

**GRAYS HARBOR COMMUNITY HOSPITAL
BOARD OF DIRECTORS REGULAR MEETING
July 28, 2020**

COMMISSIONERS PRESENT

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

OTHERS PRESENT

Niall Foley, CFO, GHCH
Tom Jensen, CEO, GHCH
Cindy Reynolds, Exec. Asst., GHCH
Chris Majors, Director Public Relations, GHCH

Members of the Public

ABSENT

Andy Bickar, District 4

EDUCATION

Mr. Jason Halstead, Director of Quality, Risk and Compliance, provided an informative overview of the hospital's accrediting body, Det Norske Veritas (DNV-GL). Provided was regulatory background of why we seek accreditation. Highlights include:

- Accrediting Organizations (AO) survey, certify and enforce procedures.
- DNV-GL performs annual surveys.
- In addition to DNV-GL, the Washington State Department of Health requires unannounced inspections every 18 months.
- There are 2 components within DNV-GL;
 - NIAHO Accreditation Standard; the NIAHO standards are the focus of each annual survey for the first three years. Focus is on sequence and interaction of processes, snapshot of the organization, positive demeanor of the survey team, designed to support day to day operations, refocuses resources of the organization, fosters good habits and sustainability, and focuses on continual improvement.
 - ISO 9001; The ISO 9001 standards are gradually introduced during the first three surveys. The ISO 9001 standards begin after the 3rd survey and continue thereafter. These standards are not required under Conditions of Participation, they are a process approach that fits healthcare and facilitates change, the plan-do-check-act cycle of quality assurance and performance improvement is utilized, the platform allows stability and sustainment, primary component consists of "internal audits", and corrective action plans are utilized.

Commissioner Quigg inquired whether DNV will provide training into the ISO 9001. Mr. Halstead stated DNV will provide some guidance and the hospital will be responsible for learning the standards and carrying out the processes.

CALL TO ORDER

Chairman Bruce called the meeting to order at 6:00p. 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 June 23, 2020.

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

BOARD DISCUSSION AND ACTION

Medical Staff Credentialing

Submitted was the July 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 July Credentials Report.

CHAIRMAN / COMMITTEE REPORTS

Chairman's Report

Board Governance Education

Chairman Bruce suggested postponement of the Board Commissioners Summer Education Retreat due to the restrictions of the COVID-19 pandemic, in accordance with the Governor's guidelines, and to ensure the safety of all the speakers, staff and Commissioners.

Commissioner Quigg added the Commission should set a good example by following the proven medical guidelines of the county. Commissioners voiced support of the CDC, government, and county guidelines and raised the fact that school will be returning to the new school session at that same time.

Chairman Bruce stated he will continue to research meaningful educational opportunities for the Commissioners. Electronic devices will be provided to the Commissioners so they can better participate in virtual meetings. Commissioners were reminded they can contact the Chair or Administrative team at any time if they have questions or concerns. Commissioners were also reminded to submit any courses taken through Washington State Hospital Association to the Board Governance Education website in order to receive educational credit.

COMMITTEE REPORTS

Board Quality Report

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

- Appreciation was expressed for Mr. Halstead who has taken a proactive role in the Quality Department and goes above and beyond in so many areas.
- The multidisciplinary team making up the Board Quality Committee is amazing; the brain trust is phenomenal.
- An Action Tracker is used to identify, review and track matters on a monthly basis through to completion.
- The Committee is looking forward to seeing ongoing positive changes in the Emergency Department with what could be considered the face of the organization.

- Improvements have been made to the Strategic Dashboard. It is easier to read, follow and to see anomalies. Ms. Johnson of the Quality Department has helped to thin this report down making it cleaner and more efficient.
- HCAHPS are measures that are the soft skill side of the hospital, primarily customer service and customer interactions. Commissioner Quigg reported the Quality Committee agreed to request approval to develop an adhoc group that will take a deeper dive into the HCAHPS measures. A multidisciplinary group was identified that will include Providers, Commissioners and staff.

