

## Three Rivers Hospital

Board of Commissioners Regular Meeting

January 2, 2019

Minutes

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The Three Rivers Hospital Board of Commissioners called a regular meeting to order at 11:15 a.m. Wednesday, January 2, 2019 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  
Tracy Shrable, Secretary (arrived at 11:20 a.m.)  
Cherri Thomas, Member  
Leslie McNamara, 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  
Tina Smith, Assistant Chief Nursing Officer  
Jennifer Best, Administrative Assistant  
Nicky Markey, Director of Quality, Risk & Compliance  
Christopher Majors, Business Development Coordinator  
Jamie Boyer, Health Information/Patient Registration/Clinic Manager  
John McReynolds, North Valley Hospital  
Amber Hedington, Omak-Okanogan County Chronicle

### Vision, Mission & Values

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

### Agenda

J. Munson requested to add Resolution 2019-1 to New Business, and the board committee appointments to New Business with the officer elections.

M. Pruett asked if a Building & Planning Committee meeting is still scheduled for January 14; yes, at 1 p.m.

L. McNamara motioned and M. Pruett seconded to accept the amended agenda as official. Motion passed unanimously.

### Minutes from Previous Meeting

No corrections or changes to the November 28, 2018 regular board meeting minutes. C. Thomas motioned and L. McNamara seconded to accept the minutes as presented. Motion passed unanimously.

### Consent Items

V. Orford noted payroll and vouchers as listed on the agenda and read aloud the bad debt and financial assistance figures. No vouchers were from Grover's Building Supply.

Payroll total: Gross: \$498,604.60 Net: \$343,753.52

• 11/18/18-12/1/18 Gross: \$248,517.88 Net: \$170,201.83

• 12/1/18-12/15/18 Gross: \$250,086.72 Net: \$173,551.69

Vouchers total: \$1,497,409.50

• 11/29/18 85791-85872 \$344,415.34

• 12/6/18 85873-85913 \$395,578.33

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- 12/13/18 85914-85964 \$203,250.11
- 12/20/18 85965-85999 \$341,753.06
- 12/27/18 86000-86020 \$212,412.66

Bad Debt: \$85,894.16 Financial Assistance: \$48,812.03

V. Orford read aloud the names of medical staff applying for privileges.

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

### TRH Foundation Report

The Three Rivers Hospital Foundation did not meet in December. C. Majors worked with Foundation board member Steve Ortolfo on a social media crowdfunding project to generate more donations. It seemed to get lots of engagement, but he isn't sure how much has been raised. The Foundation has offered their support and participation in the hospital's 70th birthday. The ice machine for Acute Care has been installed.

### Physicians Report

Kevin Walker trained providers on the CPSI Pharmacy module at the December 19 Medical Staff meeting.

S. Graham delivered an administrative report, G. Aguilar gave a nursing report, and the physicians discussed the call schedule for the next few months. An election of officers was also held. Dr. Tagge was replaced by Dr. Wallace as Chief of Staff, Dr. Haeger was elected Vice President, and Dr. Witt will remain as Secretary. Dr. Kerr will continue to provide peer review services. There was also some discussion about whether providers want to switch to a new EMR; the consensus seemed to be that they are willing to keep working on improving CPSI.

C. Thomas asked if any other local hospitals use CPSI more successfully than we do. S. Graham thinks Chelan may have achieved greater functionality with CPSI. L. McNamara noted that the physicians recognize most EMRs are problematic, except for EPIC. The dream EMR is EPIC, but it's very expensive and typically used by larger hospitals. S. Graham would like to see a more integrated system implemented regionally among the hospitals and clinics, to facilitate greater ease of patient record sharing.

### Administration Report

S. Graham reviewed strategic objective progress for the end of 2018:

1. Improve marketing of services: 100% complete, with the addition of C. Majors to the staff in 2017.
2. Improve the appearance of the patient lobby and grounds: 100% complete. We have added improvements to the lobby and do a good job with upkeep of the grounds.
3. Building improvements: 95% complete, in part due to minor unexpected snags the contractors have encountered in their work. The new ER is mostly done.
4. Increase patient volumes: We haven't seen the increase in surgery yet, but we have in other areas such as swing bed. S. Graham marked this as 80% complete, a work in progress.
5. Invest in and improve IT infrastructure and functioning: 100% complete. We've improved our security and began the server virtualization project.
6. Collaborate with the community: 95% complete. We're now sharing positions and work with North Valley Hospital, and that has prompted other healthcare partners to reach out wanting to collaborate. S. Graham sees an opportunity to bring about a rare healthcare model that could serve as an example to the rest of the state. J. McReynolds is attending today to see how our board meetings are run, and he's excited to explore other opportunities to collaborate. V. Orford asked how this partnership has been received in Tonasket; J. Reynolds noted that some employees have minor apprehension because it's a change, but the community has been very positive about it.

