

The Three Rivers Hospital Board of Commissioners called a regular meeting to order at 11:20 a.m. Wednesday, April 27, 2022. The meeting was held in the McKinley Building Conference Room at 507 Hospital Way, Brewster WA 98812 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

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  
Chad Schmitt, Chief Information Officer  
Jamie Boyer, Clinic Manager  
Jeremy Vandelac, Ancillary Services Director  
Terri Mail, Quality Director  
Jennifer Bach, Accounting Controller  
Zac Allison, Radiology Tech  
Malinda Valdovinos, Dietary Manager  
DJ Dinjian, Environmental Services Manager  
Lynda Wagoner, RN

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

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

### **Agenda**

A motion was made by T. Shrable 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 30, 2022 Regular Meeting minutes; seconded by L. McNamara. Motion carried.

**Consent Items**

M. Pruett noted the payroll, vouchers, and Medical Staff applications as listed on the agenda.

|                              |                             |                           |
|------------------------------|-----------------------------|---------------------------|
| Payroll Total:               | Gross: <u>\$ 557,705.84</u> | Net: <u>\$ 399,753.19</u> |
| <u>3/20/2022 to 4/2/2022</u> | Gross: <u>\$ 269,519.83</u> | Net: <u>\$ 191,950.25</u> |
| <u>4/3/2022 to 4/16/2022</u> | Gross: <u>\$ 288,186.01</u> | Net: <u>\$ 207,802.94</u> |
|                              |                             |                           |
| Vouchers Total:              |                             | <u>\$ 1,003,422.06</u>    |
| <u>3/31/2022</u>             | <u>095082-095133</u>        | <u>\$ 354,314.42</u>      |
| <u>4/7/2022</u>              | <u>095134-095192</u>        | <u>\$ 449,952.15</u>      |
| <u>4/14/2022</u>             | <u>095193-095262</u>        | <u>\$ 199,155.49</u>      |
|                              |                             |                           |
| Bad Debt:                    |                             | <u>\$ 59,917.01</u>       |
| Financial Assistance:        |                             | <u>\$ 19,265.97</u>       |
|                              |                             |                           |
| Medical Staff Applications   |                             |                           |

The large number of credentialing applications this month was due to our changing over to Ambra and Inland Imaging in the radiology department.

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

**Employee Spotlight**

Lynda Wagoner, RN, has worked with the hospital for 25 years and is currently working in the clinic providing outpatient IV therapy, sending preventative care reminder letters to patients, and calling all ER patients after discharge to follow up on their status.

**Foundation Report**

J. Best is working on scheduling a meeting with them while she is onsite.

**Physicians Report**

Dr. Witt presented the Physician’s Report. Topics discussed at the MedStaff meeting included the change to Ambra and Inland Imaging, which required credentialing for over 100 providers, an introduction to Mike Oberg for informatics, increased referrals for colonoscopies, and the clinic’s outreach to Room One for wellness clinics. We have not seen any positive COVID-19 cases since mid-March. Nancy DeFord has returned to provide mammo services and is training a backup tech. Confluence has been happy with our echo readings. Peer review was done by Dr. Harris.

**Administration Report**

S. Graham presented the Administration Report. CPSI is onsite presenting demos on system modules. The new flooring and remodel of the McKinley conference room has been completed. Scott discussed two compliments he received recently for the hospital, one from a patient regarding her care and the staff and one from a vendor representative regarding the cleanliness of the building.

### **Finance Report**

J. Munson presented the March Financial Report. The PPP 2.0 loan forgiveness is listed as non-operating income. We received 110k in safety net assessment funds. J. Munson is working toward rebuilding our reserve funds. The accounts receivable days are 129. Our labor cost is our highest expense with an average of 8.72 staff needed to take care of a patient. The average median is 5.5 to 5.82.

*C. Thomas asked what our goal is for AR days? 60 days, with a hope to reach 30.*

*L. McNamara asked if we have received the swing bed report from Quorum Health? Not yet, but it will be shared with the board members once we receive it.*

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

### **IT Report**

C. Schmitt presented the IT Report. The HIT Committee has held two meetings with good discussion on organizational objectives and technology. Mike Oberg, our informatics employee, has been working on improving processes with CPSI.

### **Quality Report**

T. Mail presented the Quality Report. The statistics for falls, medication events, and LWBS/AMA were included in the board packet. We only received 8 patient satisfaction surveys in the first quarter. We have 24 departments with quality improvement plans, with 14 progressing and tracking data. She is following up with each department. The board requested that the quality improvement indicators and progress be included in future reports.

*C. Thomas asked about hospital acquired infection rates; None in the first quarter.*

*C. Thomas asked if any areas of concern have been identified through the QI plans; Some clerical and business operation processes, but nothing to do with patient care.*

A motion was made by C. Thomas to accept the written and oral Quality Report; seconded by L. McNamara. Motion carried.

### **Marketing Report**

J. Best presented the Marketing Report. While she is here onsite, she will be working on her QI project on how the community is hearing about our services, making arrangements for the 49ers Day parade in Winthrop, the clinic outreach to the Methow Valley, Room One and The Cove, and taking new photos and videos to upload to our social media pages.

