

Three Rivers Hospital

Board of Commissioners Regular Meeting
December 4th, 2019 Minutes

The Three Rivers Hospital Board of Commissioners called a regular meeting to order at 11:16 a.m. Wednesday, December 4th, 2019 in the McKinley Building Conference Room at 507 Hospital Way, Brewster WA 98812. The presiding officer was Mike Pruett, Chair.

A quorum was present, including:

Mike Pruett, Chair
Vicki Orford, Vice-Chair
Tracy Shrable, Secretary
Cherri Thomas, Member
Leslie McNamara, Member

Others present:

J. Scott Graham, Chief Executive Officer
Melanie Neddo, Chief Operating Officer
Gretchen Aguilar, Chief Nursing Officer
Anita Fisk, Director of Human Resources
Jennifer Munson, Chief Financial Officer
Tina Smith, Assistant Chief Nursing Officer
Shauna Field, Administrative Assistant
Jennifer Best, Business Development Coordinator
James Wallace, M.D., Chief of Staff
Erin Cooley, M.D., Family Health Centers
Chad Schmitt, Chief IT Officer (via phone)
Celeste Bush, Member of the Public

Vision, Mission & Values

All took turns reading the vision, mission, and values statements.

Agenda

S. Graham requested an executive session to discuss contract services, pursuant to RCW 42.110.30(g) with no action to be taken after. Item placed on the agenda after Board Education. A motion was made by L. McNamara to accept the amended agenda; seconded by C. Thomas. Motion carried.

Minutes from Previous Meeting

L. McNamara proposed a change to the October 30, 2019 Regular Board Meeting minutes to include the motion and approval to amend the agenda. S. Graham provided an update regarding information on other critical access hospitals who have closed their OB programs. From his research it does not appear any hospitals have closed because of their OB programs ending. T. Shrable did not attend the November 29th, 2019 Special Meeting so his vote will only include the October 30, 2019 minutes. A motion was made by L. McNamara to accept the October 30, 2019 Regular Meeting minutes as amended; seconded by T. Shrable. Motion carried. A motion was made by C. Thomas to accept the November 29, 2019 Special Meeting minutes; seconded by V. Orford. Motion carried.

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Consent Items

M. Pruett noted the payroll and vouchers as listed on the agenda and read aloud the bad debt and charity care figures. L. McNamara recused herself from approving the November 14th, 2019 vouchers due to the presence of a bill paid to Grover's Building Supply.

Payroll total:	Gross: \$783,670.82	Net: \$539,655.26
10/6/19-10/19/19	Gross: \$250,299.89	Net: \$173,526.30
10/20/19-11/2/19	Gross: \$260,120.44	Net: \$178,130.66
11/3/19-11/16/19	Gross: \$273,250.49	Net: \$187,998.30

Vouchers total: \$1,685,733.38

10/24/19	088311-088364	\$411,503.61
10/31/19	088365-088431	\$190,979.47
11/7/19	088460-088502	\$450,552.85
11/14/19	088503-088546	\$149,584.81
11/21/19	088630-088712	\$483,112.64

Bad Debt: \$64,328.83 Financial Assistance: \$88,866.77

Due to the number, M. Pruett noted the applicants for medical staff privileges as a slate; 7 initial applications and 8 re-applications, as presented by Dr. Wallace, Medical Staff President. A motion was made by C. Thomas to accept the consent items; seconded by T. Shrable. Motion carried.

Vicki's Resignation and Recognition

M. Pruett presented a certificate of appreciation and read a statement thanking V. Orford for her years of service on the board of commissioners. The board members and administration shared their thanks and appreciation. A. Fisk asked if a written resignation had been provided; yes. No action was needed, but the board recognized V. Orford's resignation, effective December 31st, 2019.

Foundation Report

The Foundation did not meet in November. They want to review an updated quote for the purchase of orthopedic trapezes before they hold their next meeting.

Physicians Report

L. McNamara discussed the November medical staff meeting. Effective January 1st, 2020, prescriptions for controlled substances need to be hard copies for Walmart and some other pharmacies. The physicians also discussed a new policy regarding cellphone sign-ons for the application. C. Thomas asked if the physicians are currently e-subscribing controlled substances; it is in our capacity, but there needs to be a pharmacy that accepts it and a process for the providers. We have the licenses for an app and IT is working with the physicians to get them set up and trained. There were concerns about HIPAA, security, and the providers using their personal cellphones for business purposes. C. Schmitt explained that we are in the process of developing security policies to address those issues. The OB program transition and the new anesthesia contract were also discussed during the Medical Staff meeting.

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Administration Report

November was a slower month. There were thirteen surgeries for the month. Dr. Dhillon did a number of those and the feedback from the providers and staff has been nothing but positive. ER volume was lower but we met our in-patient admission average target of five. Our cash position has eroded over the year due to lower patient volumes earlier in the year, but we have been maintaining a reserve fund to use if needed. S. Graham anticipates that we will need to use some of those funds due to the slowness of the December to February months, but the anticipated increase in surgeries should improve our volumes and cash flow in the new year. C. Thomas asked about the flu season; G. Aguilar feels the flu season will be significant this year. She also asked about the percentage of employees who have had the flu shot this year; approximately 90%. There have been zero patient falls since May. V. Orford asked if the new beds with alarms have helped; G. Aguilar said it is possible, but the staff has been hyper alert and doing very good with assessments and using visual cues. S. Graham announced Kevin Walker's promotion and new position; although he will no longer be the onsite pharmacist, he will be helping with the hospital integration project.

The group discussed the OB program ending and the goals and strategy for new growth and services including increased surgery and primary care, interventional pain management services, and physical and occupational therapy. C. Thomas commented that there has been a misperception that the hospital will be closing and it will be important to get the message out to the community about new services. V. Orford felt the recent newspaper articles were well-written and did a good job of explaining why the OB program was ending. M. Pruett suggested creating a temporary steering committee to help with promotion for our providers and services. C. Thomas suggested working with North Valley and possibly putting out a quarterly newsletter. S. Graham talked about the need to consider our resources when determining the best possible methods of community outreach. S. Graham agreed that a committee for promotion and marketing would be helpful but suggested making it a part of one of the existing committees for the integration or new building.

S. Graham thanked C. Schmitt for the thoroughness of the IT report. Due to ongoing performance issues with the current EMR system, CPSI, he discussed the possibility of switching to a new system for both Three Rivers and North Valley to help with integration and consistency between the two hospitals.

S. Graham discussed the status of the hospital integration committee. They have met three times so far and he feels they have been making good progress with the governance and management structure and the master interlocal agreement. He explained that the goal is to build a governance structure that will reduce the amount of board meetings a year to 12 instead of 24 and survive beyond the current CEO. M. Pruett and C. Thomas discussed the importance of good communication as we move forward. L. McNamara asked if someone was taking minutes at the committee meetings; yes. She suggested forwarding the committee meeting minutes to all the board members.

S. Graham discussed the status of the new building committee. They are in the preliminary stage but moving forward. A facilities director needs to be hired.

S. Graham announced that he has resigned from the ACH Board but will still be involved in future projects.

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Break

M. Pruett announced a 15-minute break for lunch at 12:32 p.m. He reconvened the meeting at 12:48 p.m.

Finance Report

J. Munson presented the October finance report. We had 122 patient days, all medical and swing bed days, which helped our gross revenue. Our average medical patient census was 2.03 and swing beds were 1.9. We had 2.2 million in revenue. In-patient revenues were under budget, but out-patient revenues were over budget. Our surgery volume was low at 15 total, but ancillary and swing bed revenues really benefitted us in October. We were close to 49% with contractals. Expenses were over budget by \$20,000 due to locum costs and contracted services. We had an operating loss of \$128,000, but an overall profit of \$10,000. The OB program will end as of April 1st, 2020. V. Orford asked if we would still be delivering babies and paying for on-call providers for the first three months even though the 2020 budget does not include OB services; yes, but those costs should be a wash over time. L. McNamara asked about the purchased contract services; we received four months of back-billing from Meridian for IT services. M. Pruett asked if that is their billing schedule; no, those are usually month to month expenses. S. Graham asked about cash amounts; \$95,000 at the end of the month. We had lower volumes than usual earlier in the year and we are seeing the impact of that on our revenue and cash collection now. In November we had over one million dollars in cash collections. We received about \$350,000 in tax revenues in October. J. Munson briefly discussed November's end of month numbers. In-patient, medical, and OB/newborn average patient days were 1.8 but the swing bed average was 2.87. Swing beds are very beneficial to us and will have a positive impact on our contractals because we get paid more than what we bill for them. C. Thomas asked if there was any specific reason for the increase in swing beds; no, they are usually elderly patients who need extra help and some who could not be placed elsewhere. At the time of the meeting, November was showing 1.8 million in gross revenue, which was underbudget. Accounts receivable was 3.4 million, unbilled was \$513,000, which was higher than normal due to staffing changes. The CRNA passthrough was accepted by Medicare. The interim rate notice was submitted to Medicare, and our rates are going to change; in-patient and swing beds rates will decrease and out-patient will increase slightly. A motion was made by L. McNamara to accept the finance report; seconded by C. Thomas. Motion carried.

Old Business

M. Neddo provided an update on the hospital's capital improvements. In 2019 several projects were completed including installing OR lights, moving the ER, finishing the clinic, upgrading and moving the business offices, upgrading the X-ray room, and installing new autoclaves. Pending projects include improvements to signage and the lobby, as well as to the fire doors and dampeners. Additional projects identified as priorities include improvements to hospital security, upgrading Operating Room #1 and improvements to the McKinley administrative business spaces.

New Business

Blood Gas Analyzer:

The hospital's blood gas analyzer has reached its end of life and needs to be replaced. A motion was made by L. McNamara to purchase a new blood gas analyzer; seconded by C. Thomas. Motion carried.

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Resolution #2019-15:

A resolution was presented to surplus two ER crash carts and the old blood gas analyzer. A motion was made by L. McNamara to approve the resolution; seconded by V. Orford. Motion carried.

2020 Board Officer Elections:

- Chair: Mike Pruett
- Vice Chair: Cherri Thomas
- Board Secretary: Tracy Shrable

A motion was made by L. McNamara to accept the 2020 board officers; seconded by T. Shrable. Motion carried.

2020 Committee Assignments:

- Quality Committee: Cherri Thomas
- Finance Committee: Tracy Shrable and Leslie McNamara
- Building and Planning Committee: Mike Pruett and Leslie McNamara
- MedStaff: Leslie McNamara
- Hospital Integration Steering Committee: Mike Pruett and Cherri Thomas
- New Building Steering Committee: Mike Pruett and Tracy Shrable

The board members accepted their assignments with no action needed.

Board Education

G. Aguilar presented on the TCDI program, Transitional Care Management and Emergency Department Diversion, which is a \$26,000 grant to provide post discharge telephone follow-ups to patients. The focus of the program is to assist Medicaid patients with their needs after discharge in order to reduce the chances of readmittance for the same symptomology. The follow-up call addresses how the patient is feeling and if the patient has the help, equipment, and medication they need at home, follow-up appointments, and any barriers. Quarterly statistic reports are submitted to track the number of patients who receive the calls, who attends their follow-up appointments, and readmission rates. The board praised the program for improving the patient experience and providing a positive follow-up contact with the hospital.

The topic for the next board education was decided: How to review potential new board members. M. Pruett and S. Graham will present.

Executive Session

A 15-minute executive session was called by M. Pruett at 1:35 p.m. pursuant to RCW 42.110.30(g) for discussion of a public employee, with no action to be taken after. M. Pruett reconvened the public meeting at 1:50 p.m.

Public Comment

G. Aguilar discussed donations for the 2020 New Baby Basket.

S. Graham announced there will be a bus stop built outside the clinic.

M. Pruett reminded the group about the WSHA Advocacy Days in Olympia at the end of January.

A. Fisk reminded the group about the staff and provider Christmas party on December 16th, 2019.

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Upcoming Meetings & Events

M. Pruett noted the meetings and events listed on the agenda.

Board Discussion

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

Adjournment

A motion was made by T. Shrable to adjourn at 2:06 p.m.; seconded by C. Thomas. Motion carried.

Mike Pruett, Chair

Cherri Thomas, Vice Chair

Tracy Shrable, Secretary

Leslie McNamara, Member

VACANT
Member