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S. Graham proposed holding another strategic planning retreat in February, inviting North Valley Hospital officials and others to participate. He proposed bringing in a facilitator. V. Orford would love to see as much engagement from our community as North Valley had for its retreat, which she attended. The board discussed splitting the retreat into two days – one in Brewster, and the other in Twisp – to give residents more opportunities to participate.

November and December are traditionally difficult months for us, but we had a very strong beginning to December. C. Thomas asked if we've seen many flu patients; C. Smith said we've had 20 positive flu tests and zero pertussis. There is more room for improvement in bringing down the labor ratio. M. Pruett asked if there's a way to encourage greater use of our laboratory services, now that Family Health Centers has decided to close our lab in one of their Brewster clinics. S. Graham thinks we still have opportunity to capture some labs from FHC, but they felt that they could offer a less expensive service to their patients with LabCorp.

S. Graham felt that his visit to Olympia in December was valuable. Rep. Cody was skeptical and is more money-focused, and she doesn't see as much value in rural health. Rural hospital leaders were able to make the case that there is a good value to the services we provide in our communities. Sue Birch, executive director of the Washington Health Care Authority, seemed open to learning more about how we operate. Former Sen. Linda Parlette is very supportive of rural healthcare and is a friend of Rep. Cody, so we'll continue to work with her to help deliver our message in Olympia.

M. Pruett asked about the recruitment progress for Dr. Mark Diebel, a general surgeon candidate who visited in December. S. Graham thinks the visit went very well. Dr. Diebel is attracted to our area and seems to believe he could provide a high volume of surgeries. J. McReynolds said his visit at North Valley was short, but went very well. The North Valley surgery team liked him very much. Dr. Diebel is completing his residency in Wisconsin and would be available to start in June. L. McNamara added that she spoke with Dr. Robledo, who is currently working in our clinic, and he said he would continue working here if he could.

Regarding patient satisfaction, M. Pruett would like to see greater communication between ER staff and patients, especially once the new ER is up and running. S. Graham thinks there will be improvement because the new ER layout keeps patients within the staff's line of sight. He thinks more customer service training is needed for all staff. C. Smith hopes that with the addition of an NA-C to the ER registration staff, they'll be able to help triage and room patients more quickly. Each exam room will have a call light for patients as well, which should help them feel more connected.

S. Graham announced that a judge ruled against reducing the 340B program, which is good news for hospitals.

### **Break**

V. Orford announced a 20-minute break at 12:08 p.m. for lunch.

V. Orford reconvened the meeting at 12:28 p.m.

### **Finance Report**

The legal team from the state Health Care Authority contacted J. Munson this morning to confirm that we waive the requirement for them to provide notification for us to receive payment. They will, in turn, send us the \$612,000 owed to us for Meaningful Use. She received an email that stated the money will arrive in two weeks. We have a large Medicare payment for a swing bed patient, about \$209,000. That is currently being processed. Medicare has indicated that they may pay this in installments.

J. Munson has amended the November 2018 finance packet, which resulted in showing a net gain instead of a net loss. November was a very slow month, with an average daily census of 3.07. Total revenues were under budget by about \$61,000. However, Chief Nursing Officer Gretchen Aguilar was able to secure two grants for programs in which the hospital is participating: \$10,000 for one, and \$26,000 for another. Salaries and wages were lower than what we typically see, but we only had 92 FTEs, and we have been able to bill out for some things, such as half of S. Graham's salary to North Valley, and the CRNAs.

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S. Graham pointed out that we lost \$400,000 last November, and we only made \$4,000 this November but the difference is great news for us.

J. Munson noted that there is a \$1 million reduction in accounts receivable in November 2018, compared to November 2017. That's the result of hard work as a team, changing processes, and working with other entities to help us capture more payments.

The cash position as of this morning was \$155,000. So far, December is showing an average daily census of 3.94, and accounts receivable days are at 61. Revenue for December was \$1.722 million, about \$55,000 per day, so she is certain we'll come in under budget for revenue. The year-end budget work is pending completion of some tasks such as inventory.

J. Munson applied for a \$12,000 DSH grant for 2019. The chargemaster has been posted on our website, to follow a new law that went into effect on January 1. She and A. Fisk worked together to set up parameters for the new Washington Family Medical Leave Act changes. The state audit is still in process, and there have been no issues so far. On the ER move project we have expensed less than half of our \$600,000 bond monies, leaving us with \$309,000 left to spend. We are currently short-staffed in Patient Registration, and one of J. Munson's employees, Sandra Zamudio, has gone above and beyond in covering open shifts.

