

Three Rivers Hospital

Board of Commissioners Regular Meeting
July 25, 2017 Minutes

The Three Rivers Hospital Board of Commissioners called a regular meeting to order at 11:02 a.m. Tuesday, July 25, 2017 in the McKinley Building Conference Room at 507 Hospital Way, Brewster WA 98812. The presiding officer was Vicki Orford, Chair.

A quorum was present, including:

Vicki Orford, Chair
Mike Pruett, Vice Chair (arrived at 11:20 a.m.)
Tracy Shrable, Secretary
Cherri Thomas, Board Member

Others present:

J. Scott Graham, Chief Executive Officer
Melanie Neddo, Chief Operating Officer
Jennifer Munson, Chief Financial Officer
Jennifer Best, Administrative Assistant
Tina Smith, Assistant Chief Nursing Officer
Nicky Markey, Director of Quality, Risk & Compliance
Jamie Boyer, Health Information Management Manager
Christopher Majors, Business Development Coordinator
Cole Renfroe, Information Technology Manager
Dr. Gordon Tagge, Chief of Medical Staff
Leslie McNamara

Vision, Mission & Values

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

Agenda

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

V. Orford introduced Leslie McNamara, a community member who may be interested in serving on the board.

Previous Meeting Minutes

C. Thomas motioned and T. Shrable seconded to approve the June 22, 2017 regular meeting and July 13, 2017 special meeting minutes as presented. Motion passed unanimously.

Consent Items

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

Payroll/Vouchers

a. Payroll total:	Gross: \$811,577.57	Net: \$553,423.54
6/4/17-6/17/17	Gross: \$268,449.92	Net: \$181,909.82
6/18/17-7/1/17	Gross: \$267,725.18	Net: \$182,331.13
7/2/17-7/15/17	Gross: \$275,402.47	Net: \$189,182.59
b. Vouchers total: \$1,400,192.20		
6/21/17	82120-82158	\$358,588.49
6/29/17	82159-82184	\$90,524.82
7/6/17	82185-82224	\$418,328.34

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7/13/17 82225-82265 \$129,948.87

7/20/17 82266-82301 \$402,801.68

c. Bad Debt: \$87,081.20 Financial Assistance: \$100,145.34

V. Orford read the list of medical staff applications: Lisa VanGemert, M.D.; Megan Guffey, M.D.; Vanessa Willey, CRNA, and Gautam Nayak, M.D.

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

Foundation Report

S. Graham shared that the Three Rivers Hospital Foundation is working to keep its momentum going. C. Majors is helping them develop a new website with a method for online donating using DonorPerfect. They're going to bring new donation envelopes to place in the hospital, as well. S. Graham is encouraging staff and providers to support the Foundation. C. Thomas asked if there's an estimated timeline to complete the website; not at this time. C. Majors explained that they're working on the layout, but they want it to be able to successfully take donations before it goes live.

The Foundation will sponsor fall sports physicals on July 27, free to the community, and hospital staff will serve as volunteers. They're considering a request from the hospital to purchase one large sign that would be placed at the front of the property. The Foundation is also getting ready to welcome new members. J. Best will share the payroll deduction form with the hospital board members. A Facebook page is already up and running.

V. Orford asked administration to tell the Foundation that the hospital board appreciates them.

Administration Report

S. Graham reviewed the monthly report he sends to the board. It has been extremely busy in a positive way, and as patient volumes go up there's an increased demand on staff time and resources. We've seen some great things, but we've also seen an uptick in errors so staff and leadership are reviewing processes and determining how to improve. He'd like to bring back customer service training. C. Thomas asked if there's a direct link between wait times in the ER and patient satisfaction scores. S. Graham doesn't think so; more of the feedback was regarding the comfort of the waiting room and the bathrooms. Discussed offering beverages in the waiting room, including a water cooler and vending machines, as well as accepting magazine donations.

M. Pruett asked if administration or leadership has noticed any needed improvements that the board could help address. S. Graham thinks some work on the lobby may be needed in the interim until more decisions are made about overall building needs and capital projects. Gearing more magazines and TV shows toward the Hispanic community would also be useful. The television was broken for about six weeks and that likely factored into the low satisfaction scores as well.

C. Thomas asked administration to put more focus on sprucing up the waiting room, and training staff in the admissions area so they're more aware of patient comfort and how to report needs.

Inpatient satisfaction scores have started to recover. S. Graham noted that scores can look worse if we receive negative responses out of only a few returned surveys.

We're making great progress toward our Wildly Important Goal to break even operationally. S. Graham credited the hard work of staff for helping turn around our financial situation. However, he wants everyone to continue being vigilant to reach financial viability. What we've been doing is what we need to keep doing to achieve that goal. C. Thomas asked if staff is aware of other rural hospitals closing and the effort we need to make to keep the doors open. S. Graham thinks there's a balance between making staff aware of that reality while not causing panic. Administration is working with leadership to do a better job of helping staff understand our position. He's very proud of our staff for taking on the challenge of providing the ideal patient experience as we

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get busier and cope with building issues.

M. Pruett likes what he's seeing from C. Majors' efforts. He noted that he's seeing a strong presence from Chelan's healthcare providers up in the Methow Valley, particularly on the radio stations. He asked C. Majors to reach out to KTRT and Sunny FM. Dr. Tagge asked if Three Rivers has a newsletter that's sent out to the community; we did, but it was onerous to create and expensive to print and distribute via mail. T. Shrable would like to see an article in the newspaper about the progress we've made financially, and more advertisement for orthopedic services. M. Pruett asked C. Majors to report back to the board at its next meeting.

