meeting adjourned at 4 p.m.

Vicki Orford, Chair

Jerry Tretwold, Vice-Chair

Tracy Shrable, Secretary

Mike Pruett, Member

Cherri Thomas, Member