

**GRAYS HARBOR COMMUNITY HOSPITAL
BOARD OF DIRECTORS REGULAR MEETING
October 27, 2015**

COMMISSIONERS PRESENT

Ryan Farrer, At Large 2
Armando Juarez, Jr, District 2
Miles Longenbaugh, District 3
Pete Scroggs, District 5
Robert Torgerson, At Large 1
Maryann Welch, District 1

ABSENT

Andrew Bickar, District 4

OTHERS PRESENT

Tom Jensen, CEO, GHCH
Joe Vessey, CFO, GHCH
Teresa Ramirez, Executive Assistant, GHCH
Members of the Public

GUEST

Scott Bond, WSHA President

RECEPTION

Commissioner Welch opened the reception in honor of Tom Jensen CEO, recent recipient of the prestigious Joe Hopkins Award. Commissioner Scroggs noted Mr. Jensen's calming leadership throughout the process of making difficult decisions over the past several years, including the development of the legislative bill, lobbying efforts, conducting of community educational forums, and many more initiatives. Mr. Jensen was also noted for his combination of drive and creatively thinking outside the box, as well as follow-through in the execution. Leaders and staff were also commended for supporting Mr. Jensen throughout the journey.

Scott Bond, WSHA President, brought forward previous CEO's who played an integral part in restructuring WSHA, as well as devoting their careers to healthcare. The history of Joe Hopkins revealed that he was respected among his peer CEO's, out of which was born the Joe Hopkins Award. Recipients clearly understand the significance of achieving the award. Mr. Bond acclaimed Mr. Jensen's deserve in achieving the award, as he fully recognizes the challenges of rural healthcare and the need to be unconventional in successfully leading the Hospital into the future.

Mr. Jensen reiterated the award as being the pinnacle of significant honor, and expressed his strong belief in carrying out his initiatives on behalf of the community - the community deserves the hospital and healthcare in the community. Together, GHCH is tenacious and can get things done. Mr. Jensen expressed appreciation of the 501c3 Board's support of him in the initiatives moving forward, as well as leaders and staff for making the hospital a success.

CALL TO ORDER

Chairman Maryann Welch called the meeting to order at 1:31p.

PUBLIC COMMENT – Agenda

Commissioner Welch opened the meeting to members of the public for comment regarding topics listed on the agenda.

CONSENT AGENDA

Minutes

Minutes of September 22, 2015 Hospital Board meeting.

Minutes of September 17, 2015 Board Finance Committee meeting.

Action: A motion was made by Commissioner Scroggs, seconded by Commissioner Longenbaugh and unanimously carried to approve the Consent Agenda as presented.

DISCUSSION AND ACTION

Medical Staff Credentialing

Submitted was the Medical Staff Credentialing Report.

- Action:** A motion was made by Commissioner Longenbaugh, seconded by Commissioner Juarez, and unanimously carried to approve reappointment of Brooke Frakes, MD, from Provisional to Active Staff for a period of two years in the Specialty of Emergency Medicine.
- Action:** A motion was made by Commissioner Farrer, seconded by Commissioner Torgerson, and unanimously carried to approve reappointment of Robert McCauley, MD, as Active Staff for a period of two years in the Specialty of Emergency Medicine.
- Action:** A motion was made by Commissioner Farrer, seconded by Commissioner Juarez, and unanimously carried to approve reappointment of Carmen Briones, MD, from Provisional to Active Staff for a period of two years in the Specialty of Pediatric Medicine.
- Action:** A motion was made by Commissioner Torgerson, seconded by Commissioner Farrer, and unanimously carried to approve reappointment of Mary Clayton, ARNP, from Provisional Staff to Allied Health Professional for a period of two years in the Specialty of Family Practice / Wound Care.
- Action:** A motion was made by Commissioner Farrer, seconded by Commissioner Scroggs, and unanimously carried to approve reappointment of Hany Bashandy, MD, as Active Staff for a period of two years in the Specialty of Internal Medicine / Hospitalist.
- Action:** A motion was made by Commissioner Torgerson, seconded by Commissioner Juarez, and unanimously carried to approve reappointment of Marcos Chavez, PA-C, as an Allied Health Professional for a period of two years in the Specialty of Hospitalist.
- Action:** A motion was made by Commissioner Scroggs, seconded by Commissioner Longenbaugh, and unanimously carried to approve reappointment of Brian Goody, PA-C, as an Allied Health Professional for a period of two years in the Specialty of Hospitalist.
- Action:** A motion was made by Commissioner Farrer, seconded by Commissioner Juarez, and unanimously carried to approve reappointment of Arthur Molina, MD, from Provisional to Consulting Staff for a period of two years in the Specialty of Medical Oncology.
- Action:** A motion was made by Commissioner Farrer, seconded by Commissioner Torgerson, and unanimously carried to approve reappointment of William Hofmann, MD, as Active Staff for a period of two years in the Specialty of Anesthesiology.
- Action:** A motion was made by Commissioner Farrer, seconded by Commissioner Scroggs, and unanimously carried to approve reappointment of Andrew Dean, MD, as Provisional Staff for a period of one year in the Specialty of Pathology.

