

Agenda

- 1. 6:00 - CALL TO ORDER**
 - a. Introductions as needed
 - b. Business from audience
- 2. 6:05 - CONSENT AGENDA**– See separate Consent Agenda – *Action (vote)*
- 3. Executive Reports**
 - a. 6:06 – Quality Reports
 - i. Quality, Chad Searls – *Info*
 - b. 6:15 – CEO Reports,
 - i. CEO Report – Renée Jensen
 - ii. GHX Analytic Software – *Info*
 - iii. Cascade Pacific Action Alliance Transformation Project Toolkit – *Info*
 - c. 6:35 – Finance Reports, Will Callicoat – *Info*
 - i. Meditech Update – *Info*
 - ii. Financial summary - *Info*
 - iii. Commissioner Information for Payer– *Info*
- 4. Commissioner Business**
 - a. 6:50 – Payment Model 4 HCA contract, Tammy Moore, DNP – *Info*
 - b. 7:20 – Resolution 2016- 10 Surplus Property- *Action (vote)*
 - c. 7:25- Recording Secretary – *Action (vote)*
 - d. 7:30 – BHO Lease Agreement-*Action (vote)*
 - e. 7:35 - Medical staff privileges – *Action (vote)*
 - f. 7:40 – Wrap up – Drew Hooper
 - i. Meeting Evaluation – *Action*
- 5. 7:45 – EXECUTIVE SESSION(RCW 42.30.110)**
 - a. (i) discuss claims with legal counsel
 - i. existing or reasonably expected litigation
- 6. 8:00 – Adjournment**

Upcoming events: - **BOLD events indicate desired Commissioner attendance.**

- **January 18- Wellness Center Town Hall | Kelsey Conference Room 4:00-5:00 pm**
- **January 21 – Winter Wine Festival (Chamber)**
- **February 9 – CEO Evaluation and Decision Making Skills Workshop | Administrative Conference Room 9:00 am-2:00 pm**

Consent Agenda

A very useful technique involves the use of a consent agenda. The board agenda planners (usually the executive or governance committee, but occasionally the board chair with the CEO) divide agenda issues into two groups of items. The first are those items that must be acted on because of legal, regulatory, or other requirements, but are not significant enough to warrant discussion by the full board. Such issues are combined into a single section of the board agenda book; members review these materials prior to the meeting, and if no one has any questions or concerns, the entire block of issues is approved with one board vote and no discussion. This frees up a tremendous amount of time that would otherwise be squandered on minor issues. Any member can request that an item be removed from the consent agenda and discussed by the full board. The success of the consent agenda is predicated upon all board members reading the material in the consent agenda section of the board agenda book. If they do not, then the board becomes a veritable rubber stamp. The second group of agenda items are those important issues that require discussion, deliberation, and action by the board. These are addressed one by one.

Executive Session Justification

Executive Session is convened to discuss the following topics, as permitted by the cited sections of the Revised Code of Washington (RCW):

- Executive session (RCW 42.30.110)
 - (a) national security
 - (b) (c) real estate
 - (d) negotiations of publicly bid contracts
 - (e) export trading
 - (f) complaints against public officers/employees
 - (g) qualifications of applicant or review performance of public employee/elective office
 - (h) evaluate qualifications of candidate for appointment to elective office
 - (i) discuss claims with legal counsel
 - existing or reasonably expected litigation
 - litigation or legal risks expected to result in adverse legal or financial consequences
 - presence of legal counsel alone does not justify executive session
 - QI/peer review committee documents and discussions
- Final action must be in open meeting



