

The Three Rivers Hospital Board of Commissioners called a regular meeting to order at 11:03 a.m. Tuesday, November 29, 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
David Garcia, Member

Others present:

J. Scott Graham, Chief Executive Officer
Tina Smith, Chief Nursing Officer
Jennifer Munson, Chief Financial Officer
Anita Fisk, Human Resources Director
Dr. Ty Witt, Chief Medical Officer
Chad Schmitt, Chief Information Officer
Shauna Field, Administrative Assistant
Jennifer Best, Business Development Coordinator
Jamie Boyer, Clinic Manager
Jeremy Vandelac, Ancillary Services Director
German Meza, Quality Director
Malinda Valdovinos, Dietary Manager
Rosie Hartmann, Revenue Cycle Director
Zac Allison, Radiology Technician
Jennifer Bach, Accounting Controller
Michele Graham, Quality Coordinator
Jeff Pfeifer, ER Coordinator

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.

Public Hearing and Comment: Resolution 2022-09, 2023 Budget and Capital Expense

No public comment. The 2023 budget is based on a full staff, including a general surgeon, of 104.1 FTEs and an average daily census of 3.01. A wage increase of 9% for the new minimum wage has been included. 23% is allocated to benefits. She included all capital purchase requests and interest expense and depreciation. There is a 5% price increase to non- professional fee items, supplies and pharmaceuticals are not included. She can reduce the increase to 3% if the board prefers; the board approved 5%. We haven't increased prices since 2018. All prices are posted to our website.

A motion was made by L. McNamara to accept the 2023 budget and capital expense; seconded by C. Thomas. Motion carried.

Public Hearing and Comment: Resolution 2022-10, Property Tax Revenue

No public comment. There is a 1% increase and includes the 844k for the special levy. She added an increase for new construction and utilities.

A motion was made by C. Thomas to approve the resolution; seconded by T. Shrable. Motion carried.

Minutes from Previous Meeting

A motion was made by C. Thomas to approve the October 26, 2022, Regular Meeting Minutes and the November 15, 2022, Special Meeting Minutes; seconded by D. Garcia. Motion carried.

Public Comment

L. McNamara reminded the group about today's blood drive.

Consent Items

M. Pruettt noted the payroll, vouchers, and Medical Staff applications as listed on the agenda. L. McNamara recused herself from approving the 11/17/22 vouchers due to a reimbursement issued to her for mileage.

1. Payroll/Vouchers

Payroll Total:	Gross:	<u>\$ 486,430.49</u>	Net:	<u>\$ 352,149.28</u>
<u>10/16/22 to 10/29/22</u>	Gross:	<u>\$ 251,211.85</u>	Net:	<u>\$ 179,716.61</u>
<u>10/30/22 to 11/12/22</u>	Gross:	<u>\$ 235,218.64</u>	Net:	<u>\$ 172,432.67</u>
 Vouchers Total:				<u>\$ 1,576,034.49</u>
<u>10/27/2022</u>		<u>096483-096538</u>		<u>\$ 333,514.22</u>
<u>11/3/2022</u>		<u>096539-096580</u>		<u>\$ 409,030.37</u>
<u>11/10/2022</u>		<u>096581-096645</u>		<u>\$ 357,354.73</u>
<u>11/17/2022*</u>		<u>093401-096701</u>		<u>\$ 476,135.17</u>

2. Bad Debt: \$ 54,055.62

3. Financial Assistance: \$ 58,506.72

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

Employee Spotlight

Zac Allison, Lead Radiology Tech, has been with the hospital for five years and supports Jeremy with day-to-day operations in radiology and x-ray. This year he helped oversee our transition to Ambra and Inland Imaging. His focus while providing patient care is on patient comfort, maintaining a positive attitude, and empathy.

Foundation Report

The Foundation added two new members. They are reviewing equipment purchase requests for bladder scanners and clinic equipment. They reimbursed us for the RFID installation and this fall's sports physicals. The Health and Wellness Team will be submitting a \$2,000 funding request for a yearly employee health program. The Foundation will receive another 35k Roots and Wings grant this month. The Board members would like to meet with The Foundation and suggested providing them our list of capital purchase requests and working toward including estate planning and living trust options.

Physicians Report

Dr. Witt presented the Physicians Report. The MedStaff bylaws and policies have been reviewed by the legal team and will be ready for a vote at the next meeting, then presented to the Board for approval. The meeting will move to a quarterly schedule, with monthly reports. Dr. Ellingson has returned from her sabbatical. We have two potential general surgeon candidates, and we hope to have one of them join us in the new year.

Administration Report

S. Graham presented the Administration report. We've seen a slight increase in census, with one complicated room and board patient. We had no general surgery but 7-8 surgeries for our other practices. With low volumes we are focused on containing costs and spending wisely. The first meeting of our new swing bed task force with Bill Mannewitz from Rehab Visions was productive. We are focused on hiring more therapists, increasing outpatient physical therapy, and exploring a telemedicine speech therapist. We started our customer service training program with the staff. We hosted onsite visits with our general surgeon candidates and feel ready to make an offer to Dr. Ebaugh. Scott met with the other local hospital CEOs to discuss future collaboration. He joined the Economic Alliance Board and stepped down as the WSHA Board Chairman, though he will continue to be active with WSHA. We hit our PAC fundraising goal. German and Michele will be utilizing WSHA for Quality program training.

