

**GRAYS HARBOR COMMUNITY HOSPITAL  
BOARD OF DIRECTORS REGULAR MEETING  
February 26, 2019**

**COMMISSIONERS PRESENT**

Michael Bruce, District 2  
Miles Longenbaugh, District 3  
David Quigg, At Large 1 (via conference line)  
Melanie Sturgeon, At Large 2  
Becky Walsh, District 5

**ABSENT**

Andrew Bickar, District 4

**OTHERS PRESENT**

Niall Foley, Executive Director Finance  
Tom Jensen, CEO, GHCH  
Teresa Ramirez, Executive Assistant  
Members of the Public

**GUEST**

Phil Royer, Care Transitions Director

**CALL TO ORDER**

President Bruce called the meeting to order at 1:01p.

**EDUCATION**

Phil Royer, Care Transitions Director provided information on the Care Transitions Team. The Department is composed of multiple departments/functions (Utilization Review, Clinical Documentation, Social Services) that were combined under the single department of Care Transitions Team. Information was provided on pre-Navigant, on-site Navigant, post-Navigant, and future goals.

**MISSION, VISION & VALUES**

President Bruce reviewed the MVV and Desired Future State of the organization

**PUBLIC COMMENT** – Agenda Topics

President Bruce opened the meeting to members of the public for comment regarding topics listed on the agenda.

**CONSENT AGENDA**

Submitted under the Consent Agenda were the Hospital Board Minutes of January 22, 2019.

**ACTION:** A motion was made by Commissioner Longenbaugh, seconded by Commissioner Walsh and unanimously carried to approve the Consent Agenda.

**BOARD DISCUSSION AND ACTION**

**Medical Staff Credentialing**

Submitted was the February Medical Staff Credentialing Report for Board review and approval.

**ACTION:** A motion was made by Commissioner Walsh, seconded by Commissioner Longenbaugh, and unanimously carried to approve the February Medical Staff Credentialing Report.

**Chairman's Report**

**Position 1 Vacancy;** President Bruce brought forward the Board's current process of selecting an AdHoc Committee to vet Board candidates, and that an Executive Session is called during a Regular Board meeting to evaluate the candidates, followed by an appointment made in open session. President Bruce solicited Board members' feedback on two options:

- 1) Continue with the existing process.

- 2) Schedule a Candidates Forum in which Board candidates will have the opportunity, for a set period of time, to present themselves before the full board. After the presentations, an Executive Session will be called to evaluate the candidates, followed by an appointment made in an open meeting.

Commissioner Longenbaugh clarified that the Candidates Forum would be held during a Special Board meeting. Commissioner Quigg raised the issue of candidates potentially feeling uneasy about presenting in public. Commissioners raised the fact that both options are common practice. Roundtable discussion ensued. Commissioner Longenbaugh closed discussion by reminding the Board of one of their established goals, to improve communication and transparency with the public.

**ACTION:** A motion was made by Commissioner Quigg to adopt option (2) and to re-evaluate the process at a later date. The motion was seconded by Commissioner Walsh.

Commissioner Longenbaugh questioned whether the new process will be in violation of the current Bylaws, and recommended that "pending legal approval" be added to the motion and second.

A motion was made by Commissioner Walsh to adopt option (2) and to re-evaluate the process at a later date, pending legal approval. The motion was seconded by Commissioner Sturgeon.

President Bruce recommended that a Special Meeting be scheduled on April 16<sup>th</sup> or 18<sup>th</sup>, with an announcement published twice in the Daily World on March 14<sup>th</sup> and 28<sup>th</sup>, with a deadline for submission on April 1<sup>st</sup>. A decision was made to proceed with scheduling a Special Meeting on April 18<sup>th</sup> at 2:00p.

The motion and second were unanimously approved.

Special Meeting – Annual Education; President Bruce brought forward that a tentative hold has been placed at the Harmony Hills Retreat Center for the dates of April 29-30.

**ACTION:** A motion was made by Commissioner Walsh, seconded by Commissioner Longenbaugh and unanimously approved to accept the dates of April 29-30 at Harmony Hills Retreat Center for the Special Meeting – Annual Education.