**BOARD OF COMMISSIONER'S MEETING
November 29, 2016**

AGENDA	DISCUSSION/CONCLUSIONS	RECOMMENDATIONS/ACTIONS/FOLLOW-UP
CALL TO ORDER	<p>6:00pm-CALL TO ORDER The meeting of the Board of Commissioners of the Grays Harbor County Public Hospital District No. 1 was called to order at 6:07 pm by Board Chair Drew Hooper.</p> <p>Commissioners present: Drew Hooper, Chad Searls, Brent Meldrum, Gary Thumser and Louie Figuero.</p> <p>Also Present: Renée Jensen, Will Calliccoat, Deborah Jayne, Josh Martin, Dr. Ken Dietrich, Ron Hulscher, Shannon Brear, Joy Iversen, Jori Smith, Kathy Sakas, Rob Weber</p> <p>Michelle Marti was not present when the meeting convened but was present for much of the meeting</p>	
BUSINESS FROM AUDIENCE	<p><u>Business from Audience</u> None</p>	
CONSENT AGENDA	CONSENT AGENDA-SEE SEPARATE CONSENT AGENDA	<i>Chad Searls made a motion to approve the consent agenda. Brent Meldrum seconded the motion and it was approved by a unanimous vote.</i>
COMMISSIONER BUSINESS	<p>INSURANCE DISCUSSION Jim Chesemore from Parker, Smith & Feek gave a PowerPoint presentation on our current property and casualty insurance programs and other programs available. The Washington Rural Health Collaborative (WRHC) recently put out a RFP for an insurance vendor and Parker, Smith and Feek were selected.</p>	<i>Will to bring insurance proposals to next Finance Committee Meeting for discussion and report back at next month's board meeting.</i>
COMMITTEE REPORTS	<p>Quality Committee Report – Deborah Jayne, CNO</p> <ul style="list-style-type: none"> • See Quality Report for details • The Department of Health (CMS) survey finished today. Their focus was 	

**BOARD OF COMMISSIONER'S MEETING
November 29, 2016**

on Pharmacy. All three surveyors attended the Quality Committee last week and were impressed with our patient complaint process.

- Nurse Quality Manager candidates are being scheduled for interviews.
- Michelle Marti, Nursing Director of Acute Care and Emergency Department (ED), reported that two new EKG machines recently purchased for the ED have brought down door to EKG times, decreased Trauma GCS times and will interface with Meditech.
- All but four staff have received flu shots. There will be some updates made to the policy including a change for active military physicians and adding a due date. The updated policy will be reviewed at Quality Committee and then brought back to the board approval and signature.
- Falls have been a focus of the Quality Committee for 2016.
- A new survey tool and process have been implemented. The surveys will be given to patients upon discharge. The questions will mirror HCAHPS survey questions. Quality Committee will review and report back to the board after two months of data have been collected.
- Care Transformation Team continues to make great strides to meet their requirements/goals
- We received a Certificate of Recognition from the Washington State Department of Health for 2016 Antimicrobial Stewardship.
- Quality memos measure our Culture of Safety by allowing staff to feel safe self-reporting near misses so we can look at process improvement opportunities.
- Patient complaints/concerns of care or malpractice are discussed in Executive Session with the board.
- The “Ask the CEO” link on our website will be changed to “Ask the Commissioners” and moved to the Commissioner’s page with instruction on how to email board members directly to Commissioners@sp-mc.org.

CEO Report, Renee Jensen, CEO

- See CEO Report for details
- Tomorrow will be our first stake-holders luncheon. An invitation was

Shannon Brear to share patient complaint form with commissioners to fill out and know which questions to ask when approached with complaints by community members.

BOARD OF COMMISSIONER'S MEETING
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extended to specific community members to come to lunch and discuss the Wellness Center and look at plans. There will be general Town Hall meetings scheduled inviting all of the community.

