

Grays Harbor Public Hospital District No. 2 Board of Commissioners

MEETING AGENDA

January 24, 2017
6:00 pm
Conference Room C

CALL TO ORDER

- I. Excused / Unexcused Absences
- II. Public Comment - Agenda Items (sign-in sheet at entrance; please limit comments to three minutes)

CONSENT AGENDA

- I. Minutes; December 20, 2016 (attached)
- II. December Checks/Warrants; \$1,510,824.88

BOARD DISCUSSION AND ACTION

- I. Election of 2017 Board Officers
 - A. President
 - B. Secretary
- II. Appointment of Hospital Board Members

OLD BUSINESS

- I. Chairman's Report
 - A. Voting Participation Follow-Up

NEW BUSINESS

- I. Good of the Order

PUBLIC COMMENT

Public Comment – General (sign-in sheet at entrance; please limit comments to three minutes)

NEXT MEETING February 28th 6:00p Room C

ADJOURNMENT

Grays Harbor Public Hospital District No. 2 does not discriminate against or exclude anyone from participation in public meetings. Requests for assistance should be made by contacting Administration at 360-537-5117, 48 hours in advance of the meeting. Thank you.

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Our Mission

*Heal, Comfort and Serve
Our Community with Compassion.*

Our Vision

*To provide each patient superior service
and safety, exceptional by any standard.*

Our Values

Respect • Integrity • Compassion • Excellence

Our Standards

*Communication • Accountability • Professionalism •
Teamwork • Ownership • Safety • Service*

Our Desired Future State

*“We will be an integrated regional healthcare network,
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HOSPITAL BOARD

Meeting Agenda
January 24, 2017

Immediately Following District Board Meeting
Conference Room C

BOARD EDUCATION

Physician Recruiting – Anne Marie Wong, M.D., CMO
Elizabeth Tschimperle, HMG Executive Director

CALL TO ORDER

- I. Excused / Unexcused Absences
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CONSENT AGENDA

- I. Hospital Board Minutes; December 20, 2016 (attached)
- II. Board Quality Minutes; December 20, 2016 (attached)
- III. Board Finance Minutes; December 15, 2016 (attached)

BOARD DISCUSSION AND ACTION

- I. Medical Staff Credentialing (attached)
- II. Election of 2017 Board Officers
 - A. President
 - B. Vice-President
 - C. Treasurer
 - D. Secretary
- III. Appointment of 2017 Committee Chairs & Members
 - A. Board Quality Committee
 - B. Board Finance Committee

COMMITTEE / CHAIRMAN REPORTS

- I. Board Quality January Report – Pete Scroggs, Committee Chair
- II. Board Finance January Report – Miles Longenbaugh, Committee Chair
- III. Chairman's Report

ADMINISTRATION

- I. Executive Suite Summary Report – Tom Jensen, CEO (attached)

OLD BUSINESS

NEW BUSINESS

- I. January Board Education:
 - Crisis Communication/Process
 - Opiate Use
 - Surgery Scheduling RPI
- II. Good of the Order

PUBLIC COMMENT

Public Comment – General (sign-in sheet at entrance; please limit comments to three minutes)

NEXT MEETING February 28th 1:00p Room C

EXECUTIVE SESSION: RCW 5.60.060 (2) (a) Legal risk of a proposed action.

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FINANCIAL STATEMENTS

January 2017

GHCH Consolidating Balance Sheet—Assets

1/31/17



	<u>Total 1/31/17</u>
CURRENT ASSETS:	
Cash	6,782,737
Temporarily Restricted Cash-Peds	286,260
Patient Receivables:	
Gross Patient Receivables	62,164,342
Less Allowance for Uncollectibles	<u>(41,217,807)</u>
Net Patient Receivables	20,946,535
Other Receivables	2,117,672
Inventories	1,760,760
Prepaid Expense	491,495
Temporarily Restricted Curr Assets	345,715
Other Current Assets	<u>1,265,447</u>
Total Current Assets	33,996,621
Board Designated Assets	6,403,368
Property, Plant & Equipment	
Land & Land Improvements	2,185,947
Building & Improvements	67,948,968
Medical Office Building	1,314,681
Equipment	37,718,856
CIP	<u>383,104</u>
Total Fixed Assets	109,551,555
Accumulated Depreciation	<u>(69,358,472)</u>
Net Property, Plant & Equipment	40,193,083
Other Assets:	
Reserve Fund	2,156,165
Phys Loans/Guarantees (after 2001)	0
Other Non current Assets	2,833,126
Intangible--Pension	371,613
Investments	630,735
Deferred Pension Outflows	1,805,163
Permanently restricted Assets	<u>5,057,260</u>
Total Other Assets	12,854,061
TOTAL ASSETS	<u><u>93,447,133</u></u>

GHCH Consolidating Balance Sheet—Liabilities 1/31/17



	Total 1/31/17
CURRENT LIABILITIES	
Short Term Notes Payable	3,000,000
Accounts Payable	7,287,921
Due to Third Parties	627,984
Payroll & Related	3,981,542
Other Current Liabilities	2,611,014
Current Portion -LT Debt	1,978,961
Total Current Liabilities	19,487,422
Long Term Liabilities	3,433,126
Total Long Term Liabilities	3,433,126
LONG TERM DEBT	
Notes Payable	1,881,032
Bonds Payable	28,365,200
Total Long Term Debt	30,246,232
Total Liabilities	53,166,781
EQUITY	
Fund Equity	36,092,805
Equity--Prior Year	(2,669,644)
Permanently Restricted Assets	5,057,260
Reserve for Pension/Other	1,497,903
Net Income(Loss)--Current Year	302,030
Total Equity	40,280,353
TOTAL LIAB & FUND EQUITY	93,447,133

Grays Harbor Community Hospital
Consolidated Income Statement
1/31/2017



	Month	Month Budget	Variance	% Variance
Revenues				
Inpatient Revenue	11,509,656	10,598,562	911,094	8.60%
Outpatient Revenue	14,101,361	15,905,465	(1,804,104)	-11.34%
ER Revenue	7,382,048	8,949,829	(1,567,781)	-17.52%
Physician Revenue	1,146,230	1,604,895	(458,665)	-28.58%
Total Revenue	34,139,294	37,058,751	(2,919,456)	-7.88%
Revenue Deductions				
Bad Debt	135,082	556,033	(420,951)	-75.71%
Charity	62,403	127,044	(64,641)	-50.88%
Other Deductions	24,829,432	27,172,987	(2,343,555)	-8.62%
Total Revenue Deductic	25,026,917	27,856,064	(2,829,147)	-10.16%
Net Patient Revenue	9,112,378	9,202,687	(90,309)	-0.98%
Other Revenue	271,666	303,121	(31,455)	-10.38%
Net Operating Revenue	9,384,043	9,505,806	(121,763)	-1.28%
Expenses				
Salaries	3,527,801	3,511,054	16,747	0.48%
Benefits	1,611,160	1,226,223	384,938	31.39%
Professional Fees	1,073,136	1,278,067	(204,931)	-16.03%
Supplies	1,040,178	1,016,524	23,653	2.33%
Utilities	89,917	86,249	3,668	4.25%
Purchased Services	828,956	914,287	(85,331)	-9.33%
Agency	174,752	76,170	98,582	129.42%
Depreciation	367,190	320,960	46,230	14.40%
Rent/Lease	91,891	95,596	(3,705)	-3.88%
Other	203,181	303,714	(100,533)	-33.10%
Insurance	74,159	83,333	(9,174)	-11.01%
Interest	146,740	146,250	490	0.34%
Total Expenses	9,229,061	9,058,425	170,635	1.88%
Net Operating Income	154,982	447,381	(292,399)	-65.36%
Operating Margin %	1.65%	4.71%		
Non-Operating	147,048	10,433	136,615	1309.45%
Net Income	302,030	457,814	(155,784)	-34.03%
Net Income Margin %	3.22%	4.82%		

**GRAYS HARBOR PUBLIC HOSPITAL DISTRICT NO. 2
BOARD OF COMMISSIONERS REGULAR MEETING
January 24, 2017**

COMMISSIONERS PRESENT

Andrew Bickar, District 4
Armando Juarez, Jr, District 2
Miles Longenbaugh, District 3
Pete Scroggs, At Large
Robert Torgerson, At Large 1
Becky Walsh, District 5 (via conference line)
Maryann Welch, District 1

OTHERS PRESENT

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

CALL TO ORDER

President Maryann Welch called the meeting to order at 6:00p.

Public Comment – Agenda Topics

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

CONSENT AGENDA

- Minutes of December 20, 2016 Board of Commissioners meeting.
- Checks/Warrants for December 2016 in the amount of \$3,231,854.88.

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

BOARD DISCUSSION AND ACTION

Election of 2017 Board Officers

Elections were conducted of 2017 Board Officers for a one-year term.

Board President

Action: Commissioner Torgerson nominated Commissioner Maryann Welch as Board President. The nomination was seconded by Commissioner Scroggs, and unanimously carried to approve the reappointment of Commissioner Maryann Welch as Board President.

Board Secretary

Action: Commissioner Scroggs nominated Commissioner Bob Torgerson as Board Secretary. The nomination was seconded by Commissioner Bickar, and unanimously carried to approve the reappointment of Commissioner Bob Torgerson as Board Secretary.

Appointment of Hospital Board Members

The Commission desires to formally appoint the members of the Commission as the members of the Board of Directors of the Corporation, effective January 01, 2017.

Action: A motion was made by Commissioner Torgerson, seconded by Commissioner Bickar, and unanimously carried to appoint the Commissioners as members of the Board of Directors of the Corporation.

OLD BUSINESS

During the last board meeting, clarification was requested on whether Commissioners can vote when participating in meetings via conference line. The Bylaws were referenced and it is confirmed that board members can take action when participating in Board meetings via conference line.