March Board Meeting; President Bruce requested, and Commissioner Longenbaugh agreed to chair the March 26<sup>th</sup> board meeting, as President Bruce will be participating via conference line.

Board Foundation; President Bruce requested to step off the Foundation Board, and he recommended that Commissioner Quigg be appointed to take his place. President Bruce spoke with Commissioner Quigg who is amenable to the recommendation.

**ACTION:** A motion was made by Commissioner Sturgeon, seconded by Commissioner Walsh and unanimously approved to recommend for the Foundation Board's consideration, the appointment of Commissioner David Quigg to replace Commissioner Michael Bruce.

## **COMMITTEE REPORTS**

### **Board Quality Report**

Commissioner Walsh provided report on the February Board Quality Committee meeting. Of note:

- FBC Report; Ms. Skupnick will be attending a Safe Deliveries Educational Conference sponsored by WSHA, with one of the modules focusing on the reduction of cesarean sections. The national average is 35%. Exclusive Breast Milk Feeding education is being provided to patients, which focuses on dispelling myths related to when you can/should or can't/shouldn't breast feed. A course will be provided on "One-Day Primary Care Breastfeeding Medicine for Physicians and Other Providers" that will be and held at GHCH on March 12<sup>th</sup> in Room C.
- Medication Safety; Reports will be generated in the future that contain even more specificity on the specific types of medication errors.
- Nursing outcomes; Falls and Pressure Ulcer outcomes continue to trend in the right direction.
- Quality Grievance Report; 2018 4<sup>th</sup> Quarter Grievance Response compliance rate improved, with the average days open at 17 days. A significant decrease in overall grievances was realized in 2018. GHCH has a low incidence rate of grievances compared to other similarly sized organizations. Conditions of Participation indicate that organizations have a responsibility to 1) resolve a grievance and notify the patient within 7 to 10 days, or (2) send acknowledgement of a grievance within 7 to 10 days and then resolve the grievance within 30 days. If the grievance cannot be resolved within 30 days, an extension letter needs to be sent to the patient. It was shared that if providers listen to patients for 30 seconds without interrupting, the patient believes they were listened to for approximately two minutes. It is also known that when a provider sits down when talking with patients, the patients feel more respected.
- Mortality Report; Overall improvement is anticipated with a change to the new billing and coding vendor, which begins March 1<sup>st</sup>. A handful of clinical reports will now be submitted to the Medical Staff Departments and MEC, as well as medical staff directors when appropriate, prior to being submitted to Board Quality.

### **Accreditation Readiness; Quality Management System Oversight**

During the Board Quality meeting Ms. Gordon recommended that for the purposes of DNV/NIAHO standards accreditation, that Board Quality and the full Board agree to and approve the following:

- 1) That the Board of Directors is responsible for GHCH Quality Management System oversight;
- 2) That the Board Quality Committee serves as the interdisciplinary oversight group of GHCH Quality Management System, with the inclusion of two additional members;
  - a. Director of Plant Services (physical environment/safety)
  - b. Director of Pharmacy or delegate
- 3) That the Director of Quality, Risk and Compliance will serve as the Management Representative responsible for ensuring the QMS requirements are determined, implemented and maintained.

**ACTION:** A motion was made by Commissioner Walsh, seconded by Commissioner Sturgeon and unanimously approved to accept the aforementioned line items 1, 2 and 3.

### **Board Finance Report**

Commissioner Longenbaugh provided report on the February Board Finance Committee meeting. Of note:

#### Preliminary December Highlights:

- (+/-) Debt Refinance
  - \$35M new bonds issued for PHD 2 at a premium
  - \$3M issuance costs posted in month
  - Retired GHCH debt and PHD 2 LOC
- (-) Outpatient Volumes
  - Clinic visits declined overall
  - OP surgical cases 30% below target for month, primarily due to provider vacations and loss of Dr. Kawasaki
  - ED visits 24% below target for month; 12% YTD
- (-) IP Volumes
  - Acute admits 21% below target for month; 8% unfavorable YTD
  - CDU admits 41% below target for month; 31% unfavorable YTD
  - Total admits 24% below target for month; 11% unfavorable YTD

#### Preliminary December Consolidated Financial Summary:

Total Revenue:	\$ 29,652,942
Revenue Deductions:	\$ 22,799,209
Net Operating Revenue:	\$ 6,920,456
Total Expenses:	\$ 12,732,291
Net Income:	\$ (6,114,336)

Anticipating a little over \$12M YTD loss for the organization; however figures are still preliminary.