- Nurses have accepted to the new employment contract.
- Dr. Justin Taylor is a primary care provider trained in Naturopathic medicine. He has signed a letter of agreement and will start in 2017.
- A Chief Experience Officer has been hired to start in early January. Welcome Lauri Bolton.
- CEO Jensen updated the board on the upcoming lease discussion with BHO. Commissioners unanimously agree with CEO moving forward with lease agreement as proposed. There are still minor points being negotiated.
- CEO Jensen is scheduled to address the McCleary City Council in January to discuss the Wellness Center and BHO, taking community questions.
- We will be signing a one million dollar contract with the Health Care Authority for the work we've done on Value Based Purchasing. The E-Team will review when Tammy Moore when she returns from vacation and give an update at the December board meeting.

COO Update, Josh Martin, COO

- COO Josh Martin discussed a recent mock rural clinic survey at the McCleary Clinic with DOH that helped us prepare for the actual survey.
- A team was formed to troubleshoot and make improvements on our phone system. A new phone tree was created that narrows down the number of selections and includes the option of speaking to a live operator. This will launch in the next week and be monitored for success.
- Provider panels are full and access is limited. A formal recommendation was sent to Medical Executive Committee and all providers agreed to it.
- COO Martin is actively recruiting for providers in our clinics to improve patient access. Amy Grant, Nurse Practitioner starts in January and will work in our clinic and Urgent Care. Two other providers have signed letters of intent to work with us in 2017.

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<p>COMMISSIONER BUSINESS (continued)</p>	<ul style="list-style-type: none"> • The Urgent Care Fast Track program is decreasing ED wait times. The program floats a provider from Urgent Care to ED during peak hours. <p>Finance Report – Will Callicoat</p> <ul style="list-style-type: none"> • See Finance Summary for details • CFO Will Callicoat gave an update on Meditech, our Electronic Medical Record (EMR) that goes live January 1, 2017. A calendar of events and timeline was shared. Marketing is communicating using mail, email and social media to inform the community about the EMR and possible slower registrations as staff adjust to and learn the new software. Engage and Meditech analysts will be on site the first week of go live to help staff. • CFO Callicoat requested changing measure in the strategic plan from how high the days in AR get to how long they stay at that higher number. Commissioners agreed. • A Revenue Cycle Manager has been hired and starts January 1st. He is experienced in implementing new EMRs. <p>Commissioner Business (continued)</p> <ul style="list-style-type: none"> • A community member inquiry was shared by Chair Drew Hooper. It was brought to our attention that there is currently no way for the community to directly communicate with Commissioners on our website. This is being addressed by creating an “Ask the Commissioners” icon as well as listing the Commissioners@sp-mc.org email address on the Board page. <p>Governance Hot Topics</p> <ul style="list-style-type: none"> • Article for discussion was from <i>Trustee Magazine</i> • CEO Jensen is working with the WRHC to dive in to how to go forward and preserve transparency and community. More information will be shared at future meetings. Commissioner Thumser recommended an off-site board meeting focused on affiliations. 	<p><i>IT Manager, Rod White, will give an update on the EMR in January or February.</i></p>
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Finance Summary for October 2016

Volumes

Most volumes kept pace with budget. The emergency department (ED) was greater than budget (1,159 versus 1,055), but the clinic visits were slightly lower than budget (3,125 versus 3,132). The urgent care volumes continue to grow, and in fact, reached a new monthly record of 785 visits. The decline in Summit Pacific's Healthcare Clinic visits is due to Dr. Wooden leaving at the end of August.

Revenue and Expenses

Inpatient revenue exceeded budget and outpatient revenue did not meet budget expectations. This is directly correlated with more patients meeting acute-care status and being admitted (inpatient) instead of staying in observation status (outpatient). The ED's volumes contributed greatly to support the monthly gross revenue of \$5,747,614.

Below are some of the most notable expense variances:

- Carena (the virtual visit service) was reclassified from "Other" expenses to Purchased Services.
- Expense for the Wellness Center were expensed in prior months. Those have now been capitalized (into CIP on the balance sheet).
- Purchased services are higher due to expenses related to Engage being onsite for training of the new medical records system.