NEW BUSINESS

None

PUBLIC COMMENT – General

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

NEXT MEETING

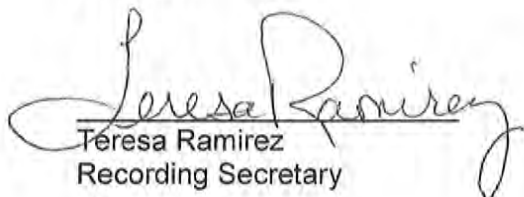
Tuesday, February 28th; following the Hospital Board meeting in Conf. Room C.

ADJOURNMENT

The meeting adjourned at 7:09p.

APPROVED AND ADOPTED THIS 28th day of February, 2017.

ATTEST:


Teresa Ramirez
Recording Secretary


Bob Torgerson
Secretary

**GRAYS HARBOR COMMUNITY HOSPITAL
BOARD OF DIRECTORS REGULAR MEETING
January 24, 2017**

COMMISSIONERS PRESENT

Andrew Bickar, District 4
Armando Juarez, Jr, District 2
Miles Longenbaugh, District 3
Pete Scroggs, At Large
Robert Torgerson, At Large 1
Becky Walsh, District 5 (via conference line)
Maryann Welch, District 1

OTHERS PRESENT

Tom Jensen, CEO, GHCH
Joe Vessey, CFO, GHCH
Teresa Ramirez, Executive Assistant, GHCH

Members of the Public

Attorney Brad Berg (via conference line during Executive Session)

EDUCATION

Elizabeth Tschimperle, HMG Executive Director, and Anne Marie Wong, MD, CMO, provided a presentation on Harbor Medical Group Physician Recruitment.

CALL TO ORDER

President Maryann Welch called the meeting to order at 6:33 p.m.

Public Comment – Agenda Topics

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

CONSENT AGENDA

Minutes

- Minutes of December 20, 2016 Hospital Board meeting.
- Minutes of December 20, 2016 Board Quality Committee meeting.
- Minutes of December 15, 2016 Board Finance Committee meeting.

Action: A motion was made by Commissioner Bickar, seconded by Commissioner Juarez and unanimously carried to approve the Consent Agenda.

BOARD DISCUSSION AND ACTION

Medical Staff Credentialing

Submitted was the Medical Staff Credentialing Report.

ACTION: A motion was made by Commissioner Scroggs, seconded by Commissioner Bickar, and unanimously carried to approve reappointment of Sarah Pedersen, PA-C, as an Allied Health Professional for a period of two years in the Specialty of Emergency Medicine.

ACTION: A motion was made by Commissioner Bickar, seconded by Commissioner Juarez, and unanimously carried to approve appointment of David Newman, MD, as Provisional Staff for a period of one year in the Specialty of Emergency Medicine.

ACTION: A motion was made by Commissioner Bickar, seconded by Commissioner Scroggs, and unanimously carried to approve reappointment of Tonya Grissam, MD, as a Locum for a period of one year in the Specialty of Pediatrics.

ACTION: A motion was made by Commissioner Bickar, seconded by Commissioner Torgerson, and unanimously carried to approve reappointment of Craig Teveliet, MD, as Active Emeritus Staff for a period of two years in the Specialty of Family Practice.

ACTION: A motion was made by Commissioner Juarez, seconded by Commissioner Bickar, and unanimously carried to approve reappointment of Gregory Bell, MD, as Courtesy Staff for a period of two years in the Specialty of Neurology.

ACTION: A motion was made by Commissioner Torgerson, seconded by Commissioner Bickar, and unanimously carried to approve reappointment of Richard Kennedy, MD, as Consulting Staff for a period of two years in the Specialty of Cardiology.

ACTION: A motion was made by Commissioner Bickar, seconded by Commissioner Juarez, and unanimously carried to approve reappointment of Jon Kooiker, MD, as Courtesy Staff for a period of two years in the Specialty of Neurology.

ACTION: A motion was made by Commissioner Juarez, seconded by Commissioner Torgerson, and unanimously carried to approve reappointment of Bojia Li, MD, as Courtesy Staff for a period of two years in the Specialty of Oncology.

ACTION: A motion was made by Commissioner Torgerson, seconded by Commissioner Bickar, and unanimously carried to approve reappointment of Zhongzeng Li, MD, as Courtesy Staff for a period of two years in the Specialty of Neurology.

ACTION: A motion was made by Commissioner Scroggs, seconded by Commissioner Juarez, and unanimously carried to approve reappointment of Jimmy Swan, MD, as Consulting Staff for a period of two years in the Specialty of Cardiology.

ACTION: A motion was made by Commissioner Torgerson, seconded by Commissioner Scroggs, and unanimously carried to approve reappointment of Philip Early, MD, as a Locum for a period of two years in the Specialty of Anesthesiology.

ACTION: A motion was made by Commissioner Juarez, seconded by Commissioner Torgerson, and unanimously carried to approve reappointment of William Faloon Jr., MD, as Provisional Staff for a period of one year in the Specialty of Orthopedics.

ACTION: A motion was made by Commissioner Bickar, seconded by Commissioner Juarez, and unanimously carried to approve reappointment of Haleigh Werner, MD, as Courtesy Staff for a period of two years in the Specialty of Radiation Oncology.

Resignations were noted.

Election of 2017 Board Officers

Elections were conducted of 2017 Board Officers for a one-year term.

Board President

Action: Commissioner Torgerson nominated Commissioner Maryann Welch as Board President. The nomination was seconded by Commissioner Bickar, and unanimously carried to approve the reappointment of Commissioner Maryann Welch as Board President.

Vice-President/Secretary

Action: Commissioner Scroggs nominated Commissioner Robert Torgerson as Board Vice-President/Secretary. The nomination was seconded by Commissioner Bickar, and unanimously carried to approve the reappointment of Commissioner Robert Torgerson as Vice-President/Secretary.

Brought forward for appointment was Joe Vessey, CFO, for Board Treasurer.

ACTION: A motion was made by Commissioner Torgerson, seconded by Commissioner Juarez, and unanimously carried to approve the reappointment of Joe Vessey, CFO, as Board Treasurer.

2017 Board Committee Chairs & Members

Appointments were made of 2017 Board Committee Chairs and Members for a one-year term:

Board Quality

- Chair; Commissioner Becky Walsh
- Members; Commissioners Miles Longenbaugh and Bob Torgerson

Board Finance

- Chair; Commissioner Pete Scroggs
- Members; Commissioners Andy Bickar and Armando Juarez

COMMITTEE REPORTS

Board Quality Report

Commissioner Scroggs provided report on the January Committee meeting, with information encompassing:

- Education on High Flow Oxygen Therapy.
- CipherHealth recorded discharge instructions. The trial is complete and engagement in a contract is underway.
- Reports on Environment of Care, Workplace Safety and Patient Grievances.
- Workplace Violence Committee; A committee has been convened to address disruptive behavioral issues that primarily take place in the ED. Two staff members were sent to CPI de-escalation training. A roll-out proposal for training staff has been presented to C-suite. Security coverage has increased to 12-hour shifts from 6:00p-6:00a, with their home base being located in the ED.
- HCAHPS Scores.
- A shift from paper to electronic T-Sheets in the ED.
- The Patient Advocate is transitioning from her current position, to her new position as a Core Measure Abstractor.

- Daniel San Martin, Utilization Review Coordinator, is leaving the organization, with his last day being January 27th.

Board Finance Report

Commissioner Longenbaugh provided report on the January Committee meeting.

- Financials
 - Financials are not yet available until year-end activities close.
 - Statistics; Admissions in December were up 3%, year-to-date they were down 8% from the prior year. The hospital experienced higher patient census the end of December due to the influenza epidemic. The Length of Stay for the calendar year was up more than budgeted. Outpatient Registration was up 14% year-to-date. Observation patients were 14% below budget, due to the Utilization Review Coordinator working with providers to more appropriately classify patients.
- The hospital hired a consulting firm to conduct a review of GPO bids, with a recommendation being made and accepted for GHCH to change its GPO to Intalere. Intalere will save the hospital approximately \$250k per year for supply costs and between \$200-250k in fees. The conversion will begin in February.
- Mr. Vessey and the finance division have been meeting with different vendors for A/P invoicing. They are engaging with a bank to provide an electronic solution. The bank will scan and email hospital vendor invoices to be approved. The bank will pay the invoices and the hospital will pay the bank. This will be a much more streamlined process, with an estimated savings of \$60k-\$100k savings for the hospital.
- The Interlocal Agreements will be reviewed during the next Board Finance meeting. The City of Aberdeen has requested financial assistance this year.

ADMINISTRATION

Executive Suite Summary

Submitted was the Executive Suite Summary Report. Of note:

- Tom announced that Cynthia Walsh, CNO, will be retiring in May. Efforts are underway to recruit and be ready to fill the position upon her departure.
- It was clarified that the Culture Change Leader is the same position as previously referred to as the Organizational Development Champion.
- UFCW Negotiations; The union will be voting on the contract the end of this week or next.

OLD BUSINESS

None

NEW BUSINESS

A review was conducted of Board education topics. Commissioners were asked to send topics of interest to Ms. Ramirez.

Commissioner Bickar brought forward a conversation held with a provider from another larger facility in which their ED wait time is 12 hours. Sometimes the public believes that GHCH's ED wait time is excessive, without realizing that other facilities have just as long, or even longer, periods of time.

Commissioner Torgerson brought forward a recent family member visit to Day Surgery, and complimented how smoothly the visit went and the professionalism of staff.

PUBLIC COMMENT – General

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

NEXT MEETING

Tuesday, February 28, 2017 at 1:00p in Conference Room C.

EXECUTIVE SESSION

President Welch announced at 7:01p that the Board of Commissioners will hold an Executive Session for no more 20 minutes under RCW 5.60.060 (2) (a) to discuss legal risk of a proposed action.

ACTION: A motion was made by Commissioner Bickar, seconded by Commissioner Juarez, and unanimously carried to convene an Executive Session, followed by Commissioners reconvening in public session.

At 7:21p the Executive Session concluded.