Finance Report

J. Munson presented the October Financial Report. Inpatient census was 2.19. ER visits were down. 30 surgeries were performed. We saw a drop in our ancillary services during Dr. Ellingson's sabbatical. There were 413 visits to the clinic. There were no changes to our investments. We received tax money in October and had 1.7M in our general fund which made for 38 days of cash on hand. She has submitted the cost report and requested a rate change. She anticipates we will receive a 900k lump sum receivable before year end. She allocated 106k of our 800k COVID-19 related grant and because the grant will span multiple years, she moved it to deferred income and will report it as charity care as it is used. There was 1.4M in expenses. Locum costs were overbudget. We had 765k in revenue, a 671k operating loss, and a net loss of -62k. She allocated 399k of our remaining CARES funds to help offset lost revenue. We have received 39k in private pay accounts since contracting with HELP Financial. Our revenue this year is 2M less than last year with professional and locum fees being 1M higher. Our year-to-date operating loss is

2.3M. Our overall income year-to-date is 1.7M compared to 3.8M in 2021. Current AR days are 122 with a 66% clean claim rate. C. Thomas asked how many clinic visits are needed to maintain our Rural Health Clinic status; a physician needs 4,200 and a mid-level needs 2,100. Depending on FTEs a yearly total of 7,700 is needed or 30 per day. We are under a waiver now due to COVID-19 but when the waiver expires we will need to meet requirements or renew the waiver if possible. We do not currently have a mid-level and we are under a waiver for that as well. Over 50% of the visits need to be primary care, not specialty, and we are meeting that requirement. The clinic is recruiting for an additional provider.

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

Break

A break was held between 12:43 p.m. – 1:01 p.m.

IT Report

C. Schmitt presented the IT Report. We are connected to the Commonwell Health information exchange and able to receive patient records from outside the facility. We are 100% compliant with the controlled substance electronic prescriptions. The transition in the ER to Notes is complete. They will launch a phishing campaign soon for leadership to test our cyber security. For 2023 they have 16 new projects they would like to focus on, including infrastructure, equipment and cloud-based services. Chad spent some time explaining to the Board members how IT and Radiology collaborated during the transition to Ambra and Inland Imaging.

Quality Report

G. Meza presented the Quality Report. The focus of the quality report will be on falls with injury, medication events, OR complications, infection control, and patient satisfaction. We had one recent fall with our respite patient, but overall falls have been on a downward trend this year. We've had no medication events in the past five months. He is working with Dr. Witt to refine the report parameters for OR complications. For hospital acquired infections, we saw a spike in June with our COVID-19 outbreak. There were 2 surgical site infections that are being investigated. ER patient satisfaction has seen improvement with an 82% score up from a previous 74%. We had no survey returns for inpatient in November. In October we had two returns with a score of 93%. The clinic saw two returns with a score of 100%. 33% of comments for the clinic were marked as negative but German is investigating whether AI is being used to automatically pick up on key words. He continues to work with departments on their quality improvement projects, including providing training and education on how to utilize the worksheet. A mock survey is planned to help us prepare for the next DOH survey. The next Quality Council meeting is scheduled for January 10, 2023. L. McNamara asked about the kinds of incidents that need to be reported to the DOH; sentinel events that impact patient care. There was a power cycle that impacted radiology services that is being investigated for improved protocols.

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

Marketing Report

J. Best presented the Marketing Report. She continues to work with the Marketing Committee on implementing the strategic goals identified at the marketing strategic planning meeting. She has sent letters to the local school district inquiring about sponsorships during sporting events. They are discussing the formation of a PR subcommittee to help with local business partnerships and outreach to

the Hispanic community. She is focusing on the ER in our display ads and social media. The group discussed a suggestion to hold focus groups to gather feedback from community members and how to encourage participation. M. Pruett suggested adding verbiage on the ads run in the Methow to remind them they are part of our hospital district. She is updating the intranet page with photos from our internal events and a list of PR topics staff can use as talking points out in the community. The next Marketing Committee meeting will focus on the spring edition of our newsletter.

Old Business

Capital Improvements: We are working on a feasibility study for the new building which is expected to be complete by the first week in January. J. Munson has met with consultant Jeff Fivecoats to discuss our debt capacity. Our debt capacity is 65M, and with a base quote of 60M for construction we may not be able to finance a new building and would need to consider alternative options. The RFID doors have been installed and a technician is coming later this week to complete the programming.

New Business

Resolution 2022-11: Surplus Equipment – A motion was made by L. McNamara to approve the surplus of the old dishwasher; seconded by C. Thomas.

Joint Replacement Instrument Purchase for Dr. White – Dr. White is requesting the purchase of surgical equipment that will allow him to perform total hip replacements onsite. The quote is 68k but the cost would be recouped after 1-2 surgeries. A motion was made by L. McNamara to approve the purchase and negotiate financing; seconded by T. Shrable. Motion carried.

Nursing Purchases: Cardiac Monitors, EKG Machine and GE/CPSI Interface – The nursing department is requesting new equipment to modernize our facility and improve patient care and safety. More cardiac monitors are needed so that each ER room would have its own and the older ones will need to be updated with an interface for CPSI to improve charting and monitor patients stats. The quote for the additional monitors is 183k and the interface is \$3,500 - \$7,000. A motion was made by C. Thomas to approve the purchase and negotiate financing; seconded by L. McNamara. Motion carried.

Upcoming Meetings & Events

M. Pruett noted the upcoming schedule of meetings and events. There is a strategic planning meeting scheduled for December 20, 2022 at 11:00 a.m. with a suggestion to hold them on a quarterly basis. All future board meetings will begin at 11:00 a.m.

Adjournment

A motion was made by L. McNamara to adjourn the meeting at 2:04 p.m.; seconded by D. Garcia.
Motion carried.

Mike Pruett, Board Chair

Cherri Thomas, Board Vice Chair

Leslie McNamara, Board Secretary

Tracy Shrable, Board Member

David Garcia, Board Member