Balance Sheet

The District's accounts receivable (AR) stayed at 62, marking the third straight month below the goal of 65 days. The District's cash on hand decreased by roughly \$314,000 to end the month at \$10.5 million, or 152 days. This decrease was due in large part to the District's bond payments, which are due each April and October, in the amount of \$670,000.

W. Callicot 11-17-2016

Renee K. Jensen, Chief Executive Officer
600 East Main Street, Elma, Washington 98541

Owned and Operated by Grays Harbor County Public Hospital District No. 1, SPMC is an equal opportunity provider and employer



INCOME STATEMENT
October 31, 2016

CURRENT MONTH				VARIANCE CURRENT % OVER BUDGET		YEAR TO DATE				VARIANCE YTD % OVER BUDGET
ACTUAL	BUDGET	PRIOR YEAR	VARIANCE			ACTUAL	BUDGET	PRIOR YEAR	VARIANCE	
GROSS OPERATING REVENUE										
709,196	511,048	285,104	198,148	39%	INPATIENT	5,421,093	5,110,480	3,539,545	310,613	6%
1,299,006	1,608,554	1,485,294	(309,548)	-19%	OUTPATIENT	15,514,185	16,085,540	14,246,750	(571,355)	-4%
131,749	179,542	187,848	(47,793)	-27%	SPHC	1,997,411	1,795,420	1,892,069	201,991	11%
233,283	178,827	152,452	54,456	30%	MRHC	1,980,208	1,788,270	1,336,630	191,938	11%
178,064	168,678	155,999	9,386	6%	EFM	1,657,327	1,686,780	1,314,397	(29,453)	-2%
139,359	95,386	114,744	43,973	46%	URGENT CARE	1,227,548	953,860	626,388	273,688	29%
3,056,957	2,569,209	2,453,301	487,748	19%	EMERGENCY	28,609,366	25,692,090	25,470,538	2,917,276	11%
5,747,614	5,311,244	4,834,742	436,370	8%	TOTAL GROSS PATIENT REVENUE	56,407,138	53,112,440	48,426,317	3,294,698	6%
REVENUE DEDUCTIONS										
1,197,344	1,105,406	1,191,743	91,938	8%	MEDICARE CONTRACTUALS	12,373,312	11,054,060	10,250,825	1,319,252	12%
1,396,022	1,508,829	939,790	(112,807)	-7%	MEDICAID CONTRACTUALS	14,109,573	15,088,290	13,530,031	(978,717)	-6%
420,679	382,231	379,412	38,448	10%	OTHER CONTRACTUALS	4,258,470	3,822,310	3,511,895	436,160	11%
192,296	151,089	188,732	41,207	27%	BAD DEBT EXPENSE	1,991,347	1,510,890	1,426,949	480,457	32%
45,842	36,556	50,253	9,286	25%	COMMUNITY CARE	617,427	365,560	349,835	251,867	69%
206,347	55,748	100,236	150,599	270%	ADMIN. ADJUSTMENTS	859,198	557,480	557,103	301,718	54%
3,458,530	3,239,859	2,850,166	218,671	7%	TOTAL REVENUE DEDUCTIONS	34,209,327	32,398,590	29,626,638	1,810,737	6%
OTHER OPERATING INCOME										
61,934	91,582	88,006	(29,648)	-32%	CLINIC ENHANCEMENTS	702,441	915,820	717,248	(213,379)	-23%
5,203	13,037	5,054	(7,834)	-60%	OTHER INCOME	57,293	130,370	59,120	(73,077)	-56%
	5,000	-	(5,000)	-100%	DISPROPORTIONATE SHARE		50,000	82,914	(50,000)	-100%
67,137	109,619	93,060	(42,482)	-39%	TOTAL OPERATING INCOME	759,734	1,096,190	859,282	(336,456)	-31%
2,356,221	2,181,004	2,077,636	175,217	8%	NET OPERATING REVENUE	22,957,545	21,810,040	19,658,961	1,147,505	5%
OPERATING EXPENSES										
1,163,063	1,098,582	1,062,028	64,481	6%	SALARIES AND WAGES	11,153,304	10,985,820	9,017,316	167,484	2%
198,081	248,359	200,099	(50,278)	-20%	EMPLOYEE BENEFITS	1,953,463	2,483,590	1,693,734	(530,127)	-21%
145,367	209,734	199,626	(64,367)	-31%	PROFESSIONAL FEES	2,031,125	2,097,340	1,881,781	(66,215)	-3%
179,011	150,041	129,063	28,970	19%	SUPPLIES	1,600,532	1,500,410	1,300,929	100,122	7%
39,305	31,032	31,434	8,273	27%	UTILITIES	382,020	310,320	298,834	71,700	23%
325,679	247,295	152,185	78,384	32%	PURCHASED SERVICES	3,156,436	2,472,950	2,312,597	683,486	28%
10,506	12,177	11,078	(1,671)	-14%	INSURANCE	129,533	121,770	114,531	7,763	6%
45,171	77,823	59,914	(32,652)	-42%	OTHER EXPENSES	633,639	778,230	648,313	(144,591)	-19%
17,413	20,673	9,251	(3,260)	-16%	RENTALS AND LEASES	169,914	206,730	105,994	(36,816)	-18%
2,123,596	2,095,716	1,854,678	27,880	1%	TOTAL OPERATING EXPENSES	21,209,966	20,957,160	17,374,029	252,806	1%
232,625	85,288	222,958	147,337	173%	EBITDA	1,747,579	852,880	2,284,932	894,699	105%
61,816	61,516	63,646	300	0%	INTEREST EXPENSE	607,879	615,160	625,545	(7,281)	-1%
146,531	150,171	146,495	(3,640)	-2%	DEPRECIATION & AMORTIZATION EXPENSE	1,467,262	1,501,710	1,441,228	(34,448)	-2%
2,331,943	2,307,403	2,064,819	24,540	1%	TOTAL EXPENSES	23,285,107	23,074,030	19,440,802	211,077	1%
24,278	(126,399)	12,817	150,677	-119%	NET INCOME (LOSS) FROM OPERATION	(327,562)	(1,263,990)	218,159	936,428	-74%
NON-OPERATING REVENUES										
42,290	46,252	54,661	(3,962)	-9%	TAX REVENUES	597,164	462,520	466,807	134,644	29%
33,040	8,142	13,606	24,898	306%	MISC. NON-OPERATING REV.	599,997	81,420	168,893	518,577	637%
75,330	54,394	68,267	20,936	38%	TOTAL NON-OPERATING REV.	1,197,161	543,940	635,700	653,221	120%
99,608	(72,005)	81,084	171,613	-238%	NET INCOME OR (LOSS)	869,599	(720,050)	853,859	1,589,649	-221%