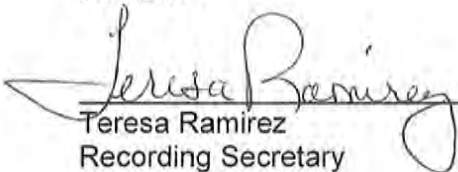
ACTION: A motion was made by Commissioner Torgerson, seconded by Commissioner Scroggs, and unanimously carried to reconvene the public meeting at 7:21p.

ADJOURNMENT

A motion was made by Commissioner Juarez, seconded by Commissioner Longenbaugh, and unanimously carried to adjourn the meeting at 7:21p.

APPROVED AND ADOPTED THIS 28th day of February, 2017.

ATTEST:


Teresa Ramirez
Recording Secretary


Bob Torgerson
Secretary

Grays Harbor Public Hospital District No. 2 Board of Commissioners

MEETING AGENDA

February 28, 2017

Immediately Following Hospital Board Meeting
Conference Room C

CALL TO ORDER

- I. Excused / Unexcused Absences
- II. Public Comment - Agenda Items (sign-in sheet at entrance; please limit comments to three minutes)

CONSENT AGENDA

- I. Minutes; January 24, 2017
- II. January Checks/Warrants; \$1,089.02

BOARD DISCUSSION AND ACTION

- I. Board Finance Committee
 - A. Interlocal Agreements

OLD BUSINESS

NEW BUSINESS

- I. Good of the Order

PUBLIC COMMENT

Public Comment – General (sign-in sheet at entrance; please limit comments to three minutes)

NEXT MEETING March 28th Immediately Following 6:00p Hospital Board Mtg. Room C

ADJOURNMENT

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HOSPITAL BOARD
Meeting Agenda
February 28, 2017
1:00 pm
Conference Room C

BOARD EDUCATION

GHCH Re-Branding – Nancee Long, Public Relations & Marketing Director

CALL TO ORDER

- I. Excused / Unexcused Absences
- II. Public Comment - Agenda Items (sign-in sheet at entrance; please limit comments to three minutes)

CONSENT AGENDA

- I. Hospital Board Minutes; January 24, 2017
- II. Board Quality Minutes; January 17, 2017
- III. Board Finance Minutes; January 19, 2017

BOARD DISCUSSION AND ACTION

- I. Medical Staff Credentialing
 - A. Medical Staff Credentialing; June 2016 Revised Report

COMMITTEE / CHAIRMAN REPORTS

- I. Board Quality February Report – Pete Scroggs, (fill-in for Committee Chair)
- II. Board Finance February Report – Pete Scroggs, Committee Chair
- III. Chairman's Report

ADMINISTRATION

- I. Executive Suite Summary Report – Tom Jensen, CEO

OLD BUSINESS

NEW BUSINESS

- I. January Board Education:
 - Communication Policy/Process
 - Opiate Use
 - Surgery Scheduling RPI
- II. Good of the Order

PUBLIC COMMENT

Public Comment – General (sign-in sheet at entrance; please limit comments to three minutes)

NEXT MEETING March 28th 6:00p Room C

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**GRAYS HARBOR PUBLIC HOSPITAL DISTRICT NO. 2
BOARD OF COMMISSIONERS REGULAR MEETING
February 28, 2017**

COMMISSIONERS PRESENT

Armando Juarez, Jr, District 2 (via conference line)
Miles Longenbaugh, District 3
Pete Scroggs, At Large
Robert Torgerson, At Large 1
Becky Walsh, District 5 (via conference line)

OTHERS PRESENT

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

ABSENT

Andrew Bickar, District 4
Maryann Welch, District 1

CALL TO ORDER

Secretary Robert Torgerson called the meeting to order at 1:33p.

Absences

President Welch notified Commissioner Bob Torgerson that she is unable to attend today's meeting.

Action: A motion was made by Commissioner Juarez, seconded by Commissioner Walsh and unanimously carried to approve the excused absence for Commissioner Welch.

Public Comment – Agenda Topics

Secretary Torgerson opened the meeting to members of the public for comment regarding topics listed on the agenda.

CONSENT AGENDA

- Minutes of January 24, 2017 Board of Commissioners meeting.
- Checks/Warrants for January 2017 in the amount of \$1,089.02.

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

BOARD DISCUSSION AND ACTION

Board Finance Committee

During the campaign to form a public hospital district, concerns were expressed regarding the 50 or 75-cent tax levy having a significant negative impact on other districts, and the desire to be good partners in the community.

Last year three municipalities came forth to express their concerns regarding the tax levy – Timberland Regional Library, Fire District 2, and the City of Hoquiam. After valuations and levy rates were published by the County, Timberland Regional Library was not going to be negatively impacted and therefore, withdrew from any further negotiations. Memorandums of Understanding were signed with Fire District 2 and the City of Hoquiam. In 2016, payment of \$80,173 was made to Fire District 2 and \$67,500 made to the City of Hoquiam, to make them whole; however, it was expressed that the financial relationships may not continue into perpetuity.

Up until January 2017, hospital financials have not been positive and it is necessary to consider whether the hospital can afford a future disbursement of approximately \$300k to the other municipalities. Due to the unpredictable and complex factors involved with attempting to speculate on future valuations and levy rates, it is reasonable that Commissioners consider options that include predictability for all parties involved. The agreement with Fire District 2 expires December 31, 2017, with the 2017 compensation to be set by mutual agreement among the parties. The agreement with the City of Hoquiam expired on December 31, 2016.

For 2017, Paula at the Assessor's Office shared the following:

- FD2 is prorated \$116,959
 - Aberdeen is prorated \$ 83,904
 - Hoquiam is prorated \$ 93,256
- Total \$294,119

The option of a multi-year payment schedule with declining levels of reimbursement was proposed for consideration:

- 2017 - 100% payment of municipality's prorated amount
- 2018 - dropping to 66% payment of municipality's prorated amount
- 2019 - dropping to 33% payment of municipality's prorated amount
- 2020 - 0%

This would provide the other municipalities a degree of predictability they could incorporate in their own budgets and allow them to conduct multi-year planning. The schedule could be adjusted to be shorter or longer than three years as presented.

Roundtable discussion and recommendation to consider a three year declining payment model with a cap, for all municipalities including the City of Aberdeen. It was recommended that a lower amount be considered for Fire District 2 in 2017; disregarding the 10-cent lid lift. The full amount of payment is recommended for the Cities of Aberdeen and Hoquiam in 2017. Commissioner Torgerson recused himself from voting.

ACTION: A motion was made by Commissioner Scroggs to proceed with a three year declining proration, with payments being made in 2017 at 100% of proration for the Cities of Aberdeen and Hoquiam, and at an amount excluding the 10-cent lid lift (to be calculated) for Fire District 2. In 2018 payments will be made in the amount of 66% of proration with a cap not to exceed 66% of the 2017 amount. In 2019 payments will be made in the amount of 33% of the 2019 proration with a cap not to exceed 33% of the 2017 amount. The motion was seconded by Commissioner Longenbaugh. The motion was amended to include that in 2020 and years beyond, financial support will be terminated. The motion and amendment were unanimously approved, with Commissioner Torgerson abstaining from voting.

OLD BUSINESS

None

NEW BUSINESS

None

PUBLIC COMMENT – General

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

NEXT MEETING


Tuesday, March 28th; following the Hospital Board meeting in Conf. Room C.


ADJOURNMENT

A motion was made by Commissioner Juarez, seconded by Commissioner Walsh, and unanimously carried to adjourn the meeting at 2:13p.

APPROVED AND ADOPTED THIS 28th day of March, 2017.

ATTEST:


Teresa Ramirez
Recording Secretary


Bob Torgerson
Secretary



FINANCIAL STATEMENTS

February 2017

GHCH Consolidating Balance Sheet—Assets

2/28/17



	Total 2/28/17
CURRENT ASSETS:	
Cash	6,366,770
Temporarily Restricted Cash-Peds	286,260
Patient Receivables:	
Gross Patient Receivables	67,401,829
Less Allowance for Uncollectibles	(44,905,511)
Net Patient Receivables	22,496,318
Other Receivables	2,329,966
Third Party Receivables	0
Inventories	1,770,977
Prepaid Expense	478,475
Temporarily Restricted Curr Assets	455,679
Other Current Assets	1,416,265
Total Current Assets	35,600,711
Board Designated Assets	6,526,890
Property, Plant & Equipment	
Land & Land Improvements	2,185,947
Building & Improvements	67,948,968
Medical Office Building	1,314,681
Equipment	37,854,541
CIP	291,789
Total Fixed Assets	109,595,925
Accumulated Depreciation	(69,737,718)
Net Property, Plant & Equipment	39,858,207
Other Assets:	
Reserve Fund	2,161,376
Phys Loans/Guarantees (after 2001)	0
Other Non current Assets	2,833,126
Intangible--Pension	371,613
Investments	630,735
Deferred Pension Outflows	1,805,163
Permanently restricted Assets	5,057,260
Total Other Assets	12,859,272
TOTAL ASSETS	94,845,080

GHCH Consolidating Balance Sheet—Liabilities 2/28/17



	Total 2/28/17
CURRENT LIABILITIES	
Short Term Notes Payable	3,000,000
Accounts Payable	7,928,575
Due to Third Parties	667,984
Payroll & Related	4,482,427
Other Current Liabilities	2,594,010
Current Portion -LT Debt	1,980,042
Total Current Liabilities	20,653,038
Long Term Liabilities	3,433,126
Total Long Term Liabilities	3,433,126
LONG TERM DEBT	
Notes Payable	1,878,255
Bonds Payable	28,333,823
Total Long Term Debt	30,212,078
Total Liabilities	54,298,241
EQUITY	
Fund Equity	36,092,805
Equity--Prior Year	(2,669,644)
Permanently Restricted Assets	5,057,260
Reserve for Pension/Other	1,497,903
Net Income(Loss)--Current Year	568,516
Total Equity	40,546,839
TOTAL LIAB & FUND EQUITY	94,845,080

