

Three Rivers Hospital

Board of Commissioners Regular Meeting

January 3, 2018

Minutes

There was no medical staff meeting in December, therefore no medical staff applications. C. Thomas motioned and T. Shrable seconded to accept the consent items as presented. Motion passed unanimously.

Foundation Report

Yesterday's Three Rivers Foundation meeting was canceled and will be rescheduled. S. Graham and C. Majors attended the December meeting. S. Graham reported the Foundation is getting ready to take on some larger projects and ramping up their efforts to collect donations. At last report, their bank account balance was about \$9,000. C. Majors stated that Vice President Steven Ortolf has interviewed with KOZI a few times. C. Thomas asked if the Foundation has contacted Don at K-Root in the Methow Valley; it's on their to-do list. L. McNamara said the Foundation also hopes to have more volunteers, even if they can only hand out donation envelopes at community events. C. Thomas asked if the Foundation has advertised in local newspapers; no.

Physician Report

None.

Administration Report

Our vision, mission, values, strategic plan, and Wildly Important Goals should all be in alignment. S. Graham reviewed our strategic priorities: quality and safety, culture, community partner, communication, and financial viability. He reviewed some major accomplishments in 2017.

Challenges in the coming year include keeping the hospital building in decent shape, lower Medicare reimbursement since we've been more efficient at controlling costs, and changes in the political climate that may affect how health care is provided. S. Graham shared the higher target objectives for 2018 in terms of patient volumes and revenues. He hopes to have \$1.5 million in the bank by the end of the year, which would get the hospital closer to its goal of having 90 days' cash on hand. Other objectives include going paperless, improving security and customer service, upgrading the lobby and IT infrastructure, and moving forward on seeking a bond for a new addition onto the hospital. The latter would include feasibility studies, focus groups, and ample communication with the communities.

V. Orford asked if we can add an objective to get more overall community involvement. C. Thomas suggested a community advisory group or other similar ideas.

Regarding the swing bed program, C. Thomas asked if Administration has a plan to put the necessary support services in place to then build the program, such as hiring a physical therapist. A plan is in the works, and we'll be getting funding this year from the Department of Health for a full-time case manager. That position must be filled by the end of March. V. Orford asked why radiology and laboratory test targets weren't raised to be commensurate with the target increases in patient volumes. Part of the reason is the new radiology and lab targets have already been implemented, but unofficially; the other part is that our staffing levels prevent us from raising the targets too much more.

C. Thomas asked if Dr. Miller is a full-time orthopedic surgeon; yes, and so is the orthopedic Physician Assistant. They do offer services at other hospitals in the area.

L. McNamara asked about the status of recruiting a second general surgeon. Administration has drawn up a new contract with recruitment firm Merritt Hawkins, and they're ready to go when we are. We're still working on collaborating with Mid-Valley Hospital and North Valley Hospital to share the costs. T. Shrable asked if Administration is still working with Lake Chelan Community Hospital on sharing orthopedic providers; yes, although Chelan's surgeon seems to be happy with the way things are.

V. Orford asked about patient falls in November; initially we thought there were none, but one reported event was reclassified as a fall. This was someone who had already been discharged, but they were still in our waiting room when they fell so we felt they should still be under our care even though they technically weren't considered a patient any longer.

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C. Thomas asked if there are plans for a springtime Board of Commissioners retreat. V. Orford would like to schedule this. M. Pruett suggested holding the retreat shortly after the moves are completed, so the board could discuss the effects of that. Discussed hosting the retreat in the Methow Valley.

Break

V. Orford announced a 15-minute break at 12:21 p.m. She reconvened the meeting at 12:36 p.m.

Finance Report

In November, we had 117 patient days with an average daily census of 3.08. Inpatient revenue was over budget and outpatient revenue was under budget. J. Munson stated the gross private pay revenues increased by more than \$700,000 compared to last year. V. Orford asked if there's a way to negotiate contracts with insurance providers as part of a consortium; we have a contact who has been able to do that with other providers, but Three Rivers has not been able to negotiate with Molina. Our net income for the month was a loss of \$511,000. Year-to-date, we had a profit of \$198,000. Year-end financials aren't finished yet, but J. Munson thinks we'll end 2017 with a positive bottom line. Unbilled is below \$300,000, which is a low number.