BALANCE SHEET
As of October 31, 2016

	CURRENT MONTH	LAST MONTH	<i>Un-Audited</i> DECEMBER 31, 2015		CURRENT MONTH	LAST MONTH	<i>Un-Audited</i> DECEMBER 31, 2015
ASSETS				LIABILITIES			
CURRENT ASSETS				CURRENT LIABILITIES			
OPERATING CASH	9,233,601	9,547,464	8,546,645	ACCOUNTS PAYABLE	1,138,919	436,468	782,537
DEBT RESERVE	1,339,442	1,339,443	1,569,681	OTHER PAYABLES	534,305	640,364	64,601
ACCOUNTS RECEIVABLE	11,420,959	11,469,647	10,853,693	PAYROLL & RELATED LIAB	1,627,818	1,426,114	1,026,892
ALLOWANCE FOR BAD DEBTS	(2,386,605)	(2,386,605)	(2,457,089)	ACCRUED INTEREST EXPENSES	4,576	310,152	134,899
ALLOWANCE CONTRACTUAL ADJ	(6,246,527)	(6,246,527)	(5,475,086)	DUE TO THIRD PARTY PAYORS	1,687,952	1,687,953	1,776,959
RECEIVABLES - TAXES	57,490	111,372	36,850	PATIENT REFUND PAYABLE	260	-	-
RECEIVABLES - OTHER	261,804	209,975	395,316	CURRENT PORTION LONG TERM	601,231	602,235	601,197
INVENTORY	279,092	268,044	207,139				
PREPAID EXPENSES	189,570	100,309	120,039				
TOTAL CURRENT ASSETS	14,148,826	14,413,122	13,797,188	TOTAL CURRENT LIABILITIES	5,595,061	5,103,286	4,387,085
BOARD DESIGNATED ASSETS	--	--	--	GROSS LONG TERM DEBT			
FUNDED DEPRECIATION	--	--	--	DEBT PAYABLE	19,410,014	19,712,338	20,011,245
DESIGNATED CONSTRUCTION	--	--	--				
TOTAL BOARD DESIGN ASSETS	--	--	--	TOTAL GROSS LONG TERM DEBT	19,410,014	19,712,338	20,011,245
PROPERTY, PLANT & EQUIP				LESS CUR. PORTION LTD	(601,231)	(602,235)	(601,197)
LAND	1,652,029	1,652,029	1,652,029				
LAND IMPROVEMENTS	364,672	364,672	364,672	NET LONG TERM DEBT	18,808,783	19,110,103	19,410,048
BUILDINGS	18,169,644	18,169,644	18,169,644				
EQUIPMENT	4,072,700	4,072,700	3,888,032	TOTAL LIABILITIES	24,403,844	24,213,389	23,797,133
CONSTRUCTION IN PROGRESS	2,549,728	1,848,838	171,844	EQUITY			
TOTAL PROP, PLANT, & EQUIP	26,808,773	26,107,883	24,246,221	UNRESTRICTED FUND BALANCE	8,061,947	8,061,947	6,078,611
LESS: ACCUM DEPRECIATION	(7,622,209)	(7,475,678)	(6,184,328)	EXCESS REVENUE/(EXPENSE)	869,599	769,991	1,983,337
NET PROP, PLANT & EQUIP	19,186,564	18,632,205	18,061,893	TOTAL UNRESTRICTED FUND	8,931,546	8,831,938	8,061,948
TOTAL ASSETS	33,335,390	33,045,327	31,859,081	TOTAL LIABILITY & EQUITY	33,335,390	33,045,327	31,859,081