**Grays Harbor Community Hospital
Consolidated Income Statement
2/28/2017**



	Month	Month Budget	Variance	% Variance
Revenues				
Inpatient Revenue	9,835,604	10,232,802	(397,198)	-3.88%
Outpatient Revenue	13,366,083	15,100,293	(1,734,210)	-11.48%
ER Revenue	7,316,665	8,339,929	(1,023,264)	-12.27%
Physician Revenue	891,565	1,604,895	(713,330)	-44.45%
Total Revenue	31,409,917	35,277,919	(3,868,002)	-10.96%
Revenue Deductions				
Bad Debt	750,642	528,104	222,538	42.14%
Charity	101,177	120,662	(19,485)	-16.15%
Other Deductions	22,497,413	25,854,359	(3,356,946)	-12.98%
Total Revenue Deductions	23,349,233	26,503,125	(3,153,893)	-11.90%
Net Patient Revenue	8,060,685	8,774,794	(714,109)	-8.14%
Other Revenue	290,765	288,121	2,645	0.92%
Net Operating Revenue	8,351,448	9,062,913	(711,464)	-7.85%
Expenses				
Salaries	3,460,375	3,275,592	184,783	5.64%
Benefits	1,082,042	1,139,609	(57,567)	-5.05%
Professional Fees	966,614	1,225,066	(258,452)	-21.10%
Supplies	896,825	973,991	(77,166)	-7.92%
Utilities	93,846	86,251	7,595	8.81%
Purchased Services	932,659	888,076	44,583	5.02%
Agency	215,451	71,975	143,476	199.34%
Depreciation	367,445	320,960	46,485	14.48%
Rent/Lease	88,446	95,596	(7,150)	-7.48%
Other	192,111	303,684	(111,572)	-36.74%
Insurance	94,870	83,334	11,536	13.84%
Interest	156,387	146,250	10,137	6.93%
Total Expenses	8,547,071	8,610,382	(63,312)	-0.74%
Net Operating Income	(195,623)	452,531	(648,152)	-143.23%
Operating Margin %	-2.34%	4.99%		
Non-Operating	462,108	25,436	436,672	1716.75%
Net Income	266,486	477,967	(211,481)	-44.25%
Net Income Margin %	3.19%	5.27%		

**GRAYS HARBOR COMMUNITY HOSPITAL
BOARD OF DIRECTORS REGULAR MEETING
February 28, 2017**

COMMISSIONERS PRESENT

Armando Juarez, Jr, District 2 (via conference line)
Miles Longenbaugh, District 3
Pete Scroggs, At Large
Robert Torgerson, At Large 1
Becky Walsh, District 5 (via conference line)

OTHERS PRESENT

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

ABSENT

Andrew Bickar, District 4
Maryann Welch, District 1

CALL TO ORDER

Secretary Robert Torgerson called the meeting to order at 1:03p.

Absences

President Welch notified Commissioner Bob Torgerson that she is unable to attend today's meeting.

Action: A motion was made by Commissioner Scroggs, seconded by Commissioner Juarez and unanimously carried to approve the excused absence for Commissioner Welch.

Public Comment – Agenda Topics

Secretary Torgerson opened the meeting to members of the public for comment regarding topics listed on the agenda.

Introduction

Ms. Kelly Corcoran was introduced as the new Culture Change Leader.

CONSENT AGENDA

Minutes

- Minutes of January 24, 2017 Hospital Board meeting.
- Minutes of January 17, 2017 Board Quality Committee meeting.
- Minutes of January 19, 2017 Board Finance Committee meeting.

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

BOARD DISCUSSION AND ACTION

Medical Staff Credentialing

Submitted was the Medical Staff Credentialing Report.

ACTION: A motion was made by Commissioner Scroggs, seconded by Commissioner Walsh, and unanimously carried to approve appointment of Antonio Capps, MD, as Provisional Staff for a period of one year in the Specialty of Emergency Medicine.

ACTION: A motion was made by Commissioner Longenbaugh, seconded by

Commissioner Scroggs, and unanimously carried to approve appointment of Sarah McDaniel, MD, as Provisional Staff for a period of one year in the Specialty of Emergency Medicine.

ACTION: A motion was made by Commissioner Longenbaugh, seconded by Commissioner Scroggs, and unanimously carried to approve appointment of Douglas Shannon, PA-C, as Provisional Staff for a period of one year in the Specialty of Emergency Medicine.

ACTION: A motion was made by Commissioner Scroggs, seconded by Commissioner Longenbaugh, and unanimously carried to approve appointment of John Bausher, MD, as Active Emeritus Staff for a period of two years in the Specialty of Family Practice.

ACTION: A motion was made by Commissioner Scroggs, seconded by Commissioner Longenbaugh, and unanimously carried to approve appointment of Juliette Erickson, MD, as Active Staff for a period of two years in the Specialty of Family Practice.

ACTION: A motion was made by Commissioner Longenbaugh, seconded by Commissioner Scroggs, and unanimously carried to approve appointment of Kiyomia Hachiya, MD, as Provisional Staff for a period of one year in the Specialty of Pediatrics.

ACTION: A motion was made by Commissioner Scroggs, seconded by Commissioner Longenbaugh, and unanimously carried to approve appointment of Drew Garcia, PA-C, as Provisional Staff for a period of one year in the Specialty of Hospitalist.

ACTION: A motion was made by Commissioner Longenbaugh, seconded by Commissioner Scroggs, and unanimously carried to approve appointment of Hans Geisse, MD, as Provisional Staff for a period of one year in the Specialty of IM/Addiction Medicine.

ACTION: A motion was made by Commissioner Longenbaugh, seconded by Commissioner Scroggs, and unanimously carried to approve appointment of Ralph Morris, MD, as Active Emeritus Staff for a period of two years in the Specialty of Internal Medicine.

ACTION: A motion was made by Commissioner Scroggs, seconded by Commissioner Longenbaugh, and unanimously carried to approve appointment of Paul Robertson, MD, as Consulting Staff for a period of two years in the Specialty of Medical Oncology.

ACTION: A motion was made by Commissioner Scroggs, seconded by Commissioner Longenbaugh, and unanimously carried to approve appointment of Binta Tamedou, MD, as Provisional Staff for a period of two years in the Specialty of Hospitalist.

Resignations were noted:

- Richard Kaplan, MD; Teleradiology
- Kurt Kinney, MD; IM/Cardiology
- Richard Perry, OPA-C; Orthopedics

Submitted was the Medical Staff Credentialing Report for 2016, with revisions noted.

- Benjamin Goad, MD; Status should have been listed as Active vs. Provisional, and Term of Appointment should have been listed at 2016-2018 vs. 2016-2017.
- Courtney Carter, MD; Status should have been listed as Consulting vs. Provisional, and Term of Appointment should have been listed at 2016-2018 vs. 2016-2017.

COMMITTEE REPORTS

Board Quality Report

Commissioner Scroggs provided report on the February Committee meeting, with information encompassing:

- Education provided on the Wound Healing Center and the range of services available. Along with providing the hyperbaric chambers, Healogics provides training for all providers, access to nation-wide best practice databases, marketing materials and efforts, etc.
- A successful patient medication story was provided as a result of the implementation of CipherHealth discharge follow-up phone call. Positive statistics were provided:
 - 760 calls have been made
 - 89% of discharges had recorded discharge instructions patients could access.
 - Patient call-backs are conducted within one hour, with 177 issues being resolved.
 - More than 70% of patients have indicated that the calls are helpful.
 - Readmission rates dropped dramatically since implementation.
 - CipherHealth calls are strategically made one day prior to PRC making HCAHPS calls.
- The 2017 Laboratory Quality Management Program.
- Strategic Plan Dashboard metrics.

Board Finance Report

Commissioner Scroggs provided report on the February Committee meeting.

- January financials; The decrease in Cash from \$9.9M to \$6.8M is attributed to maintaining cash levels fairly high in December to cover bond covenants, with payments released in January.
- Net Income for the month came in positive at \$302k.
- After conducting the 2016 Annual Audit, Moss Adams will be issuing an unqualified opinion, with no adjustments or management disagreements anticipated. Year-end financials will be presented once the unqualified opinion has been provided.

CHAIRMAN REPORT

Commissioners were reminded to complete their Annual Evaluation and Board Retreat menu selections.

ADMINISTRATION

Executive Suite Summary

Submitted was the Executive Suite Summary Report. Of note:

- Commendations were expressed toward Cynthia Walsh, CNO and Kris Morrison, Director of Quality, Risk & Compliance, for their efforts and success in launching CipherHealth.
- It was brought forward that the union contract is being ratified.

- Mr. Jensen has been collaborating with CMS and Congressman Derek Kilmer regarding the potential of receiving cost based reimbursement designation for primary care.
- Mr. Vessey is again in the midst of negotiating Managed Medicaid contracts, in order to achieve higher reimbursement.
- It was recommended that the Crisis Intervention Prevention Training and the Foundation Board Strategic Planning outcomes be listed for future Board education.

OLD BUSINESS

None

NEW BUSINESS

A review was conducted of Board education topics – GHCH Rebranding.

PUBLIC COMMENT – General

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

NEXT MEETING

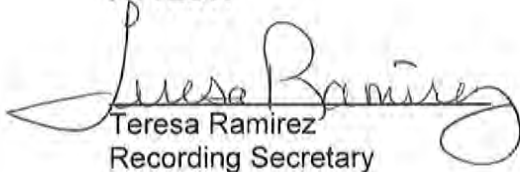
Tuesday, March 28, 2017 at 6:00p in Conference Room C.

ADJOURNMENT

A motion was made by Commissioner Scroggs, seconded by Commissioner Longenbaugh, and unanimously carried to adjourn the meeting at 1:33p.

APPROVED AND ADOPTED THIS 28th day of March, 2017.

