

Three Rivers Hospital

Board of Commissioners Regular Meeting
September 27, 2016 Minutes

The Three Rivers Hospital Board of Commissioners called a regular meeting to order at 7:59 a.m. Tuesday, September 27, 2016 in the McKinley Building Conference Room, 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
Tracy Shrable, Secretary
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., Gynecology

Mission, Vision & Values

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

Agenda

C. Thomas asked to add the TRH Foundation to Old Business. V. Orford added Empty Board Seat and Caribou Trail to Old Business, as well. C. Thomas motioned and T. Shrable seconded to accept the agenda as official. Motion passed unanimously.

Minutes from Previous Meeting

T. Shrable motioned and M. Pruett seconded to accept the August 30, 2016 regular board meeting minutes as presented. Motion passed unanimously.

Consent Items

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

Payroll/Vouchers

A. Payroll total:	Gross: \$484,951.41	Net: \$330,929.88
8/14/16-8/27/16	Gross: \$235,092.48	Net: \$158,812.45
8/28/16-9/10/16	Gross: \$249,858.93	Net: \$172,117.43
B. Vouchers total: \$1,013,600.83		
9/1/16	79470-79566	\$424,419.74
9/8/16	79567-79607	\$97,943.43
9/15/16	79608-79636	\$342,922.57
9/22/16	79637-79678	\$148,315.09
C. Bad Debt: \$24,810.79	Financial Assistance: \$74,900.89	

V. Orford read the list of providers applying for privileges at the hospital. C. Thomas motioned and M. Pruett seconded to accept the consent items as presented. Motion passed unanimously.

Old Business

TRH Foundation: M. Neddo shared that a meeting with the foundation president, Dan Webster, has been scheduled for next Wednesday, October 5. S. Graham noted that if the meeting isn't fruitful and we can't make headway, we may have to consult our attorney to determine other options. M. Pruett would like to

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know what D. Webster's vision for the Foundation is and how he sees his involvement in the future. Dr. Witt asked if the hospital can pay for a director; legally, yes.

Empty Board Seat: V. Orford asked three people if they would be interested in applying for the position. One person may be interested. She asked the other board members to keep discussing it as much as possible.

Caribou Trail Orthopedics: S. Graham noted that administration has been discussing this topic with the hospital's attorney. Last week, M. Neddo was approached by the Mid-Valley Hospital CEO, asking Three Rivers to agree to a dissolution. A Caribou Trail board meeting is scheduled for tomorrow afternoon. Caribou Trail could turn into an interlocal agreement, so staff and services would be shared between the two hospitals. Regarding recruitment, Three Rivers has interest from four orthopedic surgeons. North Valley Hospital is also very interested in sharing services with us. C. Thomas asked if Three Rivers will incur legal fees if Caribou Trail is dissolved. S. Graham doesn't believe there will be a cost to us.

New Business

Resolution 2016-8: A list of items to surplus were shared with the commissioners. J. Munson explained that most of the equipment is in the McKinley building. Some items will be disposed of, and some will be sold in a yard sale on October 6. She added two desks to the list. V. Orford asked if we have a policy for surplus equipment on a schedule, so things don't pile up. No, but we could do surplus resolutions more often. C. Thomas asked if administration tracks all inventory electronically. Capital items are tracked through CPSI, but "small and attractive" items were not. We're working on creating an electronic database for that. M. Neddo added that the Maintenance department does have a spreadsheet, but in this case the list is handwritten because different staff members were asked to go in all the rooms and write down all the inventory. She doesn't anticipate such long lists of items to be surplus in the future. M. Pruettt motioned and C. Thomas seconded to approve Resolution 2016-8. Motion passed unanimously.

Resolution 2016-9: J. Munson received documents from GE to finalize financing for the centralized monitoring equipment purchase. GE requested a board resolution to ratify the purchase. The new system went live on August 24. G. Aguilar stated there were a few hiccups to start, but all of the equipment is being used and staff have been trained. They are thrilled with the new system. GE granted us a 3.7% interest rate loan to be paid off in 72 months. S. Graham noted that G. Aguilar has revamped the nursing station and removed some old equipment, including a rotating carousel for patient charts. C. Thomas motioned and T. Shrable seconded to approve Resolution 2016-9 as presented. Motion passed unanimously.

J. Munson asked commissioners to rescind their motion for Resolution 2016-8, so she can add the chart carousel to the surplus list. M. Pruettt rescinded his motion to approve Resolution 2016-8. C. Thomas motioned to approve Resolution 2016-8 with the addition of the nurses' station chart carousel. M. Pruettt seconded. Motion passed unanimously.