Three Rivers received a letter from Noridian showing a \$762,000 payable to Medicare; J. Munson has submitted documentation requesting the extended payment option, which will work out to \$127,000 per month. Noridian will hold its reimbursements to the hospital until they approve the payment plan. M. Pruett asked what "warrants outstanding" means in the cash report; they're warrants/checks that haven't cleared the bank yet. The state financial audit for 2016 is complete, but we haven't received any documents or a request for an exit conference yet. Effective January 1, Washington state has a new sick leave policy that requires us to provide one hour of sick time for every 40 hours worked for part-time and per diem employees. V. Orford asked if that sick time has to be paid out if an employee terminates; no, but we do have to keep their accrued sick time logged in case they returned to work at Three Rivers, at which point what they previously accrued would be reinstated and available to them. V. Orford asked how the in-house billing is going; good. J. Munson noted that the new Patient Registration Manager had to resign, so the Business Office/Billing Manager is temporarily overseeing that department in addition to her own. M. Pruett asked if the Business Office has completed its move into Eagle Rock Physical Therapy; yes.

Old Business

Capital Improvements Update: Administration and staff are working on the department moves and deciding on furnishings and color schemes for the new clinic space. The Building & Planning Committee has obtained three bids, but one was considerably more costly than the other two so Administration is asking for clarification and will possibly seek a bid from another company. McKinstry, an engineering firm, has resubmitted current pricing for the work needed to prepare the new ER. The next phase is developing a contract with a timeline, which McKinstry should have ready for us by the end of this week or early next week.

Finance Report - Action

M. Pruett motioned and C. Thomas motioned to accept the November 2017 financial report. Motion passed unanimously.

Old Business - Continued

Medication Take-Back Site Security Discussion: C. Thomas requested adding this to the agenda following the December Quality Council meeting. She would like to raise awareness about the security risk for the hospital in being established as a take-back site for narcotics. S. Graham would like to see greater security measures taken to protect patients and staff around the clock. C. Thomas proposed directing Administration to look into short- and long-term plans to bolster security, and bring recommendations back to the board. V. Orford agreed, and

Three Rivers Hospital

Board of Commissioners Regular Meeting

January 3, 2018

Minutes

requested adding security under the purview of the Building & Planning Committee. L. McNamara asked if there are security requirements in order to be approved as a take-back site. G. Aguilar explained that some minimal efforts will be taken. V. Orford asked about emergency drills and their frequency; fire alarm, infant abduction, disaster, and other types of drills will be stepped up in 2018. A new schedule for drills has been created. G. Aguilar said the Brewster Police Department chief has offered to participate more in our drills. C. Thomas recommended stepping up staff awareness that the building needs to be locked. G. Aguilar said there has been improvement, but two doors remain unlocked for specific reasons.

Board Bylaws: V. Orford tabled this discussion until next month's regular board meeting. She'll retype the bylaws and send them to J. Best. C. Thomas noted that the job descriptions shouldn't be in the bylaws, and the committee descriptions should be in each committee's individual charter. The bylaws would then simply refer to the committee charters. She thanked L. McNamara and T. Shrable for doing the initial review of the bylaws.

Board Manual Discussion: V. Orford suggested removing some information from the bylaws that isn't necessary, and instead put it in the new board manual. When she does her next review of the bylaws, she'll highlight the areas that could be included in the manual. S. Graham purchased the Robert's Rules of Order book, which he'll give to J. Best to bring to board meetings.