ATTEST:


Teresa Ramirez
Recording Secretary


Bob Torgerson
Secretary

Grays Harbor Public Hospital District No. 2 Board of Commissioners

MEETING AGENDA

March 28, 2017

Immediately Following Hospital Board Meeting
Conference Room C

CALL TO ORDER

- I. Excused / Unexcused Absences
- II. Public Comment - Agenda Items (sign-in sheet at entrance; please limit comments to three minutes)

CONSENT AGENDA

- I. Minutes; February 28, 2017 PHD Board Meeting
- II. Minutes; March 20 – 21, 2017 Annual Education Retreat
- III. February Checks/Warrants; \$1,498.67

BOARD DISCUSSION AND ACTION

OLD BUSINESS

- I. Board of Commissioners Educational Retreat Overview

NEW BUSINESS

- I. Good of the Order

PUBLIC COMMENT

Public Comment – General (sign-in sheet at entrance; please limit comments to three minutes)

NEXT MEETING April 25th Immediately Following 1:00p Hospital Board Mtg. Room C

ADJOURNMENT

Grays Harbor Public Hospital District No. 2 does not discriminate against or exclude anyone from participation in public meetings. Requests for assistance should be made by contacting Administration at 360-537-5117, 48 hours in advance of the meeting. Thank you.

NOTE: This is an "open" agenda. The Commissioners or Recording Secretary of the Board may elect to add, delete, or change items prior to or at the meetings. This does not include legally advertised public hearings.

Our Mission

*Heal, Comfort and Serve
Our Community with Compassion.*

Our Vision

*To provide each patient superior service
and safety, exceptional by any standard.*

Our Values

Respect • Integrity • Compassion • Excellence

Our Standards

*Communication • Accountability • Professionalism •
Teamwork • Ownership • Safety • Service*

Our Desired Future State

*“We will be an integrated regional healthcare network,
partnering in our communities to provide exceptional care
with an inspired healthcare team.”*



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BOARD EDUCATION

GHCH Re-Branding – Nancee Long, Public Relations & Marketing Director

CALL TO ORDER

- I. Excused / Unexcused Absences
- II. Public Comment - Agenda Items (sign-in sheet at entrance; please limit comments to three minutes)

CONSENT AGENDA

- I. Hospital Board Minutes; February 28, 2017
- II. Board Quality Minutes; February 21, 2017
- III. Board Finance; no quorum - minutes not approved
- IV. Rebranding Committee Minutes; January 31, 2017

BOARD DISCUSSION AND ACTION

- I. Medical Staff Credentialing

COMMITTEE / CHAIRMAN REPORTS

- I. Board Quality March Report – Miles Longenbaugh
- II. Board Finance March Report – Pete Scroggs, Committee Chair
- III. Chairman's Report
 - A. CEO / Trustee Patient Safety Summit May 1st or 2nd

ADMINISTRATION

- I. Executive Suite Summary Report – Tom Jensen, CEO

OLD BUSINESS

NEW BUSINESS

- I. April Board Education:
 - Cost Based Reimbursement
 - GHCH Communication Policy / Process
 - Foundation Board Strategic Planning Retreat
 - Crisis Intervention Prevention Training
 - Opiate Use
 - Surgery Scheduling RPI
- II. Good of the Order

PUBLIC COMMENT

Public Comment – General (sign-in sheet at entrance; please limit comments to three minutes)

NEXT MEETING April 25th 1:00p Room C

Grays Harbor Community Hospital does not discriminate against or exclude anyone from participation in public meetings. Requests for assistance should be made by contacting Administration at 360-537-5117, 48 hours in advance of the meeting. Thank you.

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*Communication • Accountability • Professionalism •
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GRAYS HARBOR PUBLIC HOSPITAL DISTRICT NO. 2
BOARD OF COMMISSIONERS ANNUAL EDUCATION
March 20 - 21, 2017

COMMISSIONERS PRESENT

Andrew Bickar, District 4
Miles Longenbaugh, District 3
Pete Scroggs, District 5
Maryann Welch, District 1

Absent

Armando Juarez, Jr, District 2
Robert Torgerson, At Large 1

OTHERS PRESENT

Tom Jensen, CEO, GHCH
Larry Kahl, COO (March 20th half-day only)
Joe Vessey, CFO, GHCH (March 20th half-day only)
Cynthia Walsh, CNO (March 20th half-day only)
Anne Marie Wong, MD, CMO (March 20th half-day only)
Teresa Ramirez, Executive Assistant, GHCH

Speakers

See Agenda

CALL TO ORDER

The special meeting of the Board of Commissioners was convened at 9:00a on Monday, March 20, 2017 in the Mount WA and Twanoh Conference Rooms at Alderbrook Resort.

PRESENTATIONS

Education included:

- Preserving Access in Washington State; WSHA
- Practical Compliance Oversight Guidance; Ogden Murphy Wallace
- Harbor Medical Group Structure, Governance, & Committee; HMG
- Build Community – General Communication / Team Building; Dr. Ed Walker

ADJOURNMENT

At 1:30p, the special meeting adjourned with no action taken.

APPROVED AND ADOPTED THIS 28th day of March, 2017.

ATTEST:


Teresa Ramirez
Recording Secretary


Robert Torgerson
Board Secretary

**GRAYS HARBOR PUBLIC HOSPITAL DISTRICT NO. 2
BOARD OF COMMISSIONERS REGULAR MEETING
March 28, 2017**

COMMISSIONERS PRESENT

Andrew Bickar, District 4
Armando Juarez, Jr, District 2 (via conference line)
Miles Longenbaugh, District 3
Pete Scroggs, At Large
Robert Torgerson, At Large 1
Becky Walsh, District 5
Maryann Welch, District 1

OTHERS PRESENT

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

CALL TO ORDER

President Maryann Welch called the meeting to order at 6:52p.

Public Comment – Agenda Topics

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

CONSENT AGENDA

- Minutes of February 28, 2017 Board of Commissioners meeting.
- Checks/Warrants for February 2017 in the amount of \$1,498.67.

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

BOARD DISCUSSION AND ACTION

None

OLD BUSINESS

Annual Board Educational Retreat

President Welch reminded Commissioners to complete the Annual Education Retreat evaluation.

NEW BUSINESS

None

PUBLIC COMMENT – General

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

NEXT MEETING

Tuesday, April 25th; following the Hospital Board meeting in Conf. Room F on East Campus.

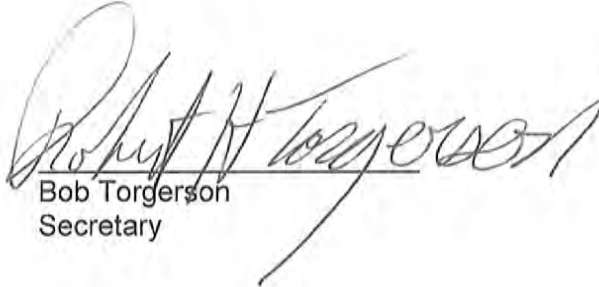
ADJOURNMENT

The meeting adjourned at 6:58p.

APPROVED AND ADOPTED THIS 25th day of April, 2017.

ATTEST:


Teresa Ramirez
Recording Secretary


Bob Torgerson
Secretary

**GRAYS HARBOR COMMUNITY HOSPITAL
BOARD OF DIRECTORS REGULAR MEETING
March 28, 2017**

COMMISSIONERS PRESENT

Andrew Bickar, District 4
Armando Juarez, Jr, District 2 (via conference line)
Miles Longenbaugh, District 3
Pete Scroggs, At Large
Robert Torgerson, At Large 1
Becky Walsh, District 5
Maryann Welch, District 1

OTHERS PRESENT

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

BOARD EDUCATION

Nancee Long, Public Relations Director, provided a video on marketing. Information was then provided on the Hospital Rebranding Committee, including its diverse membership made up of staff, providers, and community members.

CALL TO ORDER

President Maryann Welch called the meeting to order at 6:14p.

Public Comment – Agenda Topics

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

CONSENT AGENDA

Minutes

- Minutes of February 28, 2017 Hospital Board meeting.
- Minutes of February 21, 2017 Board Quality Committee meeting.

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

BOARD DISCUSSION AND ACTION

Medical Staff Credentialing

Submitted was the Medical Staff Credentialing Report.

ACTION: A motion was made by Commissioner Torgerson, seconded by Commissioner Bickar, and unanimously carried to approve appointment of Desiree Crane, DO, as Provisional Staff for a period of one year in the Specialty of Emergency Medicine.

ACTION: A motion was made by Commissioner Bickar, seconded by Commissioner Scroggs, and unanimously carried to approve appointment of Robert Gilbert, MD, as Provisional Staff for a period of one year in the Specialty of Emergency Medicine.

ACTION: A motion was made by Commissioner Bickar, seconded by Commissioner Walsh, and unanimously carried to approve reappointment of Eric Jahn, PA-C, as an Allied Health Professional Staff for a period of two years in the Specialty of Emergency Medicine.

ACTION: A motion was made by Commissioner Bickar, seconded by Commissioner Scroggs, and unanimously carried to approve reappointment of Elizabeth Pickering, PA-C, as an Allied Health Professional Staff for a period of two years in the Specialty of Emergency Medicine.

ACTION: A motion was made by Commissioner Torgerson, seconded by Commissioner Bickar, and unanimously carried to approve reappointment of Maria Ramneantu, MD, as Consulting Staff for a period of two years in the Specialty of Neurology.

ACTION: A motion was made by Commissioner Scroggs, seconded by Commissioner Torgerson, and unanimously carried to approve reappointment of Michael Rome, MD, as Consulting Staff for a period of two years in the Specialty of Cardiology.

ACTION: A motion was made by Commissioner Walsh, seconded by Commissioner Torgerson, and unanimously carried to approve reappointment of Judith Corey, MD, as Consulting Staff for a period of two years in the Specialty of Teleradiology.

ACTION: A motion was made by Commissioner Bickar, seconded by Commissioner Scroggs, and unanimously carried to approve reappointment of Charles Hoo, MD, as Consulting Staff for a period of two years in the Specialty of Teleradiology.

ACTION: A motion was made by Commissioner Bickar, seconded by Commissioner Torgerson, and unanimously carried to approve reappointment of Michael Myers, MD, as Consulting Staff for a period of two years in the Specialty of Teleradiology.