### **Old Business**

**Capital Improvements:** We are moving forward with some low-cost improvements, such as new flooring in the McKinley building, improving the physical therapy space, and grounds beautification. The highest priority right now is upgrading the security camera system. Consultation meetings for the new building are being held weekly. The next step is to complete a series of studies on the grounds and building, which would cost 60k altogether. The board agreed to move forward with the studies but pay for one at time instead of a lump sum for all. Depending on the result and information gained from one study, it

may eliminate the need for the others if it is determined we cannot build on the same location. The cost for each study would be 20k and within the CEO's spending authority.

### **New Business**

**Resolution 2022-05: 2023 Special Levy** – A motion was made by L. McNamara to submit another one-year special levy for consideration on the next ballot; seconded by C. Thomas. Motion carried.

**Resolution 2022-06: Surplus Equipment** – A motion was made by C. Thomas to approve the surplus of the IV compounding hood and 1997 Buick car; seconded by T. Shrable. Motion carried.

### **Break**

A twenty-minute break was held between 12:24 p.m. – 12:44 p.m.

### **Strategic Planning Meeting Discussion**

The group discussed different ways to strengthen our hospital Foundation and improve engagement with the community. Suggestions included hiring a dedicated liaison or director to help Dan, contacting other Foundations for ideas on fundraising, exploring estates donations, scheduling a strategic planning meeting with the Foundation, and updating the bylaws to set a minimum amount of funds raised each year.

The group reviewed the strengths, weaknesses, opportunities, and threats identified at the strategic planning meeting. Our biggest weaknesses are financial and the age of the facility and roof. Internet security and technology are also areas that require constant attention. The group discussed offering scholarships for nursing and ancillary staff and exploring different education programs.

*C. Thomas asked about the 340B program; we provide pharmacy services for outpatient, but we are not partnered with a pharmacy for a retail 340B program.*

The group reviewed the action items identified at the strategic planning meeting, which included: continuing with Plan A, introducing wellness programs on a limited basis, clinic calls and reminders for annual preventative care, growing primary care in the clinic, exploring an alternate reimbursement model, and improvements to the grounds and building appearance.

*C. Thomas asked about the woman's health program; it is part of our thinking and planning but hasn't been established yet.*

Updates from the clinic: John Hurley has resigned and his last day with the clinic will be May 20. Notification letters have been sent to his patients. DZA presented an educational class on Rural Health Clinic productivity, billing, and reimbursement. The ERx providers are willing to cover urgent care walk-ins after their hospital rounds. Dr. Ellingson will be on sabbatical between September – November but coverage has been arranged.

*L. McNamara asked if we are required to have a midlevel for the Rural Health Clinic designation? Yes, ERx is covering this role but they are contracted ERx employees, not clinic employees. She suggested doing patient outreach at the local grocery store and approaching the colleges about speaking to their nursing classes.*

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*C. Thomas asked if the colleges are doing nursing rotations; yes, we have two students right now.*

*C. Thomas asked about our surgery volumes; we perform surgeries in blocks a couple of days per week, but we have less capacity for emergency surgery.*

L. McNamara suggested setting measurable goals for each action item. T. Shrable would like to see clinic volumes improve before considering hiring another physician over a midlevel. As part of our five-year plan, we need to consider hiring a COO and who the Board might want to take over as CEO when Scott retires. The group added the new building, rebranding to Three Rivers Health, and succession planning to the list of action items.

*C. Thomas asked who currently would handle operations if Scott were to be out long term or unavailable? The other members of the administration team.*

*L. McNamara asked if Scott had any COO candidates in mind? Not at this time, but we would want to give the right candidate at least 3 years before Scott retires to work with the Board and get to know each other.*

### **Comparison of Reimbursement Models**

We are one out of the fourteen hospitals in Washington at risk of closing. Staff shortages and supply chain issues are raising our costs significantly. The group reviewed the differences between cost based (what we currently are), CHART, REH and ACO models. We are currently signed up to participate in the CHART pilot program but under this model, if we eliminate services or streamline our operations the capitated amount we receive would be decreased, which would not be beneficial to the hospital. We have until November to decide on participation. We may not have enough volume for the ACO model to work for us, but Scott will continue to explore more information about the different ACOs available. The REH model, which only allows for ER services, would be a last resort to prevent closure. Staying with a cost-based model seems to be the best option for a critical access hospital, but adjustments need to be made through advocacy by CEOs to the legislatures and Health Care Authority to improve reimbursement.

### **Public Comment**

C. Thomas felt it was a good meeting and thanked the Dietary Department for preparing lunch.

L. McNamara volunteered to help with any local events. The group discussed rescheduling the Finance Committee Meeting to May 23 as it conflicts with the WSHA Leadership Summit.

### **Upcoming Meetings & Events**

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

**Adjournment**

A motion was made by C. Thomas to adjourn the meeting at 2:51 p.m.; seconded by M. Pruett. Motion carried.

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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