Chairman Bruce gave approval as Board President for the Board Quality Committee to move forward with development of an adhoc group for HCAHPS improvement.

Board Finance Report

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

Highlights for June 2020:

- (-) COVID-19 Impact
 - 13% reduction in MTD total OP volumes compared to same period 2019; 25% reduction YTD
- (-) Surgical Volumes
 - IP Surgical cases 26% below target MTD, 10% below YTD
 - OP Surgical cases 56% above target, 18% below YTD

Consolidated Financial Summary:

Net Operating Revenue:	\$ 11,613,030
Total EBIDA Expenses:	\$ 7,170,009
EBIDA Gain (Loss)	\$ 4,443,021
Net Operating Gain (Loss):	\$ 4,055,076
Net Income Gain (Loss):	\$ 4,274,135

Financials / Statistics:

- Appreciation expressed for staff that provide the financial data and figures. The Board Finance Committee appreciates the work.
- Overall, June was a better month for volumes compared to the two prior months, although we continue to operate at volumes below expectations as COVID impacts services and patient utilization.
- All of the Payroll Protection Program funds have been utilized to date.
- If you remove the stimulus funds received, the organization has seen a \$5.7M operating loss as of June 30 due to significantly lower volumes over the past 3 months and without the ability to flex staff down as quickly as the revenue declined.
- Net patient revenue \$36M; roughly \$9M loss on true operations.
- Property tax revenue from district was received; \$378k.
- Net income; \$7.7M.

- Medicare case mix index is down 5%.
- Medicare length of stay is down 8%.
- OP registration is down from target and down from prior year YTD.
- OP surgical cases were above target MTD; below target YTD.
- All patient indicators are trailing on a downward slope compared to expectations.
- We are unsure whether additional relief funding will be received. The goal is to conserve and utilize the cash we have received during potential tough months ahead.
- The Patient Financial Services team continues to work on bringing AR down; as of June it is down from \$96M to \$77M. It is anticipated to be at goal by early fall.

Commissioner Csernotta inquired as to the goal of AR. Mr. Foley responded the AR goal is \$55M.

- In order to generate a positive cash flow we will need to consider additional furloughs or staffing adjustments to meet lower volumes.
- ED has been significantly impacted through COVID with a 50% decline in visits. June showed slight improvement and July has looked a little better. It does look like the ED may be slowly recovering.
- We are going outside the normal distribution channels in order to provide appropriate PPE and meet the hospitals need. PPE data is tracked and reviewed every morning. Exam gloves and isolation gowns are the most difficult items to obtain. We are using reusable items whenever appropriate.

GHCH Board Foundation Report

No meeting report provided as there was no July Board Foundation meeting. Requests were received for ED gurneys and telemetry units. Both of these items are currently being voted on by the Committee via email. Mr. Foley added the hospital has repaid the line of credit with interest and there is no longer a balance owed.

Executive Suite Summary Report

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

- Mr. Jensen reported participation in the Greater Grays Harbor Business Forum where Karolyn Holden, Director of the GH County Public Health Department was the featured guest speaker. Mr. Jensen articulated that Ms. Holden gave an excellent presentation on the current pandemic and thoroughly answered tough questions. The County's Public Health Department has been a vital asset for the local hospitals during the pandemic.

Commissioner Quigg asked for an update on reopening elective surgeries. Mr. Jensen reported elective surgeries are increasing each week and the Emergency Department is showing improvement as well.

OLD BUSINESS

None.

NEW BUSINESS

Board Education

The August Board Education selected was an update on the Emergency Department to be provided by Dr. David Mendelson, ED Medical Director and Heidi Malloque, ED Nursing Director.

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.

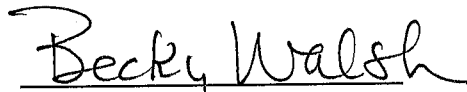
The meeting adjourned at 6:53 pm.

MINUTES AND ATTACHMENTS APPROVED AND ADOPTED THIS 25th day of August, 2020.

ATTEST:



Cindy Reynolds
Executive Assistant



Commissioner Walsh
Board Secretary