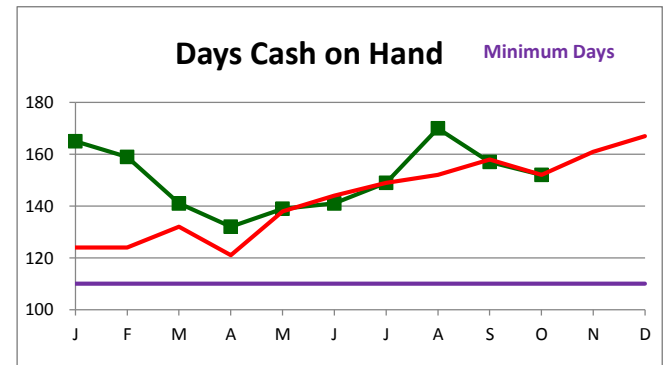
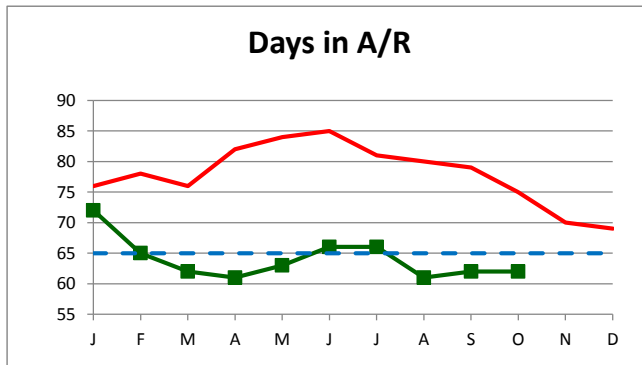
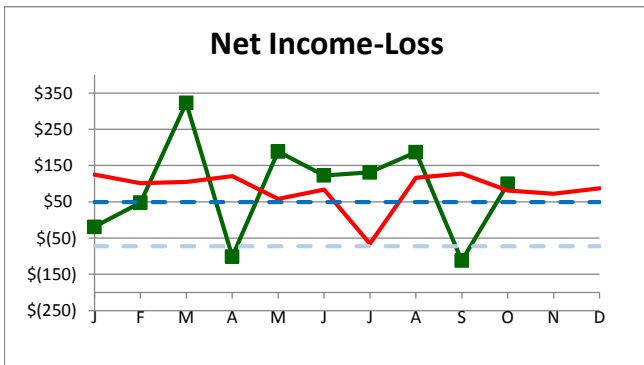
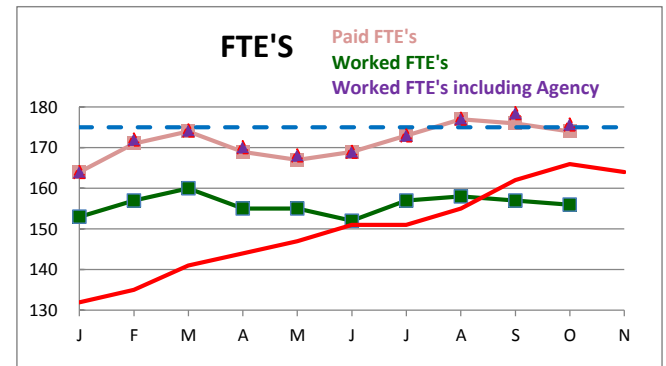
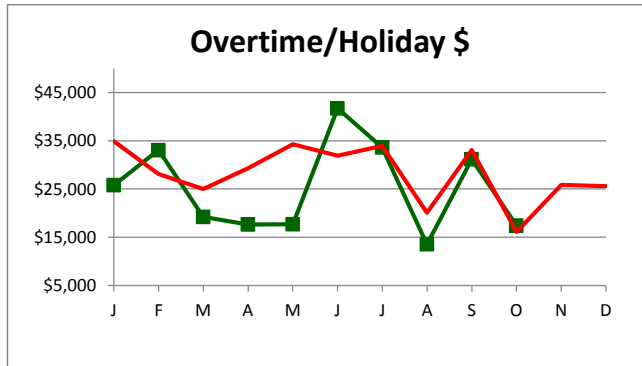
