

**GRAYS HARBOR COMMUNITY HOSPITAL
BOARD OF DIRECTORS REGULAR MEETING
May 26, 2020**

COMMISSIONERS PRESENT

Michael Bruce, District 2
Becky Walsh, District 5
Chris Thomas, District 1
Andy Bickar, District 4
David Quigg, At Large 1
Scott Dilley, At Large 2
Lynn Csernotta, District 3

OTHERS PRESENT

Niall Foley, CFO, GHCH
Tom Jensen, CEO, GHCH
Cindy Reynolds, Exec. Asst., GHCH
Chris Majors, Director Public Relations, GHCH
David Bain, Dir. Plant Services, GHCH

Members of the Public

ABSENT

CALL TO ORDER

Chairman Bruce called the meeting to order at 6:01p. Due to the COVID Pandemic's ongoing restrictions, today's meeting was conducted via Zoom meeting (audio only).

CONSENT AGENDA

Submitted under the Consent Agenda were the Hospital Board Draft Minutes of April 28, 2020.

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

BOARD DISCUSSION AND ACTION

Medical Staff Credentialing

Submitted was the May Medical Staff Credentials Report for Board review and approval.

ACTION: A motion was made by Commissioner Walsh, seconded by Commissioner Quigg, and unanimously carried to approve the May Credentials Report.

CHAIRMAN / COMMITTEE REPORTS

Chairman's Report

Word from the President

Chairman Bruce thanked Commissioners for their participation in weekly COVID calls which are proving to be beneficial. Administrative Leadership is available if any questions or concerns arise. Special thanks were given to the Administrative Leadership team, staff and providers for keeping the organization moving forward during this pandemic.

Board Governance Education

In light of the cancellation of the WSHA Rural Hospital Conference in June, Chairman Bruce brought forward for discussion the possibility of holding a 2 to 3 day Board Education in early Fall. Commissioners expressed agreement. Suggestion was made to look at the month of September at an outside location.

Communication Devices

Chairman Bruce brought forward for discussion the type of devices that Commissioners would prefer to use for hospital business. Brief discussion was held with Commissioners being asked to send their preference to Cindy Reynolds in Administration.

COMMITTEE REPORTS

Board Quality Report

Commissioner Quigg provided report on the May Board Quality Committee meeting. Of note;

- The Quality Department continues to rebuild reports lost in the ransomware attack.
- COVID data is being reported on a daily basis to multiple organizations.
- The DNV-GL follow up survey was held remotely with our accrediting agency. Congratulations to the team for the successful outcome.
- Kudos to our Environmental Services for keeping the facility clean and for the tremendous amount of work being done with Infection Control in light of COVID as we reiterate we are open for business.

Board Finance Report

Commissioner Thomas provided report on the May Board Finance Committee meeting. Of note;

Highlights for April 2020:

- (+) CARES Act Funding
 - GHCH and HMG received a total of \$2.1M of federal relief funds in April for round one.
- (-) COVID-19 Impact to OP Volumes
 - 48% reduction in total OP volumes compared to same period 2019
- (-) Surgical Volumes
 - IP Surgical cases 38% below target MTD; 6% above target YTD
 - OP Surgical cases below target 70% MTD; 21% below target YTD
- (-) IP Acute Volumes
 - Acute admits 18% below target MTD; 7% below YTD
 - Patient Days 20% below target MTD; 2% below YTD
- (-) Outpatient Volumes
 - RHC Clinic visits 27% below target MTD; 8% above YTD
 - ED visits below target 35% MTD and 12% below target YTD

Consolidated Financial Summary:

Net Operating Revenue:	\$ 5,783,321
Total EBIDA Expenses:	\$ 7,402,839
EBIDA	\$ 394,370
Net Operating Loss:	\$ (2,013,888)
Net Income (Loss):	\$ (883,187)

Financials / Statistics:

