

# Three Rivers Hospital

## Board of Commissioners Regular Meeting

June 30, 2016

Minutes

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The Three Rivers Hospital Board of Commissioners called a regular meeting to order at 10 a.m. Thursday, June 30, 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  
Tracy Shrable, Secretary  
Cherri Thomas, Member

Others present:

J. Scott Graham, Chief Executive Officer  
Melanie Neddo, Chief Operating Officer  
Jennifer Munson, Chief Financial Officer  
Anita Fisk, Director of Human Resources  
Jennifer Marshall, Administrative Assistant  
Cassandra Howell, Administrative Assistant  
Nicky Markey, Director of Health Information, Quality & Risk  
Dr. Ty Witt, Gynecology

### Mission, Vision & Values

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

### Agenda

V. Orford added an executive session to consider a board position. There may be action taken afterward. T. Shrable and C. Thomas motioned and seconded to accept the agenda as official. Motion passed unanimously.

### Minutes from Previous Meeting

M. Pruett motioned and T. Shrable seconded to accept the May 24, 2016 regular board meeting minutes as presented. Motion passed unanimously.

### Consent Items

V. Orford announced the payroll and vouchers as stated on the agenda, and read the bad debt and financial assistance figures.

Payroll/Vouchers

a.	Payroll total:	Gross: \$484,718.94	Net: \$327,330.14
	5/22/16 – 6/4/16	Gross: \$252,939.29	Net: \$170,874.19
	6/4/16 – 6/18/16	Gross: \$231,779.65	Net: \$156,455.95
b.	Vouchers total: \$661,463.26		
	6/2/16	78884-78931	\$118,436.24
	6/9/16	78932-78964	\$347,790.81
	6/16/16	78965-79920	\$195,236.21
c.	Bad Debt: \$116,858.70	Financial Assistance: \$14,084.24	

V. Orford asked if we can take "financial" out of the term "financial assistance" to remove the stigma. Other facilities use terms such as "Compassionate Care." S. Graham suggested adding this discussion to the next Finance Committee agenda; V. Orford agreed.

Orford read the med staff applications:

C. Thomas and M. Pruett motioned and seconded to accept the consent items as presented. Motion passed unanimously.

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### Old Business

T. Shrable asked about restructuring the process for people seeking financial assistance. M. Neddo explained that the state is attempting to standardize the process for applying for assistance for all hospitals.

### New Business

Amended Medical Staff Bylaws: M. Neddo said there were some changes to telemedicine and allowing mid-level providers to have voting privileges. M. Pruett motioned and T. Shrable seconded to approve the amended medical staff bylaws as presented. Motion passed unanimously.

IT Security Risk Assessment: ClearData would charge \$10,000 plus travel to conduct an assessment. This will help us meet the Meaningful Use requirement. They look at how our network functions and analyze other security measures. If approved by the board, they would be on-site in August. C. Thomas motioned and M. Pruett seconded to move forward with the IT Security Risk Assessment. Motion passed unanimously.

### Compliance Report

N. Markey presented a PowerPoint about the compliance program. The hospital is required to have a committee represented by a variety of departments, and that committee meets monthly. They discuss compliance concerns such as HIPAA, working with leadership and line staff on issues, DOH survey items that need to be addressed, 2016 compliance audit items, claims denials, patient complaints wherein the patient has requested a deduction in charges, monitoring access to patient records to ensure privacy, and more.

V. Orford asked if the committee takes actions on any findings. Yes; the committee occasionally comes across errors that are investigated and corrected.

N. Markey stated that the compliance program is alive and well, it's supported by executive leadership, there have been no issues with fraudulent activity, and the program is rigorous.

V. Orford thinks the program sounds great. M. Pruett said it's gratifying to see our program executed with the same standards as much larger facilities.

### Physicians Report

Dr. Witt explained the med staff bylaws amendments. The clinic seems busy and we've been seeing more OB patients. The regular ERx providers have been really well received. S. Graham believes ERx has been very responsive to our feedback and concerns, and they work hard to replace providers who aren't a good fit for our hospital. He's heard some good feedback from Dr. Haeger about one of the providers. M. Pruett said Aero Methow is pleased as well. Dr. Witt feels there's a good rapport, and appreciates that the providers don't hesitate to call surgeons and local physicians to ask questions.

### Finance Report

M. Neddo reviewed the finance packet. We had net margins in April and May. Year to date, the hospital is slightly above budget, and overall our bottom line is over \$300,000 better than the same time last year. Inpatient volumes have grown by about 37% over last year. Ourpatient volumes in April and May were also up, including surgeries and births.

M. Pruett asked about the types of surgeries we've been having; primarily orthopedic, but gynecological and general surgeries are on the rise.

There was good expense control in April and May. Professional services were over budget due to bringing in some locums and travelers for nursing departments. Prosthetics are a bit over budget as well due to having more surgeries. Some expensive medications had to be replaced, as well.

Our warrants were at about \$889,000 as of this week. M. Pruett asked if we've had official contact with the county; Jennifer Munson has reached out to the treasurer's office, but hasn't heard any feedback yet.