New Business

Resolution 2018-1: This resolution is a list of equipment that is no longer needed or past its useful life. V. Orford asked if language could be added to the surplus equipment policy, if the hospital has one, that would require surplus items to be removed from the premises within a certain time frame. S. Graham noted that there have been occasions wherein we ended up having a use for a surplus item later on. The hospital is also supposed to offer any items of value to the public for purchase. He suggested making the language "within a reasonable time" instead of setting a precise number of days. He'll propose some language to the board. M. Pruettt motioned to approve Resolution 2018-1 as presented. L. McNamara seconded. Motion passed unanimously.

2018 Board Officers Election: C. Thomas proposed keeping the officers in their current roles for another year, if they're interested in doing so. The rest of the commissioners agreed. V. Orford will remain as Chair, M. Pruettt as Vice-Chair, and T. Shrable as Secretary. C. Thomas motioned to leave the board officers as constituted. M. Pruettt seconded. Motion passed unanimously.

2018 Board Committee Assignments: In 2017, M. Pruettt served on Building & Planning, V. Orford served on Finance and Medical Staff, C. Thomas served on Quality Council, and T. Shrable served on Finance. L. McNamara was not assigned to any committees.

M. Pruettt and C. Thomas would like to stay on their committees, as would T. Shrable. V. Orford asked L. McNamara if she'd be interested in being the Medical Staff representative; yes. L. McNamara is still interested in serving as an alternate on the other committees, if the other board members are unable to attend. M. Pruettt motioned to accept the slate of board member committee assignments for 2018; L. McNamara seconded. Motion passed unanimously.

Board Education

Anita Fisk, Director of Human Resources, gave a presentation on Three Rivers Hospital's hiring process.

V. Orford asked if employees are hired without in-person interviews; temporary staff known as "travelers" are interviewed primarily over the phone. C. Thomas suggested using teleconferencing. L. McNamara asked if we've ever hired a traveler to be directly employed by the hospital; not in A. Fisk's time here, although one traveler expressed interest in working here permanently. If that were to happen, we would pay Medefis a placement

Three Rivers Hospital

Board of Commissioners Regular Meeting

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fee. She asked if HR posts positions in-house before making the posting public; sometimes, yes. That happens when existing employees express interest in certain positions. V. Orford asked if the Administrator also has to approve using recruitment agencies for difficult-to-fill positions; yes.

The board thanked A. Fisk for the presentation. Hiring is a lengthy and detailed process, but it's worthwhile to get the right team members.

For the next regular board meeting, M. Pruett requested hearing more about the OB program; specifically, what our Baby Friendly designation means, what services are involved, who the team members are, etc. G. Aguilar asked to postpone this education until February, since the OB team lead is currently working on a big project.

Public Comment

V. Orford asked C. Majors to put out a press release about our achievements in 2017. He is already working on a year-end community report. M. Pruett suggested pitching a feature story to the Methow Valley News.

L. McNamara suggested hosting a meet-and-greet to give the public a chance to meet the administration and/or board members, this before the spring board retreat.

Upcoming Meetings and Events

V. Orford noted the meetings as listed on the agenda. A Building & Planning Committee meeting is scheduled for noon on January 11.

Board Discussion

1. Did you enjoy this meeting? Yes.
2. Did we have any moments of the perception of conflict of interest? No.
3. Did we use the meeting time effectively? Yes.
4. What is one thing you would change about this meeting? M. Pruett noted that the board is trying to do a good job of keeping the meeting on track. C. Thomas also thinks the meetings have been running a bit long. V. Orford would like the board to decide whether to have one three-hour meeting per month, or divide it up into two shorter meetings per month. T. Shrable agreed that sidetracking was kept to a minimum, and would like to put a time limit cap on the topics to keep the meetings from running too long.

Adjournment

L. McNamara motioned and C. Thomas seconded to adjourn the meeting at 2:21 p.m. Motion passed unanimously.

Vicki Orford, Chair

Mike Pruett, Vice Chair

Tracy Shrable, Secretary

Cherri Thomas, Member

Leslie McNamara, Member