- The full month of April was impacted by COVID-19.
- As anticipated, we saw roughly a 48% reduction in OP volumes across the organization due to the reduction of elective procedures, along with people continuing to stay home and canceling appointments.
- The 18% reduction of hours to the staffing levels through furloughs and house conveniencing was implemented on April 13th. The reduction was originally scheduled to last 75 days however we will slowly be bringing staff back. Because the reduction was done mid-month we did not see a substantial reduction of salaries.
- We did make progress on AP and AR.
- Days Cash on Hand for April has improved.
- Average Daily Acute Census, Patient days, Admissions, OP Registrations, ER Visits, IP and OP Surgeries, and Clinic visits are all well below expectation.
- Expenses are slightly above expectation due to COVID-19 impact and PPE costs.
- Revenue is well behind target due to the impact of COVID-19 and patient's choosing to delay care.
- Additional Funding;
 - We received \$1.9M from the CARES Act and HMG received \$200K totaling \$2.1M.
 - We have received \$6M from the second round of federal emergency grants.
 - In May we have received \$9.7M from the SBA PPP Loan Program.
 - As reported in April, we received the \$14M Medicare advance. The loan was taken in advance on the Medicare claims anticipated. The repayment program for the loan is extremely aggressive but there continues to be discussion of potential loan forgiveness or a change to the repayment terms. All funds will remain in the bank account until we have a better understanding of the program terms.
- It is unclear whether a surge will be seen from COVID-19 in the county. A second wave of COVID-19 is expected in the fall.
- The budget is no longer the target as we are counteracting COVID-19's impact to minimize loss.

GHCH Foundation Board Report

Commissioner Walsh provided report on the May Board Foundation Committee meetings. Of note;

- Foundation investments were reviewed. The market took a significant drop a couple of months ago due to the COVID-19 pandemic however the market is making a reasonably good recovery in a short period of time. Discussion was held on the need for reviewing the investment policy. The Account Executive will review and provide update to the committee.

- Financials for February and March were reviewed. The decrease in assets was due to the decline in investment values and losses on investment sales.
- The committee agreed to suspend the 2020 budget and review/consider any requests for funding as they come forward.
- The committee is open to consider new members. Commissioner Chris Thomas was welcomed to the committee.
- Fundraising methods were discussed.

ADMINISTRATION

Executive Suite Summary Report

Submitted was the Executive Suite Summary Report, as well as the HMG Provider Report for May. Of note;

- Mr. Jensen expressed his admiration for all staff and providers in light of the ever changing COVID-19 environment.
- The hospital is open for business on elective surgeries and procedures. Patient volumes are expected to continue to increase.
- The majority of staff will be returned from furlough by the end of June.

Commissioner Quigg inquired whether the sick clinics have been utilized. Mr. Jensen reported both adult and pediatric sick clinics are offered and have been consistently used. The sick clinics are not walk in, appointments are scheduled.

Commissioner Quigg inquired whether there is an overall opinion that positive cases of COVID-19 will increase in the county. Mr. Jensen responded the hospital continues to comply with all CDC guidelines in returning to elective surgeries and procedures. Visitor restrictions remain in place and patients are screened at the entrances on both campuses and this process will continue until CDC guidelines are changed.

Commissioner Quigg inquired whether providers and staff have been receptive to returning to work. Mr. Jensen reported some people remain cautious however most are anxious to return to work.

Commissioner Quigg inquired how much of the federal monies received will be forgiven vs. loans. Mr. Jensen responded the CARES Act funding is intended to fill in the gaps and will be forgiven. It is unclear at this time whether additional funding will be forgiven.

OLD BUSINESS

None.

NEW BUSINESS

Board Education

The May Board Education will be deferred to the June Board meeting. The June Board meetings will be planned as a Zoom meeting.

GOOD OF THE ORDER

PUBLIC COMMENT – General Topics

Chairman Bruce reported no public questions or comments were received in advance of the meeting.

ADJOURNMENT

Chairman Bruce called for meeting adjournment.

All Board members were in unanimous agreement to adjourn the meeting.

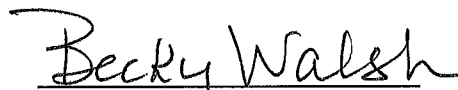
The meeting adjourned at 6:34 pm.

MINUTES AND ATTACHMENTS APPROVED AND ADOPTED THIS 23rd day of June, 2020.

ATTEST:



Cindy Reynolds
Executive Assistant



Commissioner Walsh
Board Secretary