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

### Old Business

Capital Improvements Update: The Building & Planning Committee met on December 7. The ER project is still underway, but nearly complete. There have been a couple of project manager turnovers, the most recent being last week. M. Neddo hopes to touch base with the new project manager today or tomorrow. An open house originally planned for January 25 will be postponed. A meeting will be held this afternoon to review remaining equipment needs. M. Neddo hopes to obtain a waiver from the state that would require the eliminate a requirement for a piece of equipment to lift patients weighing up to 1,000 pounds. In the past four years, we had seen only about four patients who weighed more than 500 pounds. The big lighted "Emergency" sign for the new ER will be installed next week, and the rest of the signage is waiting to be placed. M. Pruettt asked if the new lighting for the parking lot has been ordered yet; M. Neddo will find out and report back. C. Thomas asked to be kept in the loop in case she or the other board members can help with the move.

L. McNamara asked if there was a fire at the hospital last week; no, but we had some fire drills and a company was on-site to test all the fire alarms.

The Business Office has been moved back into the hospital, in the former Respiratory Therapy space. Our Respiratory Therapist resigned, and the RT office was moved to another space. Nurses are being trained to do some tasks for providers who order them routinely, like treadmill tests for Dr. Hanson.

M. Neddo and Maintenance/Plant Manager Rob Wylie will be finishing up the details to start working on improving the lower half of Hillcrest. She has contacted a consultant who is going to begin looking into our plan for a new building, and she asked our accounting firm to run some figures for us.

J. McReynolds agreed with S. Graham that having a new building has been good for North Valley's cost report and reimbursement.

### New Business

2019 Board Officer Elections and Committee Appointments: C. Thomas nominated M. Pruettt to serve as chairman. T. Shrable seconded. M. Pruettt accepted the nomination, and in turn he nominated V. Orford as Vice Chair. T. Shrable seconded. C. Thomas motioned and L. McNamara seconded to accept the following nominations: M. Pruettt as Chair, V. Orford as Vice Chair, and T. Shrable as Secretary/Treasurer. Motion passed unanimously.

Board members chose to continue serving on the same committees this year. Committee appointments are as

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follows: C. Thomas on Quality Council, L. McNamara on Medical Staff, T. Shrable and V. Orford on Finance Committee, and M. Pruett on Building & Planning Committee. M. Pruett reminded the board members to communicate with J. Best if they'd like to attend any other committee meetings in order to avoid a quorum. S. Graham noted that there can be a quorum at some meetings, but Administration would need to know beforehand in order to give at least 24 hours' notice to our newspaper of record.

Physician Recruiting with Inline Group: We have traditionally used Merritt Hawkins to recruit providers, which costs about \$25,000 per successful recruitment. We'd like to try a different direction with Inline Recruiting Group. They connect employers to candidates directly. It's a 12-month subscription for \$27,000, but for that cost you can recruit as many providers as you need. M. Neddo would like to try it because the company does a lot of outreach with recent graduates. They generate custom websites for positions that promote the hospital. M. Pruett and C. Thomas agreed that it's worth exploring. No action from the board is required; M. Neddo will start the process of switching over.

Resolution 2019-1: This resolution is intended to approve a monthly funds transfer to allow Three Rivers to make its payments to Coastal Community Bank. C. Thomas motioned and M. Pruett seconded to approve Resolution 2019-1. Motion passed unanimously.

### Board Education

None. The board would still like to hear an overview of the OB program at the next meeting. N. Markey volunteered education in the future from the Antimicrobial Stewardship Team. S. Graham thinks the Open Public Meetings Act changes would be another important topic.

### Public Comment

L. McNamara recently had family in the hospital on swing bed status, and she was very pleased with how helpful and responsive the staff was to her questions. They received excellent care. M. Pruett recently heard of three non-local patients who used our hospital, and they were all pleased. C. Smith added that for taller patients, we're looking into getting a couple of extensions for the beds.

### Upcoming Meetings & Events

V. Orford noted the upcoming meetings as listed on the agenda. M. Pruett asked how long the special meeting on January 10 might take. J. Munson said the budget hearing itself should be short, and she plans to reach out to the commissioners individually beforehand to answer any questions.

L. McNamara said the medical staff has asked for her input occasionally at their meetings, on behalf of the board. V. Orford suggested cultivating topics ahead of time, as S. Graham already delivers a report each month.

### Executive Session

V. Orford announced an executive session for 20 minutes starting at 1:25 p.m., for the purposes of discussing litigation pursuant to RCW 42.30.110(i). No action will be taken afterward.

V. Orford reconvened the meeting at 1:45 p.m.

### 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? None.

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S. Graham will reach out to Noel Rea and Ben Lindekugel to facilitate strategic planning retreat(s).

**Adjournment**

C. Thomas motioned and T. Shrable motioned to adjourn the meeting at 1:56 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

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Leslie McNamara, Member