Action: A motion was made by Commissioner Farrer, seconded by Commissioner Scroggs, and unanimously carried to approve reappointment of Archana Lucchesi, MD, as Consulting Staff for a period of two years in the Specialty of Teleradiology.

Resignations were noted:

- James Bonifield, MD in the Specialty of Radiology
- Christopher Cuevas, MD in the Specialty of Teleintensivist
- Herbert Johnson, DO in the Specialty of Family Medicine

Presentation of Resolution

Submitted for approval was Resolution 2015-03 Bond Series 2007, Line of Credit.

Mr. Vessey brought forward the impact of transitioning from ICD.9 to ICD.10, which is an entire industry change. There will be some productivity slow-down, both internally as well as how quickly payors can process claims under the new system. Due diligence has been done in evaluating the line of credit for working capital. Bond holders evaluate days cash on hand, with an interest that the hospital maintain certain levels of cash and liquidity. With the implementation of ICD.10, there is a risk of seeing a slow-down of cash, which could threaten the ability to meet bond covenants. The line of credit will allow funds for capital, as well as support the hospital in meeting bond covenants. Current outstanding on the line of credit is \$1,257,000, with the increase to \$7,500,000. Approval is being requested that authority be delegated to Tom Jensen to approve the Line of Credit loan documents.

Action: A motion was made by Commissioner Torgerson, seconded by Commissioner Longenbaugh and unanimously carried to approve Resolution 2015-03 Bond Series 2007, Line of Credit.

COMMITTEE REPORTS

Board Quality Report

Commissioner Farrer provided report. A presentation was given during the meeting on ICD.10 and progress of implementation.

Board Finance Report

Commissioner Longenbaugh reported on the October 22nd, 2015 Board Meeting. Submitted was the 2016 Prioritized Capital Needs List. Mr. Kahl brought forward that development of the priorities was based on patient safety, single points of failure, a look toward growth and being able to stay current with information technology. Capital Needs reflects the top \$3M in priorities, in addition to the \$8.5M of unmet needs. Mr. Kahl brought forward an unforeseen circumstance in the tower air handling room in which a 3" shaft on a fan wore through and snapped. The fan provided air exchange to support OR, Pharmacy, and CCU. Heroic efforts were undertaken during the middle of night and over the weekend to repair. A local business milled a new shaft and it was then replaced. This instance resulted in the identification of other points of failure within the organization. The list will support discussion during the PHD Board meeting in relation to the levy.

Financials; Revenue over budget came in at approximately \$278k; approximate expenses were under 300k; year-to-date the Hospital's financials are approximately \$1M in the black.

CHAIRMAN'S REPORT

Bylaws Committee Report

A conversation was held with Attorney Berg to redraft the Hospital and District Bylaws in order to more clearly mirror one another.

Committee Changes

In November, Commissioner Scroggs will transfer his membership to Board Quality Committee and Commissioner Juarez will switch his membership to Board Finance Committee.

ADMINISTRATION

Executive Suite Summary

Submitted was the Executive Suite Summary Report. Mr. Jensen added that the Executive Team met last Friday to provide progress reports on their action plans supporting the 2015 Strategic Plan.

Commissioner Longenbaugh inquired about the Patient Advocate position being open again. It was clarified that the first candidate was a bit overwhelmed after realizing the scope of responsibilities.

OLD BUSINESS

None

NEW BUSINESS

None

PUBLIC COMMENT – General

Ms. Welch opened the meeting to public comment from members of the community regarding issues that were not part of the agenda.

NEXT MEETING

Tuesday, November 24; 6:00pm.


ADJOURNMENT

The meeting was adjourned at 1:50 p.m.

APPROVED AND ADOPTED THIS 24th day of November, 2015.

ATTEST:


Teresa Ramirez
Recording Secretary


Robert Torgerson
Board Secretary