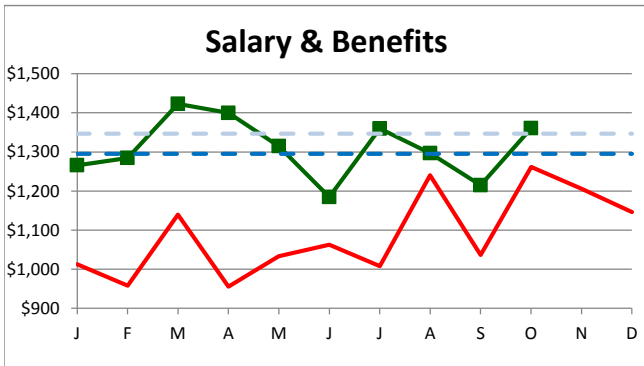
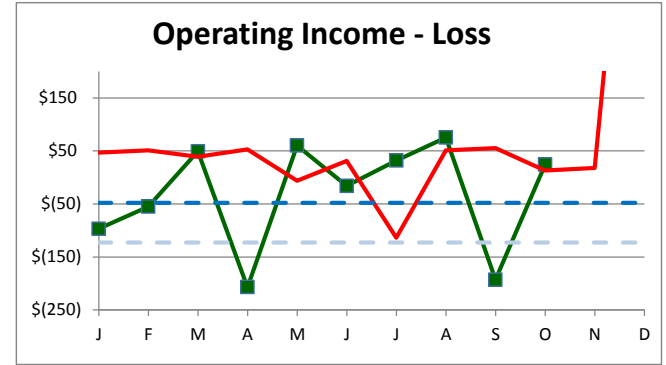
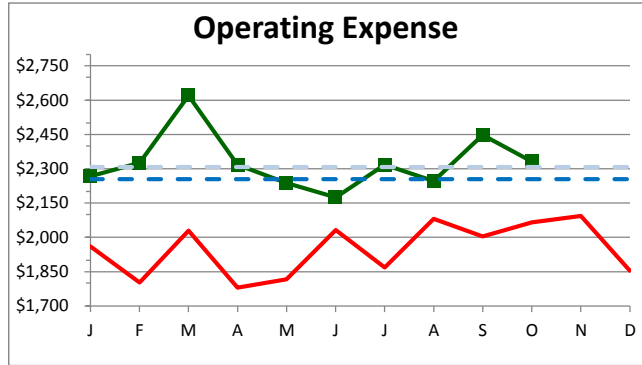
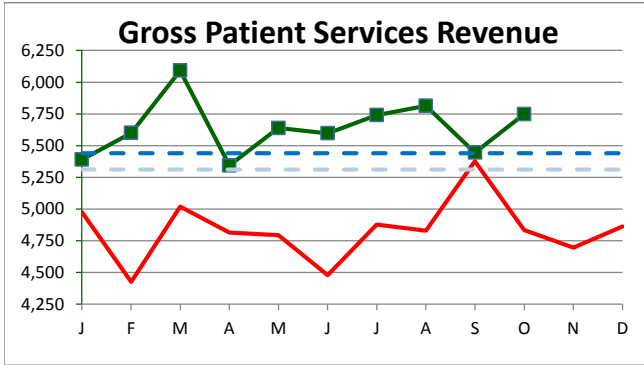
STATISTICS
October 2016