Physician Report

Dr. Witt stated that Physicians Insurance was on-site last week to conduct an OB risk assessment, which was very helpful. With volumes being low, he supports training and tracking through simulation, and Physicians Insurance offered to help financially with that. He and Dr. Tagge are trying to help orthopedic surgeon candidates feel welcome. S. Graham appreciates their willingness to help with physician recruitment. Discussed credentialing and looking into provider backgrounds.

Finance Report

J. Munson reviewed the financial packet for the month of August. There was a \$31,000 loss for the month. In September, a small dividend of about \$20,000 will be arriving but she doesn't know of any other unexpected revenues. With volumes being so low, the revenue loss will probably be bigger in September. As

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of this morning, our cash position was \$675,000. She is carefully watching our expenditures. V. Orford asked if we're still over budget in the pharmacy; yes. She and M. Neddo plan to address that with the pharmacist. S. Graham pointed out that even with the revenue loss, we're about \$140,000 ahead of where we were last year. Dr. Witt noted that the medical staff approves the physician call schedule three months in advance, and as a result the hospital hasn't needed to hire locums for about nine months which has saved us money. J. Munson said the state is going to process our Meaningful Use attestation, and we should be receiving about \$202,000. C. Thomas asked if we've been audited for Meaningful Use; yes. The county's new bank account goes live this week and J. Munson doesn't anticipate any issues with that. Most of the departmental 2017 budgets have been turned in, so she'll start compiling it into a budget for the board to review. A new Financial Counselor has been hired. An ultrasound table listed in this year's budget is going to be ordered. In addition, the state Department of Health mandated that we purchase new privacy curtains and window curtains for the patient rooms, which should be about \$12,000. J. Munson plans to expense that rather than counting it as a capital purchase. The fire marshal has also imposed a requirement to replace our sprinkler heads, which should be a total cost of about \$10,000. J. Munson is working with Chelsea Arnold on a bulk purchase for computers, since a vendor offered us a discount. Stryker is patiently waiting for us to decide on their offer to provide patient beds. Discussed possible electrical work that may be needed as a result of the DOH audit.

Administration Report

S. Graham shared that Three Rivers is not seeing the revenues we anticipated due to the departures of Dr. Lamberton and Dr. Drumm. The Department of Health has given us 60 days to address deficiencies they found during the audit last month. The sprinkler and electric improvements require a larger investment of time and materials, so we're obtaining deadline extensions. Meanwhile, staff is updating the DOH on the status of those projects.

Reviewed metrics and patient satisfaction scores.

S. Graham noted that the organizational chart needs to be amended; that will be placed before the board for approval at a future meeting. He has assumed responsibility for IT and maintenance/plant.

We're working with Providence to get the telestroke system up and running in early 2017. That means our ER and other providers will have the resources to help with stroke patients.

Three Rivers is also working with Okanogan Behavioral Health Care to provide on-site outpatient services. Their office will be located in Room 112 in the clinic. C. Thomas asked about measures to ensure patient privacy; we are working with OBHC to figure it out.

We're also working to build up our swing bed program and have a physical therapist ready to help those patients. C. Thomas asked if the program will be marketed more aggressively; yes. We have two staff working with swing bed patients and talking to facilities who would be willing to send us their patients.

Hiring a new orthopedic surgeon is our top priority right now.

Regarding building improvements, S. Graham discussed progress with McKinstry and noted that administration is weighing options for financing the ER move, the roof replacement and the HVAC system upgrades. M. Pruettt believes it's smart to take a step back and consider the bigger picture and all options.

S. Graham plans eventually to develop the Hillcrest Administration Building into a rural health clinic.

He reviewed the Meaningful Use targets' status and engagement in employee recognition. Pre-employment drug screening is slated to begin very soon.

Board Education

None. Dr. Witt noted that mental health was a hot topic in the gubernatorial debate. S. Graham stated that Washington dropped down the list of states that invests in mental health services. He hopes Three Rivers will lead by example through our collaboration with Okanogan Behavioral Health Care.

Public Comment

None.

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Upcoming Meetings & Events

V. Orford noted the meetings as presented on the agenda. Discussed the yard sale on October 6. We will use local media, Facebook, and Craigslist to advertise it.

Discussed who is attending the WSHA Annual Meeting next month, and how board members and hospital staff can donate to the PAC if they wish.

M. Pruett will provide board education next month.

Adjournment

C. Thomas motioned and T. Shrable seconded to adjourn at 10:10 a.m. Motion passed unanimously.

Vicki Orford, Chair

Mike Pruett, Vice Chair

Tracy Shrable, Secretary

Cherri Thomas, Member