

The Three Rivers Hospital Board of Commissioners called a regular meeting to order at 11:16 a.m. Wednesday, April 28, 2021. 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
Leslie McNamara, Secretary
Tracy Shrable, Member
David Garcia, Member

Others present:

J. Scott Graham, Chief Executive Officer
Anita Fisk, Director of Human Resources
Dr. Ty Witt, Chief Medical Officer
Chad Schmitt, Chief Information Officer
Jennifer Best, PR and Marketing
Shauna Field, Administrative Assistant
Jeremy Vandelac, Ancillary Manager
Jamie Boyer, Clinic Manager

Vision, Mission & Values

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

Agenda

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

Minutes from Previous Meeting

A motion was made by C. Thomas to approve the March 31, 2021 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>\$520,137.24</u>	Net: <u>\$361,542.36</u>
<u>3/07/21 to 3/20/21</u>	Gross: <u>\$259,372.59</u>	Net: <u>\$180,927.53</u>
<u>3/21/21 to 4/03/21</u>	Gross: <u>\$260,764.65</u>	Net: <u>\$180,614.83</u>

Vouchers Total:		<u>\$1,195,351.62</u>
<u>03/25/21</u>	<u>092130-092169</u>	<u>\$378,761.27</u>
<u>04/01/21</u>	<u>092171-092210</u>	<u>\$174,854.37</u>
<u>04/08/21</u>	<u>092211-092260</u>	<u>\$388,811.65</u>
<u>04/15/21</u>	<u>092261-092322</u>	<u>\$252,924.33</u>

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|--------------------------|--|--------------------|
| 1. Bad Debt: | | <u>\$56,026.98</u> |
| 2. Financial Assistance: | | <u>\$21,673.24</u> |

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

Foundation Report

J. Best presented the Foundation Report. The Foundation continues to work with Paypal to set up an account for online donations.

Physician Report

Dr. Witt presented the Physician Report. Dr. Cover performed peer review at this month's MedStaff meeting with good discussion and teaching points. We continue to recruit for the open provider position in the clinic. We have been talking with Dr. Charles Waszkewitz about a potential agreement. There was a good report on the new EMR selection process, which will take up to 18 months to complete if we decide to switch to a new system. The EMR committee is assessing whether the potential improvement in function would be worth the cost and effort to switch systems.

Administration Report

S. Graham presented the Administration Report.

Plan A Progress: April has been a slower month with average inpatient census of 3.7 and 2.2 in swing beds which is meeting our strategic goal but an average of 5 is our overall goal. The clinic has not yet reached its goal of 15 patients per day per provider but Dr. Ellingson's numbers have been increasing. Bob Brown has been working in both the clinic and the hospital assisting with inpatient rounding, so his target has been lowered to an average of 7 patients per day. The new ERx midlevel providers will provide weekend coverage. There have been 13 surgeries month to date, with an anticipated total of 20. Our total revenue is 1.3M but this number will change once all the surgeries are calculated. Surgical consults in the clinic are increasing, which will improve our surgery numbers. Because the ERx providers also cover our inpatient admits, patient care is more consistent and easier to manage. Our cash on hand has remained steady at around 1M. Our goal is to reach 90 days cash on hand. We continue to work on developing our interventional pain clinic program.

New Building Updates: Scott and J. Munson had an encouraging meeting with Nathan Dean, a consultant for building hospitals, to discuss a potential new facility. The cost for a new building is approximately 2M per bed so for our proposed 10 bed facility the project cost would be between 20M-25M. To upgrade and retrofit the current building to meet the new Clean Buildings Act standards would cost as much as a new facility. Funding may be made available through infrastructure bills being introduced by legislators, but Mr. Dean suggested starting our own legislation like the Hill-Burton Act, which helped build the original hospital in the 1940s. They will be meeting again to discuss contracting with him as a project manager and hiring an architect to create building renderings.

Succession Planning: There have been two meetings with the Senior Leadership Council which focused on building trust, character building, leadership traits, and creating a lasting culture. Scott plans to retire in seven years and wants to use that time to build a stable succession plan. Hiring internally for a COO would make for easier transition and may be something we need to explore.