MONTH			YEAR TO DATE		
ACTUAL	BUDGET	PRIOR MONTH	ACTUAL	BUDGET	PRIOR YEAR
INPATIENT STATISTICS					
23	30	19	183	155	144
75	83	51	605	420	379
14	30	14	99	155	64
	2.8	2.7	3.3	2.7	2.6
SWING BEDS					
7	6	6	48	60	58
91	82	91	578	806	847
OUTPATIENT STATISTICS					
997	1,321	993	12,640	12,992	12,609
32	N/A	32	381	N/A	453
1,159	1,055	1,109	11,240	10,376	10,255
1,001	879	1,061	9,342	8,998	6,687
767	797	694	7,394	7,671	6,044
572	903	674	9,335	9,245	9,634
785	553	769	6,808	5,440	3,528
2,254	1,847	2,291	23,231	18,170	18,232
ANCILLARY STATISTICS					
9,339	8,916	9,610	96,412	87,721	80,818
981	886	843	9,457	8,716	8,171
261	297	240	2,342	2,921	2,839
175	231	153	2,195	2,270	2,096
33	21	28	283	228	220
OTHER STATISTICS					
			62	<u>Goal</u> 65	<u>Dec 31, 2015</u> 69
			16	< 15	13
			152	>110	167
			2.5	2.5	2.7

Financial Dashboards
October 31, 2016

- Current
- Prior
- - - Budget
- - - Management Goal



Volume Dashboards
October 31, 2016

- Current
- Prior
- - Budget
- UC Current
- UC Prior
- - UC Budget