ACTION: A motion was made by Commissioner Scroggs, seconded by Commissioner Walsh, and unanimously carried to approve reappointment of Geoffrey Murrish, MD, as Consulting Staff for a period of two years in the Specialty of Teleradiology.

ACTION: A motion was made by Commissioner Bickar, seconded by Commissioner Scroggs, and unanimously carried to approve appointment of Ranie Pendarvis, MD, as Provisional Staff for a period of one year in the Specialty of Teleradiology.

A resignation was noted for Cristiana Bertocchi, MD in the Specialty of Surgery.

Lapse in privileges were noted:

- Thomas Dean, MD in the Specialty of Pathology
- Kevin Holder, MD in the Specialty of IM/Cardiology
- Marshall Mallory, MD in the Specialty of Teleradiology
- Beverly Shapiro, MD in the Specialty of IM/Addiction Medicine
- Bradley Tipler, MD in the Specialty of Teleradiology
- Eric Trefelner, MD in the Specialty of Teleradiology

COMMITTEE REPORTS

Board Quality Report

Commissioner Longenbaugh provided report on the March Committee meeting, with information encompassing:

- Education on the Infection Control Quality Mgt. Plan.
- Observation Status; Effective March 8th, any new Medicare patient admitted to the hospital has to be notified within 24 hours if they are in observation status. Two factors impact observation status - medical necessity and intensity of services.
- Review of the Strategic Plan Dashboard / Metrics.

Board Finance Report

Commissioner Scroggs provided report on the March Committee meeting.

- Discussion was held on length of stay compared to the Case Mix Index.
- February Net Income for the month came in at \$266k.
- Moss Adams will be presenting their Independent Auditor's Report in April.
- Managed Medicaid; The hospital is going thru the process of opening bids and negotiating with Managed Medicaid payors. The hospital will be prepared to assist the public in switching payors if their particular insurance is not selecting for contracting, as has been done in the past.
- The Murdock Charitable Trust Foundation awarded the Hospital a \$250k grant to help financially support the build-out of an in-house MRI unit.

CHAIRMAN REPORT

The CEO/Trustee Patient Safety Summit is being held in Seattle on May 1st or 2nd. President Welch expressed benefit in board members attending on the same day.

In order to demonstrate that the Board values being accessible to staff and providers on East Campus, President Welch recommended that the April Board meeting be held on East Campus, and periodically continue with meetings at that location thereafter.

ADMINISTRATION

Executive Suite Summary

Submitted was the Executive Suite Summary Report. Of note:

- Mr. Jensen reiterated the value in Board members attending the CEO/Trustee Patient Safety Summit.
- Mr. Jensen is hopeful that communication regarding the loan from the USDA will be provided by the end of April.

OLD BUSINESS

None

NEW BUSINESS

A review was conducted of Board education topics; GHCH Foundation Board / Retreat was selected for April education.

Commissioner Bickar brought forward that during a trip to California, he found it interesting that a hospital had mounted an ad on a billboard for the public to text "###" to receive information on ED wait times.

Board members were reminded of the PDC filing due by April 17th.

PUBLIC COMMENT – General

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

NEXT MEETING

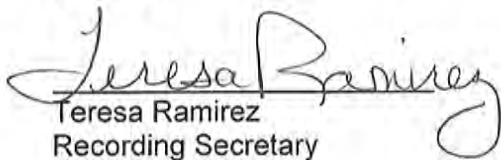
Tuesday, April 25, 2017 at 12:00p in Conference Room F (ground floor) on East Campus.

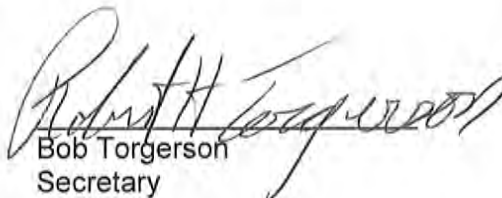
ADJOURNMENT

The meeting was adjourned at 6:52p.

APPROVED AND ADOPTED THIS 25th day of April, 2017.

ATTEST:


Teresa Ramirez
Recording Secretary


Bob Torgerson
Secretary



FINANCIAL STATEMENTS

March 2017

GHCH Consolidating Balance Sheet—Assets

3/31/17



	Total
	3/31/17
CURRENT ASSETS:	
Cash	6,871,364
Temporarily Restricted Cash-Peds	286,260
Patient Receivables:	
Gross Patient Receivables	66,435,688
Less Allowance for Uncollectibles	<u>(43,991,771)</u>
Net Patient Receivables	22,443,916
Other Receivables	1,544,447
Third Party Receivables	0
Inventories	1,798,129
Prepaid Expense	735,141
Temporarily Restricted Curr Assets	481,183
Other Current Assets	<u>1,569,901</u>
Total Current Assets	35,730,341
Board Designated Assets	6,619,854
Property, Plant & Equipment	
Land & Land Improvements	2,185,947
Building & Improvements	67,948,968
Medical Office Building	1,314,681
Equipment	37,901,748
CIP	<u>304,190</u>
Total Fixed Assets	109,655,534
Accumulated Depreciation	<u>(70,116,914)</u>
Net Property, Plant & Equipment	39,538,620
Other Assets:	
Reserve Fund	2,167,145
Phys Loans/Guarantees (after 2001)	0
Other Non current Assets	2,833,126
Intangible--Pension	371,613
Investments	630,735
Deferred Pension Outflows	1,805,163
Permanently restricted Assets	<u>5,057,260</u>
Total Other Assets	12,865,041
TOTAL ASSETS	<u><u>94,753,856</u></u>

GHCH Consolidating Balance Sheet—Liabilities 3/31/17



	Total 3/31/17
CURRENT LIABILITIES	
Short Term Notes Payable	3,000,000
Accounts Payable	8,873,207
Due to Third Parties	707,984
Payroll & Related	4,432,538
Other Current Liabilities	2,585,678
Current Portion -LT Debt	1,981,125
Total Current Liabilities	21,580,533
Long Term Liabilities	2,833,126
Total Long Term Liabilities	2,833,126
LONG TERM DEBT	
Notes Payable	1,875,477
Bonds Payable	28,302,354
Total Long Term Debt	30,177,831
Total Liabilities	54,591,489
EQUITY	
Fund Equity	36,092,805
Equity--Prior Year	(2,797,046)
Permanently Restricted Assets	5,057,260
Reserve for Pension/Other	1,497,903
Net Income(Loss)--Current Year	311,445
Total Equity	40,162,367
TOTAL LIAB & FUND EQUITY	94,753,856

**Grays Harbor Community Hospital
Consolidated Income Statement
3/31/2017**



	Month	Month Budget	Variance	% Variance
Revenues				
Inpatient Revenue	10,905,849	10,396,771	509,078	4.90%
Outpatient Revenue	16,593,870	15,977,380	616,490	3.86%
ER Revenue	8,116,747	8,731,946	(615,199)	-7.05%
Physician Revenue	1,343,148	1,604,895	(261,747)	-16.31%
Total Revenue	36,959,614	36,710,992	248,622	0.68%
Revenue Deductions				
Bad Debt	434,743	550,579	(115,836)	-21.04%
Charity	200,253	125,798	74,455	59.19%
Other Deductions	27,735,556	26,915,488	820,068	3.05%
Total Revenue Deductio	28,370,552	27,591,865	778,687	2.82%
Net Patient Revenue	8,589,063	9,119,127	(530,065)	-5.81%
Other Revenue	279,984	288,121	(8,137)	-2.82%
Net Operating Revenue	8,869,046	9,407,246	(538,202)	-5.72%
Expenses				
Salaries	3,558,589	3,510,010	48,579	1.38%
Benefits	787,326	1,225,838	(438,512)	-35.77%
Professional Fees	1,188,816	1,263,761	(74,945)	-5.93%
Supplies	1,144,087	1,002,653	141,434	14.11%
Utilities	96,009	86,249	9,760	11.32%
Purchased Services	1,137,775	910,798	226,977	24.92%
Agency	321,740	74,819	246,921	330.02%
Depreciation	367,395	320,960	46,435	14.47%
Rent/Lease	114,480	95,596	18,884	19.75%
Other	313,595	303,715	9,880	3.25%
Insurance	68,925	83,333	(14,408)	-17.29%
Interest	151,069	146,250	4,819	3.29%
Total Expenses	9,249,804	9,023,980	225,825	2.50%
Net Operating Income	(380,758)	383,266	(764,026)	-199.35%
Operating Margin %	-4.29%	4.07%		
Non-Operating	123,688	25,433	98,255	386.33%
Net Income	(257,071)	408,699	(665,770)	-162.90%
Net Income Margin %	-2.90%	4.34%		

Grays Harbor Public Hospital District No. 2 Board of Commissioners

MEETING AGENDA

April 25, 2017

Time Change: Immediately following the 12:00 noon Hospital Board Mtg.

Location Change: Cafeteria – Ground Flr. East Campus (1006 No. H Street, Aberdeen)

CALL TO ORDER

- I. Excused / Unexcused Absences
- II. Public Comment - Agenda Items (sign-in sheet at entrance; please limit comments to three minutes)

CONSENT AGENDA

- I. District Board Minutes; March 28, 2017
- II. March Checks/Warrants; \$42,754.99

COMMITTEE / CHAIRMAN REPORTS

- I. Board Finance
 - A. Resolution 2017-01; Bank of Pacific Loan Amendment - Pete Scroggs, Committee Chair

OLD BUSINESS

NEW BUSINESS

- I. Good of the Order

PUBLIC COMMENT

Public Comment – General (sign-in sheet at entrance; please limit comments to three minutes)

NEXT MEETING May 23rd Immediately Following 6:00p Hospital Board Mtg.

ADJOURNMENT

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Our Mission

*Heal, Comfort and Serve
Our Community with Compassion.*

Our Vision

*To provide each patient superior service
and safety, exceptional by any standard.*

Our Values

Respect • Integrity • Compassion • Excellence

Our Standards

*Communication • Accountability • Professionalism •
Teamwork • Ownership • Safety • Service*

Our Desired Future State

*“We will be an integrated regional healthcare network,
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BOARD EDUCATION

GHCH Foundation Board / Retreat – Randy Ross, Foundation President

CALL TO ORDER

- I. Excused / Unexcused Absences
- II. Public Comment - Agenda Items (sign-in sheet at entrance; please limit comments to three minutes)

CONSENT AGENDA

- I. Hospital Board Minutes; March 28, 2017
- II. Hospital Board Special Meeting Minutes; April 10, 2017
- III. Board Quality Minutes; March 16, 2017
- IV. Board Finance Minutes; March 23, 2017

BOARD DISCUSSION AND ACTION

- I. Medical Staff Credentialing

COMMITTEE / CHAIRMAN REPORTS

- I. Board Quality April Report – Miles Longenbaugh
- II. Board Finance April Report – Pete Scroggs, Committee Chair
- I. Chairman's Report
 - A. Election Deadlines
 - B. Rebranding Committee Update; Meeting Notes of April 12, 2017

ADMINISTRATION

- I. Executive Suite Summary Report – Tom Jensen, CEO
 - A. Pillar Talk

OLD BUSINESS

NEW BUSINESS

- I. May Board Education:
 - Cost Based Reimbursement
 - GHCH Communication Policy / Process
 - Crisis Intervention Prevention Training
 - Opiate Use
 - Surgery Scheduling RPI
- II. Good of the Order

PUBLIC COMMENT

Public Comment – General (sign-in sheet at entrance; please limit comments to three minutes)

NEXT MEETING May 23rd 6:00p Room C

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**GRAYS HARBOR PUBLIC HOSPITAL DISTRICT NO. 2
BOARD OF COMMISSIONERS REGULAR MEETING
April 25, 2017**

COMMISSIONERS PRESENT

Andrew Bickar, District 4
Andrew Bickar, District 4
Armando Juarez, Jr, District 2
Miles Longenbaugh, District 3
Pete Scroggs, At Large
Robert Torgerson, At Large 1
Becky Walsh, District 5 (via conference line)
Maryann Welch, District 1

OTHERS PRESENT

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

CALL TO ORDER

President Maryann Welch called the meeting to order at 12:47p.

Public Comment – Agenda Topics

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

CONSENT AGENDA

- Minutes of March 28, 2017 Board of Commissioners meeting.
- Checks/Warrants for March 2017 in the amount of \$42,754.99.

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

COMMITTEE CHAIRMAN REPORTS

Board Finance

Submitted was Resolution 2017-01 Bank of Pacific Loan Amendment. Due to cash flow issues, the Resolution extends the date of maturity by six months on the Line of Credit.

ACTION: A motion was made by Commissioner Juarez, seconded by Commissioner Scroggs, and unanimously carried to approve Resolution 2017-01 Bank of Pacific Loan Amendment.

BOARD DISCUSSION AND ACTION

None

OLD BUSINESS

None

NEW BUSINESS

None

PUBLIC COMMENT – General

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

NEXT MEETING

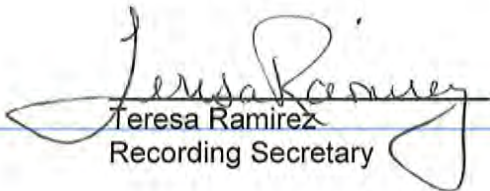
Tuesday, May 23rd; following the 6:00p Hospital Board meeting in Conf. Room C on West Campus.

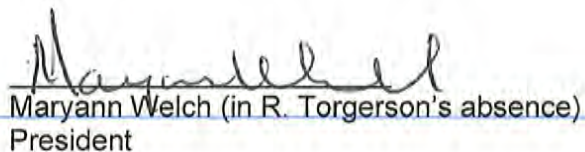
ADJOURNMENT

The meeting adjourned at 12:50p.

APPROVED AND ADOPTED THIS 23rd day of May, 2017.

ATTEST:


Teresa Ramirez
Recording Secretary


Maryann Welch (in R. Torgerson's absence)
President

**GRAYS HARBOR COMMUNITY HOSPITAL
BOARD OF DIRECTORS REGULAR MEETING
April 25, 2017**

COMMISSIONERS PRESENT

Andrew Bickar, District 4
Armando Juarez, Jr, District 2
Miles Longenbaugh, District 3
Pete Scroggs, At Large
Robert Torgerson, At Large 1
Becky Walsh, District 5 (via conference line)
Maryann Welch, District 1

OTHERS PRESENT

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

BOARD EDUCATION

The GHCH Foundation Education has been postponed to the Board of Directors' meeting in May.

CALL TO ORDER

President Maryann Welch called the meeting to order at 12:02p.

Public Comment – Agenda Topics

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

CONSENT AGENDA

Minutes

- Minutes of March 28, 2017 Hospital Board meeting.
- Minutes of April 10, 2017 Special Board meeting.
- Minutes of March 16, 2017 Board Quality Committee meeting.
- Minutes of March 23, 2017 Board Finance Committee meeting.

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

BOARD DISCUSSION AND ACTION

Medical Staff Credentialing

Submitted was the Medical Staff Credentialing Report.

ACTION: A motion was made by Commissioner Scroggs, seconded by Commissioner Juarez, and unanimously carried to approve appointment of John Ensley, MD, as Active Staff for a period of two years in the Specialty of Emergency Medicine.

ACTION: A motion was made by Commissioner Torgerson, seconded by Commissioner Scroggs, and unanimously carried to approve appointment of Christopher Henry, MD, as Provisional Staff for a period of one year in the Specialty of Emergency Medicine.

ACTION: A motion was made by Commissioner Scroggs, seconded by Commissioner Juarez, and unanimously carried to approve appointment of Christopher Jones, PA-C, as Provisional Staff for a period of one year in the Specialty of Emergency Medicine.

ACTION: A motion was made by Commissioner Longenbaugh, seconded by Commissioner Torgerson, and unanimously carried to approve appointment of Randi Lindstrom, MD, as Provisional Staff for a period of one year in the Specialty of Emergency Medicine.

ACTION: A motion was made by Commissioner Juarez, seconded by Commissioner Scroggs, and unanimously carried to approve appointment of Eric Tulley, MD, as Provisional Staff for a period of one year in the Specialty of Emergency Medicine.

ACTION: A motion was made by Commissioner Torgerson, seconded by Commissioner Longenbaugh, and unanimously carried to approve appointment of Heather Armbrust, ARNP, as an Allied Health Professional for a period of two years in the Specialty of Family Medicine.

ACTION: A motion was made by Commissioner Scroggs, seconded by Commissioner Torgerson, and unanimously carried to approve appointment of Abigail Schwepker, PA-C, as an Allied Health Professional for a period of two years in the Specialty of Family Medicine.

ACTION: A motion was made by Commissioner Longenbaugh, seconded by Commissioner Juarez, and unanimously carried to approve appointment of Christopher Burtner, MD, as Courtesy Staff for a period of two years in the Specialty of IM/Nephrology.

ACTION: A motion was made by Commissioner Juarez, seconded by Commissioner Scroggs, and unanimously carried to approve appointment of Kevin Holder, MD, as Consulting Staff for a period of two years in the Specialty of Cardiology.

ACTION: A motion was made by Commissioner Torgerson, seconded by Commissioner Scroggs, and unanimously carried to approve appointment of Val Lev, MD, as Provisional Staff for a period of one year in the Specialty of Cardiology.

ACTION: A motion was made by Commissioner Scroggs, seconded by Commissioner Torgerson, and unanimously carried to approve appointment of Sara Martinez, MD, as Provisional Staff for a period of one year in the Specialty of Cardiology.

ACTION: A motion was made by Commissioner Juarez, seconded by Commissioner Longenbaugh, and unanimously carried to approve appointment of Ahmad Slim, MD, as Provisional Staff for a period of one year in the Specialty of Cardiology.

ACTION: A motion was made by Commissioner Juarez, seconded by Commissioner Torgerson, and unanimously carried to approve appointment of Marshall Mallory, MD, as Consulting Staff for a period of two years in the Specialty of Teleradiology.

ACTION: A motion was made by Commissioner Scroggs, seconded by Commissioner Longenbaugh, and unanimously carried to approve appointment of Joseph Stengel, MD, as Active Staff for a period of two years in the Specialty of Diagnostic Imaging.

ACTION: A motion was made by Commissioner Torgerson, seconded by Commissioner Walsh, and unanimously carried to approve appointment of Bradley Tipler, MD, as Consulting Staff for a period of two years in the Specialty of Teleradiology.

ACTION: A motion was made by Commissioner Juarez, seconded by Commissioner Torgerson, and unanimously carried to approve appointment of Eric Trefelner, MD, as Consulting Staff for a period of two years in the Specialty of Teleradiology.

ACTION: A motion was made by Commissioner Scroggs, seconded by Commissioner Torgerson, and unanimously carried to approve appointment of Gary Gridley, MD, as Active Staff for a period of two years in the Specialty of Anesthesia.

ACTION: A motion was made by Commissioner Torgerson, seconded by Commissioner Longenbaugh, and unanimously carried to approve appointment of Scott Rowley, DMD, as Active Staff for a period of two years in the Specialty of Dentistry, Pediatric.

ACTION: A motion was made by Commissioner Bickar, seconded by Commissioner Juarez, and unanimously carried to approve appointment of Brent Rowe, MD, as Active Staff for a period of two years in the Specialty of General Surgery.

A resignation was noted for Thomas Dean, MD in the Specialty of Pathology.

COMMITTEE REPORTS

Board Quality Report

Commissioner Longenbaugh provided report on the April Committee meeting, with information encompassing:

- Introduction of the new Patient Advocate, Jessica Baldrige, who has experience in the nursing field over the last several years.
- CipherHeath Follow-Up Discharge Instructions; Exceptionally, there has been only one negative comment. On average the Patient Advocate receives five to seven patient alerts per week. A patient story was shared on the compassion taken to provide personalized care to a hearing deficient patient.
- 1st quarter report was provided on Patient Grievances; 89% of patient grievances are being closed within seven days. Progress letters are sent to those patients whose grievance falls outside the seven day timeframe.
- 1st quarter report was provided on Environment of Care; David Bain was introduced as the new Plant Services Director. A couple theft incidences have occurred on East campus, and an additional security camera has been installed.
- 1st quarter report was provided on Workplace Safety. An increase was noted in patient handling incidences, due to staff rushing and not requesting assistance with patient handling equipment. A significant drop was noted in needle sticks incidences.
- In-depth review was provided on the Strategic Quality Dashboard.

A few of the Board members will be attending the CEO/Trustee Patient Safety Summit. Issues of importance will be highlighted at the conference, which will facilitate the process of Board members selecting three or four measures for Board Quality to spend focused attention on, which was recommended during the Board Annual Educational Retreat.

Board Finance Report

Commissioner Scroggs provided report on the April Committee meeting.

- Chief Leonard Johnson and Firefighter Adam Bigby from Fire District No. 2 presented information on their request to equalize their levy losses, due to financial impacts being realized since the institution of GH Public Hospital District No. 2.
- Moss Adams will be presenting their audit at the May Board Finance Committee meeting.
- STATISTICS; Inpatient volumes are fairly strong this year; shorter lengths of stays are being realized; ED visits are 13% under budget, due to coverage issues, which has increased "left without being seen" to 7%; surgical volumes and minutes have been over budget, and it is undetermined whether the increase can be considered a trend as of yet; clinic visits and RVU's are over budget.
- FINANCIALS; The Net Income for the month came in at a loss of \$257k, with a positive Net Income of \$311k year-to-date, which is better than last year's Net Income loss of \$116k.
- A review was provided on Bond Covenants and Cash on Hand.
- Negotiations are underway with various Managed Medicaid Companies. Carriers are required to provide 60 day notice to patients whenever there is a change in their plan. The hospital will establish processes to support the transition to new plans.
- Cardiology; An opportunity was presented on a potential future vendor.

It was clarified that the ED Revenue was below budget by \$615k. Now that the Hospitalist Program has been stabilized and once the ED is fully functional with staffing, wait times should decrease; thereby, increasing revenue.

CHAIRMAN REPORT

Election Deadlines

President Welch provided information on deadline dates for election filing with the county.

Rebranding Committee

Submitted were the meeting notes of the April 12, 2017 Rebranding Committee meeting. Words of emphasis being considered are system, health or healthcare, beacon, harbor, skyline. Designs are being drawn up around the words of emphasis. The Committee will select two designs that will be presented to all staff for voting.

SWOT

During the Board Educational Retreat, a draft SWOFT was conducted and a date in May will be selected for the Board to continue developing and finalizing the SWOT.

Patient Stories

During the Board Educational Retreat it was recommended that patient stories be presented during Board meetings that are balanced between opportunities for improvement, as well as commendations.

ADMINISTRATION

Executive Suite Summary

Submitted was the Executive Suite Summary Report. Of note:

- USDA; Now that Sonny Perdue has been appointed as the Secretary of Agriculture, it is hopeful that the hospital will hear something soon regarding the USDA loan application.
- Recruiting; Sites visits have resulted in Letters of Intent being offered to a female general surgeon and a pediatrician. A family medicine provider will conduct a site visit on Monday and an orthopedic surgeon will conduct a site visit on Friday.

A great deal of time is spent by Liz and Dr. Wong on skype interviews and conversations with provider candidates, in order to identify whether the providers will be the best fit for the hospital and community.

- Cost Based Primary Care; Preliminary work is underway to meet statutory requirements for cost based reimbursement. Executives are working on identifying 49 acute care beds, as well as space for designated observations beds.
- Cascade Pacific Action Alliance; The Alliance is made up of seven counties, and Mr. Jensen has been appointed as the 2017/2018 Board Chair. The counties will be potential recipients of \$30M-\$50M Medicaid Transformation Demonstration Waiver funds through the Healthcare Authority and the State. Choice Regional Health has been engaged to provide administrative services over disbursement of the funds. Counties will be obligated to demonstrate that their funded projects will reduce Medicaid spend.
- Submitted was the March/April edition of *Pillar Talk*.

OLD BUSINESS

None

NEW BUSINESS

None

PUBLIC COMMENT – General

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

NEXT MEETING

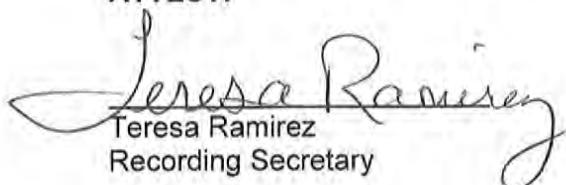
Tuesday, May 23, 2017 at 6:00p in Conference Room C, West Campus.

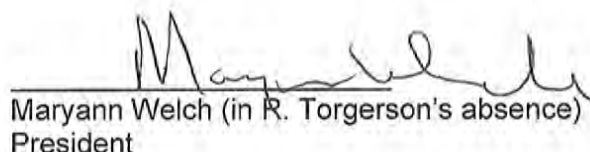
ADJOURNMENT

The meeting was adjourned at 12:46p.

APPROVED AND ADOPTED THIS 23rd day of May, 2017.

ATTEST:


Teresa Ramirez
Recording Secretary


Maryann Welch (in R. Torgerson's absence)
President

Grays Harbor Public Hospital District No. 2 Board of Commissioners

DISTRICT BOARD Meeting Agenda May 23, 2017 Conference Room C; West Campus

CALL TO ORDER

- I. Excused / Unexcused Absences
- II. Public Comment - Agenda Items (sign-in sheet at entrance; please limit comments to three minutes)

CONSENT AGENDA

- I. District Board Minutes; April 25, 2017
- II. April Checks/Warrants; \$3,037.97

COMMITTEE / CHAIRMAN REPORTS

OLD BUSINESS

NEW BUSINESS

- I. Good of the Order

PUBLIC COMMENT

Public Comment – General (sign-in sheet at entrance; please limit comments to three minutes)

NEXT MEETING June 20 Immediately Following 1:00p Hospital Board Mtg.

ADJOURNMENT

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BOARD EDUCATION

GHCH Foundation Board / Retreat – Randy Ross, Foundation President

CALL TO ORDER

- I. Excused / Unexcused Absences
- II. Public Comment - Agenda Items (sign-in sheet at entrance; please limit comments to three minutes)

CONSENT AGENDA

- I. Hospital Board Minutes; April 25, 2017
- II. Board Quality Minutes; April 18, 2017
- III. Board Finance Minutes; April 20, 2017

BOARD DISCUSSION AND ACTION

- I. Medical Staff Credentialing

COMMITTEE / CHAIRMAN REPORTS

- I. Board Quality May Report – Miles Longenbaugh
- II. Board Finance May Report – Pete Scroggs, Committee Chair
- I. Chairman's Report
 - A. Rebranding Committee Update; no meeting in May

ADMINISTRATION

- I. Executive Suite Summary Report – Tom Jensen, CEO
 - A. CNO Retirement Celebration

OLD BUSINESS

NEW BUSINESS

- I. May Board Education:
 - Cost Based Reimbursement
 - GHCH Communication Policy / Process
 - Crisis Intervention Prevention Training
 - Opiate Use
 - Surgery Scheduling RPI
- II. Good of the Order

PUBLIC COMMENT

Public Comment – General (sign-in sheet at entrance; please limit comments to three minutes)

NEXT MEETING June 20 1:00p Room C

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Our Community with Compassion.*

Our Vision

*To provide each patient superior service
and safety, exceptional by any standard.*

Our Values

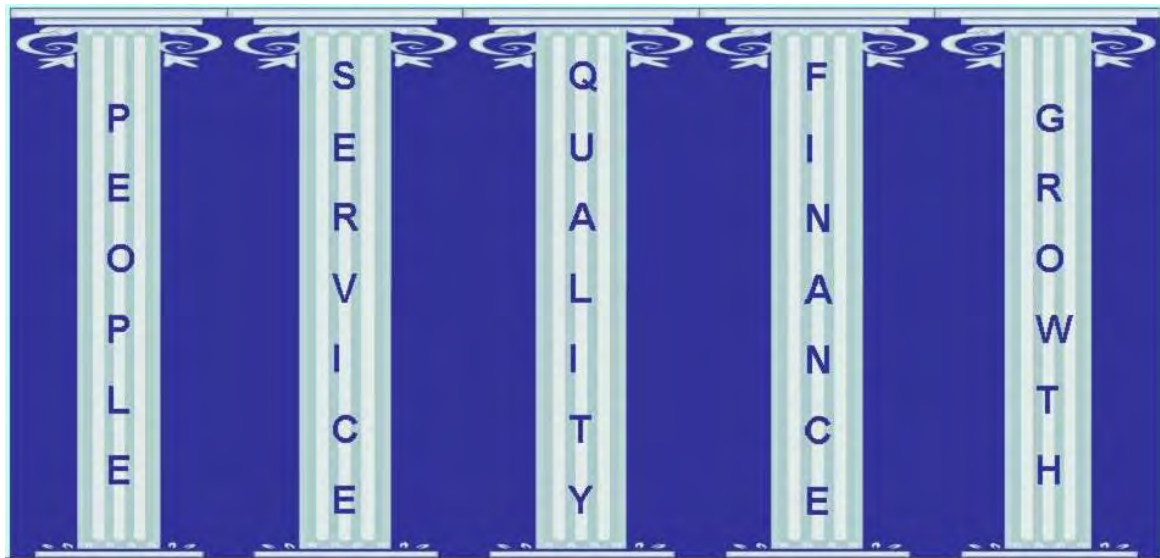
Respect • Integrity • Compassion • Excellence

Our Standards

*Communication • Accountability • Professionalism •
Teamwork • Ownership • Safety • