

The Three Rivers Hospital Board of Commissioners called a special meeting to order at 9:08 a.m. Tuesday, April 5, 2022. The meeting was held at TwispWorks, 502 S. Glover Street, Twisp WA 98856 and virtually via the Microsoft Teams platform. The presiding officer was Mike Pruett, Chair.

A quorum was present, including:

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

Others present:

J. Scott Graham, Chief Executive Officer  
Jennifer Munson, Chief Financial Officer  
Tina Smith, Chief Nursing Officer  
Anita Fisk, Human Resources Director  
Shauna Field, Administrative Assistant  
Jennifer Best, Business Development Coordinator  
Dr. Ty Witt, Chief Medical Officer  
Jamie Boyer, Clinic Manager  
Rosie Hartmann, Revenue Cycle Director  
Jeremy Vandelac, Ancillary Services Director  
Terri Mail, Quality Director  
Teresa Stout, Discharge Planning  
Jennifer Bach, Accounting Controller  
Rosie Poole, Materials Manager  
DJ Dinjian, Environmental Services Manager

### **Vision, Mission & Values**

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

### **Agenda**

#### **Welcome, Introductions and Expectations for the Day**

Inspiration and Transformation - S. Graham opened the meeting and encouraged the group to think ahead to different possibilities for the hospital and discuss what they would like to see us achieve in the future.

#### **State of the Union**

The group discussed their views on the hospital's current status. Although our staff, providers, quality of patient care, and work culture are strengths, the inconsistent patient volumes, low revenue, age and appearance of the building, cost of repairs and maintenance, and staff shortages and turnover create instability. Also, the hospital serves a large district and there are concerns members of the community, especially in the Methow, may not be aware we are the hospital funded by their tax dollars. Travel time, location, and lack of local amenities are also limiting factors. If we were to transition from a hospital to a

health center, we may be able to increase interest and volumes but at this time health and wellness programs do not generate enough revenue to sustain operations. The complexities of the insurance system and our payer mix need to be considered as well. In order to invest and expand, we need to increase our cash on hand. Current monthly revenues are not enough to cover our increased staffing and repair expenses. In order to achieve our goal of operational breakeven, we need to generate 2.3M in monthly revenue. The group discussed the impact of COVID-19 on our finances and the shutdown of surgery services during the pandemic.

The group watched a video presentation and discussed the impacts of staff shortages, burnout, and turnover and supply chain issues.

**SWOT Analysis - Strengths, Weaknesses, Opportunities, Threats**

Group activity where those present identified the following:

**Strengths**

Staff and CEO	Board of Commissioners
Growth in the clinic	Knowledge of staff and history
Improved reputation, response to feedback	Providers
Administration Team	ER providers and new location of the Emergency Department
Improved debt capacity	Location and beauty of the area
Quality of care	Collaboration
New equipment/improved investments	Considerate of the community we serve
Having the Foundation to work with	Variety of services and potential
Environment and work culture	

**Weaknesses**

Condition of the roof	Lack of industry
Lack of a presence in the Methow	Communication
Payer Mix	Age of facility
Parking	Staffing shortages
Housing shortages in area, esp. for families	Financials - cash on hand and AR days
Competition with other facilities	Patient confidence, fears created by pandemic
Past reputation	Resistance to change
The Foundation could be better utilized	Pandemic
IT infrastructure and internet connection issues	Limited capacity to improve
Lack of awareness in community	Low volumes
Fluctuations in volume due to seasons	COVID-19 and service shutdowns
Social media	Long list of equipment to upgrade
Need more collaboration with CCT and the schools	

### Opportunities

Improve lobby, hang artwork	Mental health services
Staff productivity	Alternative/natural care (wellness, yoga etc)
Community health education	Cardiology (visiting specialists)
Proactive patient alerts and reminders	Swing bed program
Therapies	Women’s health services
Outreach to community	Occupational health
Pain management	Grant writing
Ophthalmology	Blood pressure clinics
Wayfinding signage	Beautification of grounds and entrance
Health fairs	Create a place for people to gather, outdoor sitting area
Foundation, estate planning outreach	McKinley improvements
Invest in current staff	340B program
New reimbursement method (CHART)	Gift shop and café/coffee shop
Revenue cycle improvement, better charge capture	Provider Marketing
CHI engagement	Offer scholarships for high school graduates for nursing, clinical staff, coders etc
Partnering events w/ LifeFlight, insurances, and other local agencies	Diversity
Collaboration with wildfire response agencies	

### Lunch Break

A thirty-minute lunch break was held between 12:00 p.m. – 12:30 p.m.

### Threats

Decreased reimbursement	Increased costs, salaries and supplies
Competition	Legislation
Staffing shortages	Supply chain
Weather and natural disasters	Building
Low patient volumes	Finances
Hostility from community	COVID-19 and future pandemics
Burnout	Cyber Threats
Closure	Lack of security
Borrowing limitations	Leadership and staff turnover
Geography, district size	Aging workforce
Degrading values in loyalty, work ethic, community connection	Lack of cohesion, entropy
Recruiter costs	Perception

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**Discussion Regarding Future Direction**

The group discussed the need for a new building as the current facility will eventually be beyond repair and outlive safety regulations. We need to be proactive in that goal and focus on promotion and community outreach regarding what services are needed and what will keep us viable. Transitioning to a community health center, we could offer education and wellness programs, amenities such as a pool and gym, and sponsor community events.

The group watched a video presentation and discussed the economics of healthcare, how the US system compares to systems in other countries, the impact of the COVID-19 pandemic, and the shift within the healthcare industry to value-based reimbursement systems.

**Pathways Forward**

The group discussed the pros and cons of other reimbursement models available and our capacity to adapt and provide new and needed services. The clinic has been doing outreach at schools and fairs and the group discussed the possibility of providing blood pressure checks around the county. The lack of a public transportation route to the hospital creates a barrier for low income and elderly patients. The group agreed to continue with our strategic plan and add one wellness program per year, but there are concerns about staff capacity. Potential new services discussed were blood pressure checks, women's health, preventative care, and community education.

The group discussed the need to build a more robust clinic but there are difficulties retaining providers and maintaining necessary consistency for family practice. Suggestions included hiring an additional physician or internist and the use of telemedicine as a way to retain providers.

There are three alternative reimbursement models to consider:

**Community Health Access and Rural Transformation (CHART)** – A capitated reimbursement model that offers a consistent annual bottom line, but rates would be adjusted if services were reduced or eliminated. It would give us freedom to explore other types of services and programs.

**Rural Emergency Hospital (REH)** – A standalone rural ER model which provides emergency care, with no med surg, swing bed, or surgery services. This model's reimbursement is 121% of cost, but any patient in need of an extended hospital stay would need to be transferred to another facility.

**Accountable Care Organization (ACO)** – A model where cost savings are shared among a group of hospitals and focuses on wellness and prevention to reduce repeat hospital visits.

The Board requested a separate meeting to review a more detailed comparison of each model. We are currently signed up for the CHART pilot and have until the end of November to decide if we will move forward or not. The group agreed that pursuing an alternative operating model to stay viable and provide service to the community is preferable to a potential closure, even if we cannot get everything we might want.

The group discussed the importance of being proactive in reaching out to the community and promoting our services and future plans. A suggestion was made to change our name to Three Rivers Health and consider updating our logo.

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Before he retires, S. Graham would like to fulfill the following goals: a new building, a more sustainable payment method, and finalizing a succession plan. We currently do not have a Chief Operating Officer, but one will be needed in the future.

**Wrap Up and Next Steps**

The group reviewed and finalized the list of action items identified during the meeting.

**Action Items**

1. Plan A Continued – Continue bringing in patients
2. Introduce wellness programs on a limited basis – 1 program per year
  - a. Reinvigorate women’s health program (education, prevention, reproductive health problems)
3. Clinic calls/reminders for annual preventative care
4. Grow primary care in clinic
  - a. Consider an internist
  - b. PR on the ground
5. Reimbursement model – comparison of CHART, ACO, REACH
6. Improvements to grounds and building appearance

**Adjournment**

The meeting was adjourned at 3:39 p.m.

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Mike Pruett, Board Chair

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Cherri Thomas, Board Vice Chair

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Leslie McNamara, Board Secretary

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Tracy Shrable, Board Member

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David Garcia, Board Member