We've just placed a billboard in Brewster promoting our providers, and C. Majors has been checking into available billboard space up in the Methow Valley. C. Thomas has realized there are no hospital signs directing drivers in the Methow Valley to Brewster. The blue H signs are placed by the state Department of Transportation; perhaps we could request a sign at the intersection of Highways 153 and 97.

V. Orford announced a break at 12:02 p.m. for about 10 minutes.

V. Orford reconvened the meeting at 12:13 p.m.

Physician Report

V. Orford moved the physicians' report ahead of the Finance Report for Dr. Tagge's benefit. At this month's medical staff meeting, providers discussed whether ER physicians could also serve as hospitalists to take some of the pressure off of the primary care providers who take call and do rounds. Providers seemed to be happy with the follow-up training offered last week by Evident. He has some concerns about policies and procedures in terms of ensuring other members of medical staff review them.

Dr. Tagge is reviewing best practice for MRSA screenings. We screen all patients, but they're done the same day as surgical procedures and results don't come back until the next day. He wants to ensure that those tests are followed up on when needed and we're compliant with reporting any confirmed cases. C. Thomas asked if other facilities have the same struggle with same-day surgeries. Dr. Tagge knows of one facility that tests patients five days before scheduled surgery and did pre-op treatment if needed. T. Smith stated that nursing staff has started a new process to note when MRSA screenings were done for pre-op patients and what the results were.

Financial Report

J. Munson asked the board not to approve the June financial report today, as this is a draft.

For the first time since 2006, we did not have to register warrants last week. We were able to print and mail checks the same week from our own coffers. As we continue on, there may be some weeks when we have to ask the county to register warrants until we're completely out of them.

Yesterday, the county treasurer's office relayed that they show all outstanding warrants as paid. The county had capped us at \$1 million effective July 1, and the cap will drop to \$500,000 in May 2018.

As of yesterday, J. Munson's spreadsheet showed we have \$240,000 in the bank and we'll end the month with a positive cash flow. Her documentation shows a \$429,000 payable to Medicare, so she needs to review our expenses and allocations to reduce the payable.

C. Thomas noted the pharmacy costs are over budget; are we enrolled in the 340B program yet? Yes. J. Munson stated that Brewster Drug finalized its portion and we're ready to go. This program is geared toward generating revenue, so our current costs won't change much.

The graph at the top of Page 3 of the financial report should be dated through June 30, not May 31. V. Orford appreciates the new format of the report, and the other board members agreed.

J. Munson reviewed contractals and added revenue from lumber tax, SHIP grant and AZ Wells Foundation grant. Two large inpatient accounts were written off as bad debt. One was a non-resident emergency medical application that was denied because it didn't meet the specific diagnosis criteria. The other was denied because

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the patient didn't complete the application. In both cases, the patients did not bring in their documents so staff could help them complete financial assistance applications. T. Shrable asked if the hospital has any recourse; if the patients don't supply us with information there isn't much we can do.

Accounts Receivable days dropped from May to June, and the average daily revenue rose significantly.

J. Munson expects to see a slight revenue drop in July, which may result in a slight increase in AR days.

Old Business

Capital Improvements Update: This will be a standing agenda item. S. Graham shared that administration is still working through the initial steps discussed at the July 13 special board meeting. We want to gather a bit more information before bringing it to the attorney for advisement.

New Business

Ultrasound Table Proposal: We currently use an old inpatient bed for ultrasound patients, which is not adequate for what the radiology staff needs to do. We received three quotes for a new bed, and Radiology Manager Bob Johnson recommended the Biodex offer. M. Neddo noted that this bed would be best for providing echos, a service we're looking to bring back. A new ultrasound tech starting in mid-August can conduct echos. S. Graham added that a new bed will reduce risk of injury to ultrasound techs when they help patients.

T. Shrable asked for clarification on the price quotes listed by Biodex. J. Munson thinks the higher amount, \$10,345, may include added taxes and fees.

T. Shrable motioned to approve the purchase of the Biodex ultrasound table. C. Thomas seconded. Motion passed unanimously.

Hospital Organizational Chart: There have been a few hires within the last few months, so administration has drafted a new chart of the organizational hierarchy. S. Graham will look into whether the board needs to approve the chart. C. Thomas asked if the chart could be approved with just positions, not names. This will be placed under Old Business at the next board meeting.

Board Education

T. Shrable shared a report on how Emcare and others are charging patients. The doctors were billing patients for their pro fees, rather than billing being handled entirely by the hospital. This happened in several hospitals Emcare was managing. C. Thomas noted that our arrangement with ERx Group works much better. Our local providers are happy with ERx services, as well.

N. Markey added that Dr. Jenkins is great about reviewing documentation to help the hospital bill properly.

S. Graham offered to provide board education through administration. C. Thomas asked if the Laboratory manager could do an overview of the antimicrobial stewardship program at next month's meeting.

Last week, J. Munson terminated our agreement with PayAssist effective immediately due to a security breach that reached dozens of patients. She's working on bringing all private pay billing and collections back in-house.

Public Comment

V. Orford reminded the board that the fall retreat is coming up. J. Best will work on scheduling that.

Upcoming Meetings & Events

V. Orford noted that the National Night Out will be on August 1 in Brewster.

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Board Discussion

1. Was everyone present at the start time, and prepared to begin? No.
2. Were all board members actively involved? Yes.
3. Did we follow the agenda or get sidetracked? V. Orford thinks we got sidetracked a bit too long on the quality discussion.
4. Did the meeting run too long? No.

Adjournment

C. Thomas motioned and T. Shrable seconded to adjourn the meeting at 1:11 p.m. Motion passed unanimously.

Vicki Orford, Chair

Mike Pruett, Vice Chair

Tracy Shrable, Secretary

Cherri Thomas, Member