Reimbursement Reform: We've signed the letter of intent for the Healthcare Authority's proposed capitated reimbursement system. The project is moving forward, and the HCA is in the process of writing the application.

Temporary Office Space: We toured some buildings and rental spaces, but they would all require substantial repair and remodeling. A proposed solution is moving our employee gym into our onsite shed so that space can be utilized for office space.

Water Status: The city will be switching to the new water main next Wednesday and they anticipate a 6-hour outage. Legally the hospital cannot be without water, so we have a potable water truck set up so the hospital will not be without water.

COVID-19: We have been helping the county and regional partners with mass vaccine events. The county has set up a centralized registration system. The clinic has applied to be a vaccine site. We are seeing 1-2 positives per week in the lab, but we perform tests from all over the

region and many of our recent positives have been patients from Chelan county. Studies on antibodies are being conducted but there is no definitive information yet on if booster vaccine shots will be needed in the future.

IT Report

C. Schmitt presented the IT Report. We are implementing multifactor authentication for our email this week. 75% of our staff email addresses receive attempted phishing emails. Malware content and spoofed emails are being successfully quarantined and cleaned when recognized. Geofencing prevents any login attempts from outside of the U.S. and they will be creating additional policies to detect if someone has logged in from the same location before or if there have been multiple failed logins. In 30 days of internet activity, there were 16M internet requests to screen and catalog on our network. In a sample 32 hours we blocked 5,000 requests, 1000 of which were malicious. Our remote access program has 2% more requests than expected which they are investigating.

Finance Report

S. Graham presented the March Finance Report. The inpatient average was .61 and swing bed was 3.61. ER visits were under budget. We had 25 total surgeries. Lab and radiology were over budget. End of month overall cash balance was 2.1M including the funds set aside to pay back our Medicare Advanced Payment funds, with 1.4M cash on hand. We have 52 days of cash on hand. If we can reach 5M dollars of cash on hand, we could reach our goal of 90 days. 33% of our net revenue went to salaries with 89 FTEs. Total revenue was 1.7M which was 621K over budget. Our overall expenses were 23K overbudget at 1.3M due to utilizing traveler coverage as well as increased surgery equipment and supply costs. We had an operating gain of 430K and a 636K net gain including our tax revenue. Our net income compared to March of last year is 1M higher. We were approved for 1.2M in the second round of Paycheck Protection Program loans.

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 12:56 p.m. The meeting reconvened at 1:02 p.m.

Old Business

Capital Improvements Update: We are working on building an ER registration area. The Maintenance Department has been monitoring for any negative impact to our water system caused by the construction of the new water main. Replacing the McKinley Building carpet is still a pending project.

New Business

Resolution 2021-07: 2022 Tax Levy: At the time of the meeting, we had not had final approval of the resolution from our legal counsel, but the resolution is identical to the one he wrote for the excess tax levy in 2021. The conditions of the levy will remain the same for 2022.

A motion was made by L. McNamara to approve the resolution contingent on attorney approval; C. Thomas seconded. Motion carried.

Public Comment

J. Best presented a Marketing Report. She is working with Teresa Stout on a tour of other facilities in the state to promote our swing bed program. Dr. Dhillon has been invited to the Family Health Center's provider meeting and she and Jennifer are working to promote and interface with Confluence as well. She will be updating the Marketing budget to include a quote for producing a newsletter. She has been working on a project to update the signage within the hospital. L. McNamara suggested adding a Marketing Report as a regular item on the agenda; the group agreed.

S. Field – Gave a reminder to the Board to review and approve their monthly board attendance.

S. Graham – There is a virtual WSHA Board and CEO Workshop scheduled on June 29, 2021. The registration fee is \$199 for the group.

Upcoming Meetings & Events

M. Pruettt noted the upcoming meetings and events listed on the agenda. L. McNamara suggested increasing the break time to 10 minutes and moving it to before the Finance Report on future agendas. The group agreed.

Adjournment

A motion was made by C. Thomas to adjourn the meeting at 1:15 p.m.; seconded by T. Shrable. Motion carried.

Mike Pruettt, Board Chair

Cherri Thomas, Board Vice Chair

Leslie McNamara, Board Secretary

Tracy Shrable, Board Member

David Garcia, Board Member