

# Three Rivers Hospital

## Board of Commissioners Regular Meeting

February 23, 2016

Minutes

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The Three Rivers Hospital Board of Commissioners called a regular meeting to order at 8:06 a.m. Tuesday, February 23, 2016 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  
Mike Pruett, Vice Chair (via video conference)  
Tracy Shrable, Secretary  
Cherri Thomas, Member (via video conference)

Others present:

J. Scott Graham, Chief Executive Officer  
Jennifer Munson, Chief Financial Officer  
Gretchen Aguilar, Chief Nursing Officer  
Jennifer Marshall, Administrative Assistant  
Dr. John Maxwell, Radiologist  
Tonya Vallance, DOCFD15 EMS Director  
Ty Witt, M.D.  
Rob Wylie, Facility Engineering & Maintenance  
Nattalie Cariker, Brewster Police Department

### Mission, Vision & Values

Board members took turns reading the mission, vision, and values statements.

### Agenda

Scott noted we may be interrupted because of survey potential.

T. Shrable motioned and C. Thomas seconded to accept the agenda as official. Motion passed unanimously.

### Previous Meeting Minutes

T. Shrable motioned to accept the January 26, 2016 board minutes as presented. C. Thomas seconded. Motion passed unanimously.

### Consent Items

V. Orford noted payroll and vouchers as stated on the agenda. She read the bad debt and financial assistance figures, as well as med staff applications for Megan Guffey, Brian Sonneman, Katherine Schmitz, and Marcus Kuypers.

#### 1. Payroll/Vouchers

a. Payroll total:	Gross: \$472,622.15	Net: \$319,542.24
1/17/16-1/30/16	Gross: \$237,853.92	Net: \$160,430.98
1/31/16-2/13/16	Gross: \$234,768.23	Net: \$159,111.26
b. Vouchers total: \$895,424.08		
1/28/16	77948-77985	\$108,978.81
2/4/16	77986-78021	\$351,259.28
2/11/16	78022-78042	\$82,575.99
2/18/16	78043-78109	\$352,610.00

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- c. Bad Debt: \$88,083.54      Financial Assistance: \$43,362.69  
(Charity Care)

C. Thomas motioned to accept the consent items as presented. T. Shrable seconded. Motion passed unanimously.

### Community Health Report

Nattalie Cariker, interim chief of the Brewster Police Department, spoke about child passenger seat education. G. Aguilar noted that the hospital has two child car seat technicians. N. Cariker offered to work with G. Aguilar on obtaining more training for staff. N. Cariker also asked for a facility map of the hospital, so police officers know where to go in emergencies. R. Wylie will provide that.

Dr. Witt asked how many police officers the city has; there are five, including N. Cariker. They work 24/7. They are always willing to come assist at the hospital if they aren't called away on more urgent incidents. S. Graham stated that security can be an issue as we see more psychiatric patients.

V. Orford asked if the police department can conduct drills here; yes. G. Aguilar would like to include the police department in our infant kidnapping drills.

N. Cariker discussed mental health care needs. The police department contends with similar issues in determining how to help these people. If there is a case of physical or sexual abuse, N. Cariker pointed out that the hospital staff can call law enforcement in addition to Child Protective Services.

### Old Business

Board Bylaws Amendment: The bylaws now reflect the board meeting day change to the last Tuesday of the month at 8 a.m., as approved in the January meeting. T. Shrable motioned and M. Pruett seconded to accept the board bylaws as amended. Motion passed unanimously.

McKinstry Project Update: M. Pruett shared some data relating to the proposed design for the ER move and a new roof. S. Graham stated that McKinstry has completed its assessment of the emergency room move and what will be needed to accomplish that.

The estimated cost is about \$225,000, including the work needed to bring the hospital into compliance with Department of Health regulations. S. Graham thinks McKinstry did a good job trying to keep the costs as low as possible. R. Wylie stated that the isolation room would need the most upgrades.

Administration would ask the board to approve the ER move as proposed by McKinstry, with finances to be determined. The next step is a final review by the Department of Health and verifying the cost.

McKinstry estimated about \$3 million to replace the roof, so the work would have to be done in phases. The roof upgrade would be a significant improvement for the hospital. Three Rivers must offer a building that will make patients feel comfortable and confident in seeking care here. T. Shrable asked about the old roof; it would be removed and repaired, and the pitched roof would be installed over it. That would allow room for ductwork for a central heating system underneath the roof.

C. Thomas doesn't think the hospital has a choice in getting the work done. T. Shrable agreed. V. Orford expressed some hesitation in regards to funding, so she is looking forward to hearing the final cost. The board members agreed that administration is moving in the right direction.

### New Business

Resolution 2016-1: Cancellation of Outstanding Warrants. J. Munson noted that the county treasurer sends this every year. Once they're canceled, she can continue following the process. M. Pruett motioned to approve the resolution, and T. Shrable seconded. Motion passed unanimously.

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### Finance Report

J. Munson reviewed the January 2016 finance packet (see attached). As of right now, the year 2015 ended with a profit, and she doesn't anticipate having a payable to Medicare or Medicaid.