Assets have increased by \$1.5 million since last year, which is also good news. Accounts Payable is current. Accounts Receivable days are down to about 60, which is the best it's been all year. The billing department is doing a really good job with collections and timely billing.

The FTE count is under budget by six people, which is why we have some extra locums here to fill gaps.

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V. Orford asked how the hospital is set for June. As of yesterday, revenue was just under \$1.6 million.

Surgical, inpatient, and clinic volumes have been up. Expenses are difficult to evaluate until month-end.

C. Thomas thinks the hospital has made amazing progress. S. Graham credited the hospital staff for their hard work. V. Orford recently heard news from hospitals who are in the position we were in two years ago, and it helped her realize how far we've come.

M. Pruett asked about the patient monitoring upgrade. The hospital has entered into a lease with GE, and some of the equipment is arriving this week. It's scheduled to go live in mid-August. The plans for the ER move have been submitted to the Department of Health for final review, and we continue to work with McKinstry on the roof and HVAC system replacements. Administration has been providing information to the public about the levies for the August election. We've also been looking into alternate methods of funding and trying to determine how to break up some of the projects into phases, if possible. The McKinstry engineer urged us to replace the roof as soon as possible. A representative from the USDA visited the hospital to verify what our needs are to help determine if we can get their support for lending.

V. Orford asked if the hospital would need to hire an outside project manager for these improvements. Administration will look into it and make a recommendation to the board. This topic will be discussed further at the next Building & Planning Committee meeting.

#### **Administration Report**

Administration and staff have been very active in a number of things, from community engagement to educating voters about the levies.

S. Graham discussed his experience at the AWPHD and WSHA annual conference in Chelan this week, which he attended with V. Orford, M. Pruett and M. Neddo. Discussed what they found helpful and what they think could be improved. S. Graham met with his boards for WRHAP and Workers Compensation during the conference as well.

The hospital has been engaging with the communities via parades. Presence on Facebook and our website has increased, and social media is one of the most effective marketing tools we have. Administration and leadership has developed a new Wildly Important Goal (WIG): "We will bring our best every day." This has become our #1 WIG, because the other two WIGs – ideal patient experience and operational break-even – flow out from that primary effort. The board supports the new WIG and direction.

S. Graham noted we're in a busier time of year, so while volumes are going up we're trying to keep costs static so we can continue paying down warrants.

Administration is involved in outreach to regional, state and local community partners.

Quality and safety is the top priority; there have been some issues with patient falls and medication errors, but they're being addressed.

We're working hard to ensure employees are recognized for going above and beyond. The radiology department bought ice cream sandwiches for all staff, out of their own pockets, to thank them for getting under \$1 million in warrants. M. Pruett asked if we can share recognition on social media; yes.

C. Thomas asked about some red areas on the Meaningful Use tracking spreadsheet. We did meet all the thresholds in Meaningful Use, but efforts continue to improve physician problem lists and getting patients signed up for the Patient Portal. The Patient Portal is difficult to use and the test results and documentation are only in English, which doesn't benefit our Spanish-speaking patients.

V. Orford asked about the next strategic planning retreat. The board's next meeting is scheduled for fall.

#### **Board Education**

M. Pruett shared "The Profile of a Healthy Organization" diagram he received during the Chelan conference. The diagram breaks organizations down into three components: program/quality, brand, and sustainability. He was most interested in branding. He encouraged board members to develop a 60-second elevator speech to explain what's happening at Three Rivers Hospital. The class he attended at the conference stressed getting out into the communities, listening, asking the right questions, advocating for the hospital, and "wear(ing) the hospital hat." He'd like to elaborate more in the future.

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C. Thomas suggested that she and M. Pruett speak with Okanogan County commissioner candidates about the hospital and local healthcare issues.

T. Shrable will provide education at the next meeting.

### Public Comment

C. Thomas shared concerns about the TRH Foundation. She believes that without a strong foundation, the hospital isn't as successful as it could be. Some people have expressed interest in joining the board.

S. Graham will consult with legal counsel to determine what our options are. He suggested hosting a luncheon to thank the Foundation and stress the importance of the Foundation's involvement to the hospital's future.

C. Thomas motioned to address the current lack of activity with the TRH Foundation, and asked the administration to come up with a plan of action. T. Shrable seconded. Motion passed unanimously.

A. Fisk introduced C. Howell, the new administrative assistant.

### Executive Session

V. Orford announced an executive session for 15 minutes at 11:58 a.m., following a 5-minute break, to address the vacant board position.

Meeting adjourned at 11:53 a.m.

Meeting reconvened at 12:17 p.m.

A discussion was had regarding the vacant position on the board, and other candidates are still welcome to apply. The board would like to call a special meeting in the middle of the month to interview candidates.

### Adjournment

C. Thomas motioned and T. Shrable seconded to adjourn the meeting at 12:18 p.m. Motion passed unanimously.

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Vicki Orford, Chair

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Mike Pruett, Vice Chair

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Tracy Shrable, Secretary

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Cherri Thomas, Member