#### December Financials / Statistics

- Surgical Cases; HMG has contracted with a part-time permanent provider, as well as a locum provider, so surgical cases should increase.
- Productivity in December dropped to 96%; however, January is back up to 99.4%. GHCH productivity is very lean, operating close to the top 25<sup>th</sup> percentile.
- Locums/Travelers usage was high in second half of 2018, and a great deal of recruiting effort is underway to hire permanent providers and staff to reduce costs.
- Coding and self-pay A/R are transitioning to a new vendor – Change Healthcare on March 1. Eventually, all revenue cycle services will be managed by a single vendor, including CDI supplemental service. With these changes, a significant decline in patient billing complaints is anticipated, improved performance, and a reduced cost to collect.
- A focused initiative for 2019 is to push point of care to the outpatient setting where cost of delivery is lower. Increased primary care access will drive ancillary and inpatient services.

#### January Highlights:

- (+/-) Outpatient Volumes
  - OP registrations 5% above target
  - HMG specialty (ortho, urology, gastro) clinic visits 15% above target
  - RHC clinic visits 7% below target; attributable to Dr. Goold leaving
  - ED visits 9% below target
  - Radiology visits below target
- (-) Surgical Volumes
  - OP surgical cases 20% below target; attributable to Dr. Kawasaki leaving

- IP surgical cases 5% below target
- (+) IP Acute Volumes
  - Acute admits slightly above target (1%)

**Consolidated Financial Summary:**

Total Revenue:	\$ 31,602,048
Revenue Deductions:	\$ 23,395,468
Net Operating Revenue:	\$ 8,650,186
Total Expenses:	\$ 8,815,820
Net Income:	\$ 121,982

**January Financials / Statistics**

- Even though ED visits are running below budget, they vastly improved from 4<sup>th</sup> quarter 2018.
- Although A/R increased slightly, it is anticipated that it will drop back down into a more reasonable range with the switch to Change Healthcare.

**GHCH Foundation Report**

President Bruce provided report on the February GHCH Foundation Committee meeting. Of note:

- The Foundation continues to look for additional people to serve on the Board. President Bruce requested that Board members encourage people they may know to consider the opportunity.
- President Bruce provided a summary of the Foundation Board Finance Report.

**ADMINISTRATION**

**Executive Suite Summary Report**

Submitted was the Executive Suite Summary and HMG Recruiting Report for February.

- Mr. Jensen continues meeting with legislators at the Capitol in order to retain the 150% of Medicaid Fee Schedule and Budget Proviso. A meeting is scheduled today with Eric Lewis, CEO of Olympic Medical Center to continue strategic discussion.
- Accreditation DNV; Joint Commission has been replaced by DNV, which will be a cost savings for the organization. In addition, it is anticipated that the overall process will be an improvement, as it is a more collaborative approach. DNV surveys are conducted every year to ensure that policies and procedures are being followed by the organization. It will also be a cost savings.

**OLD BUSINESS**

None

**NEW BUSINESS**

March Education – HMG / Recruiting

**GOOD OF THE ORDER**

President Bruce shared that since the Hospital's refinancing went through, he has noticed staff enthusiasm and an uptick in positive attitudes, especially in relation to recruiting into HMG and its clinics.

President Bruce brought forward that four of the Commissioners' positions will be up for re-election this year; Commissioners Bruce, Longenbaugh, Quigg, and the vacant position. As an encouragement for community members to run for office, President Bruce requested that Mr. Jensen coordinate a community forum in which a representative of WSHA could provide information on the District, and then provide community members a tour of the hospital.

**PUBLIC COMMENT** – General

President Bruce opened the meeting to members of the public for comment.

**ADJOURNMENT**

The meeting adjourned at 2:12p.

**MINUTES AND ATTACHMENTS APPROVED AND ADOPTED THIS 26<sup>th</sup> day of March, 2019.**

**ATTEST:**

  
Teresa Ramirez  
Recording Secretary

  
Commissioner Longenbaugh  
Board Secretary