DZA will be on-site in early March to complete more work for the cost report.

Outpatient volumes appear they'll be under budget in February as well, partly due to physicians and surgeons going on vacation. Fewer physician referrals impacts volumes.

She is comparing the approved 2016 budget to the year-end 2015 budget to determine if any amendments will be needed in 2016. We have had some trouble recruiting nurses and we have some travelers on staff, so that raises wage costs.

Accounts Receivable days have increased. The hospital switched to PayAssist from HRG in December, so collections were slowed down and there was a 15-day payment hold in January from Medicare.

Medicare is holding any payments relating to a G code. The billing office is also working on appeals, and unbilled as of this morning was about \$521,000.

J. Munson discussed issues with accounts receivable for self-pay patients. The hospital has no recourse if people choose not to pay their bills except to add it to bad debt. Our billing staff is efficiently collecting, but the billing is held up through delays with insurance companies and Medicare.

She explained how the hospital can have an operating loss but a net profit due to tax revenues.

However, the hospital's goal is to break even operationally so those taxes can be used to pay warrants.

Noridian did an off-site audit for Medicare Secondary Payer. Staff has more work to do with training.

J. Munson has been working with IT on attesting for Meaningful Use. We met all the criteria last year.

Revenues to date are \$1.15 million. Inpatient volumes are over budget with an average daily census of more than five patients.

V. Orford asked about FTEs. That figure looks different from month to month because it's calculated by hours worked, but Human Resources' FTE count is closer to the actual number of employees.

### Foundation Report

M. Pruett left a message with Dan Webster to set up a lunch meeting. S. Graham noted that Janet Hanke retired after 15 years, and she is considering getting involved with the Foundation.

The person V. Orford had been speaking to about the vacant board of commissioners seat would like to instead serve on the Foundation board.

### Physician Report

Dr. Witt noted the ER and OB/pediatrics/inpatient scheduling seems to be working out well; there hasn't been a need for locums coverage. Dr. Schmitz from Family Health Centers is starting next month. Dr. Witt will continue to cover C-section call on the days Dr. Schmitz, Dr. Fitzgerald, and Blue Bradley are on call for OB. Dr. Tagge will continue as the medical staff president. Dr. Witt has taken over previewing the provider credentials.

Dr. Maxwell noted that he has received clarification on his questions from the January meeting.

S. Graham thought the med staff meeting this month went very well.

### Administration Report

S. Graham sent the report to commissioners along with an update on metrics through February 21.

Clinic volumes remain low because we have only one family practice provider working a few days a week, and not everyone is aware of the clinic's presence. We're working on marketing to raise awareness about the clinic. We'd like to offer later hours and weekend hours for the community.

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Michele Hansen, who is the clinic provider, also serves as the clinic manager since Janet Hanke retired. S. Graham discussed metrics in his report for ancillary services and the clinic. Dr. Witt noted that his patient volumes are four times higher than when the clinic first opened.

ER visits are a bit lower, although S. Graham doesn't think it's due to the ERx providers. We have received great patient feedback about the physicians. The number of patients leaving without being seen is still higher than we'd like. Our goal is to reduce that to zero.

G. Aguilar sends letters to the local EMS directors thanking them for bringing patients here and providing a discharge summary. T. Vallance said the gesture is appreciated.

S. Graham discussed his involvement in the National Rural ACO. The deadline is mid-March to make a decision to sign up with the pilot program. S. Graham thinks it's the right thing to do. This will prepare us for the eventual government requirement of all hospitals to move to a primary care model and only admit patients who are extremely sick. It's less costly for the government and is the right thing to do for the overall wellness of our communities. The board agreed with moving forward. T. Shrable likes that this is being phased in. C. Thomas noted that case management is the standard of care in many places.

### Board Education

J. Marshall gave a presentation explaining the efforts of the new CORE Committee in charge of employee recognition at Three Rivers Hospital.

### Public Comment

T. Vallance discussed Mobile Integrated Health (MIH), which goes hand-in-hand with what the Rural ACO is working on. The local EMS has been involved in this for about two years. She and Cindy Button would like to do a presentation about this in the March or April hospital board meeting. M. Pruettt fully supports the program. T. Vallance will work with J. Marshall to schedule a presentation.

### Upcoming Meetings

V. Orford noted the next regular board meeting will be held at 8 a.m. March 29.

### Executive Session

V. Orford announced the board will go into executive session to consider possibly ending a contract. The executive session will last 30 minutes, and no action will be taken afterward.

Adjourned at 10:27 a.m. for a five-minute recess, immediately followed by the executive session. The executive session was extended for 10 more minutes at 11:04 a.m., then at 11:16 a.m. for 15 minutes.

V. Orford reconvened the meeting at 11:30 a.m. No action was taken.

### Adjournment

T. Shrable motioned to adjourn the meeting at 11:31 a.m. M. Pruettt seconded. Motion passed unanimously.

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Vicki Orford, Chair

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Mike Pruettt, Vice Chair

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Tracy Shrable, Secretary

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Cherri Thomas, Member