

The Three Rivers Hospital Board of Commissioners called a regular meeting to order at 11:19 a.m. Wednesday, October 28, 2020. In order to comply with State Governor's mandates regarding social distancing, the meeting was held virtually via the Microsoft Teams platform. The presiding officer was Mike Pruett, Board Chairman.

A quorum was present, including:

Mike Pruett, Board Chairman
Cherri Thomas, Vice-Chair
Tracy Shrable, Secretary
Leslie McNamara, Member
David Garcia, Member

Others present:

J. Scott Graham, Chief Executive Officer
Melanie Neddo, Chief Operating Officer
Anita Fisk, Director of Human Resources
Alan Ulrich, Chief Financial Officer
Jennifer Munson, Director of Finance
Gretchen Aguilar, Chief Nursing Officer
Tina Smith, Assistant Chief Nursing Officer
Shauna Field, Administrative Assistant
Jennifer Best, Public Relations
Chad Schmitt, Chief Information Officer
Nancy DeFord, Director of Quality
Rosie Poole, Materials Manager
Dr. Ty Witt, Chief Medical Officer
Jamie Boyer, Clinic Manager
Jeremy Vandelac, Ancillary Manager
Dr. Jill Jenkins
Dr. James Wallace

Vision, Mission & Values

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

Agenda

Cherri Thomas requested discussion be added to new business regarding Medicare Advantage plans.

Anita Fisk requested an action item be added to new business to accept the 2021 medical benefit plan recommendation.

A motion was made by L. McNamara to accept the amended agenda as official; seconded by C. Thomas. Motion carried.

Minutes from Previous Meeting

A motion was made by C. Thomas to approve the September 30, 2020 Regular Meeting minutes; seconded by T. Shrable. Motion carried.

Consent Items

M. Pruett noted the payroll and vouchers as listed on the agenda.

Payroll Total:	Gross: <u>\$802,465.70</u>	Net: <u>\$559,423.65</u>
<u>09/06/20-09/19/20</u>	Gross: <u>\$266,567.83</u>	Net: <u>\$187,164.20</u>
<u>09/20/20-10/3/20</u>	Gross: <u>\$270,039.26</u>	Net: <u>\$185,567.04</u>
<u>10/4/20-10/17/20</u>	Gross: <u>\$265,858.61</u>	Net: <u>\$186,692.41</u>

Vouchers Total:		<u>\$1,037,567.55</u>
<u>09/24/20</u>	<u>090812-090847</u>	<u>\$399,830.46</u>
<u>10/01/20</u>	<u>090848-090885</u>	<u>\$105,805.09</u>
<u>10/08/20</u>	<u>090886-090912</u>	<u>\$341,895.86</u>
<u>10/15/20</u>	<u>090913-090936</u>	<u>\$190,036.14</u>

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|--------------------------|--------------------|
| 1. Bad Debt: | <u>\$13,154.01</u> |
| 2. Financial Assistance: | <u>\$41,175.18</u> |

M. Pruett noted the applicants for medical staff privileges.

A motion was made by T. Shrable to accept the consent items as presented; seconded by C. Thomas. Motion carried.

Foundation Report

J. Best presented the Foundation Report. The Foundation will be reimbursing us for the new PAPR hoods and have agreed to purchase two Android tablets with stands and screen protectors for patients to use for communication while in the hospital.

Physicians Report

Dr. Witt presented the Physician’s Report. He discussed the new arrangement with ERx, who has offered to provide inpatient coverage at no additional cost. Our nocturnist program will still be covering nights. Dr. Kerr attended MedStaff for peer review. T. Shrable asked if we’ve seen any uptick in referrals from Family Health Centers; Dr. Dhillon has personally reached out to the FHC mid-levels to introduce herself. She has been working with J. Best on PR packets and form letter reminders to patients over 50 for preventative colonoscopies. We have privileges set up for Dr. Waszkewitz and we hope to be able to utilize him more in the coming year. Okanogan Valley Anesthesia presented on their interventional pain clinic program at MedStaff and hope to be able to offer this new service in the new year.

Administration Report

S. Graham presented the Administration Report. Because we have not seen an increase in volumes, the Administrative Team has been reviewing our contracted services and focusing on ways to reduce expenses and conserve cash. ERx providing inpatient coverage will help extend our cash on hand further

into next year. There have been slight increases with inpatient and swing bed, as well as surgery now that Dr. White is here. Scott has been actively involved with WSHA and the Healthcare Authority regarding the alternative payment model but in its current form the capitated payments would adjust downward if services are streamlined or the hospital becomes more cost effective which would not be viable for us. Scott has provided his feedback and they are considering how to improve the model. He recently met with Rep. Dan Newhouse, who is supportive of rural hospitals, but the State has to be careful with their funding due to budget deficits. Scott thanked those who donated to the PAC; the goal was \$750 and there were \$1,500 in private donations received.

IT Report

C. Schmitt presented the IT report. *poor audio connection* They have been developing individual intranet sites for departments such as HR and nursing to act as central locations of communication and information. They have migrated everyone to O365 email and closed the legacy email service which was being targeted by malicious attacks. With data loss prevention filters they have noticed significant amounts of PHI included in emails and are working to scrub those. Content filtering has helped block thousands of attacks and they continue to adjust and improve their security. He discovered our inbound and outbound traffic was being routed through an out of town of firewall and has reconfigured that to help improve connectivity.

Finance Report

Alan Ulrich and J. Munson presented the Finance report.

The financing for the purchase of the new ultrasound, anesthesia, and mammography equipment will be through GE Public Finance. Alan will work with our attorney to prepare a resolution to present at the next board meeting.

Coastal Bank has renewed our 1-million-dollar line of credit. The documents are being prepared for review by our attorney and a resolution will be prepared for the next meeting. C. Thomas asked about repaying the line of credit; we would only pay back what we use and in the past we have set aside funds for payback.

The new deadline for payback of the Medicare advanced payments is one year after the date of original receipt and recoupment will begin in spring 2021. When the recoupment begins, they will withhold 25% of our monthly remittances for 11 months, then increase to 50% for 6 months.

Jennifer has submitted an interim cost report in order to increase our inpatient reimbursement by 40% and outpatient services by 20%. We accrued a 1-million-dollar receivable from Medicare which contributed to our positive operating income in September. Inpatient and outpatient revenue were underbudget. Salaries and wage costs were underbudget, but our professional fees increased due to the addition of the contracted orthopedic services with Dr. White. Repairs and maintenance were overbudget due to the contract for groundskeeping services. We had a slight increase in property insurance costs. She did not allocate any CARES funds in September because of the anticipated increases from the interim cost report. We have used 3.5 million dollars in CARES funds with \$164,000 remaining. They have submitted applications for the CARES Round II and III funding, but they are not sure if we will receive any additional financial aid.

A full desk review audit of our 2018 cost report is in process and all documentation has been submitted. It will hopefully be finished in mid-November with an exit in December. Jennifer is working on the PPP loan forgiveness process and finishing the 2021 budget.

A motion was made by L. McNamara to accept the finance report as presented; seconded by C. Thomas. Motion carried.

Break

A five-minute break was called at 12:32 p.m. The meeting reconvened at 12:39 p.m.

Old Business

Capital Improvements: The replacement fire doors have been ordered and will be delivered in early November. Maintenance has replaced one of the two medical gas suction motors; the second one is in progress. The water backflow system will be repaired once all the parts are received. Our financial situation has put planning for a new building on hold for now but repairing the roof is a critical project. We will be looking into grants and financial aid from the USDA. Remodeling the second OR will cost \$10,000 and is not essential, so that project is on hold for now. Due to COVID-19 there will be new air handling requirements which maintenance will address once there is more information available.

New Business

Medicare Advantage Plans – Health Alliance patients can be seen in our hospital and clinic with a preauthorization from Confluence and we are reimbursed for those visits.

2021 Medical Benefits Recommendation – Anita Fisk presented the 2021 medical benefits recommendation, which is to continue with WCIF insurance.

A motion was made by C. Thomas to accept the recommendation; seconded by L. McNamara. Motion carried.

Public Comment

None.

Upcoming Meetings & Events

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

Executive Session

A 45-minute executive session under RCW 42.30.110(g) to discuss the performance of a public hospital employee began at 1:05 p.m. An extension of 15 minutes was requested at 1:46 p.m. The public meeting reconvened at 1:50 p.m. No action taken.

Adjournment

The meeting was adjourned at 1:51 p.m.

Mike Pruett, Board Chair

Cherri Thomas, Board Vice Chair

Tracy Shrable, Board Secretary

Leslie McNamara, Board Member

David Garcia, Board Member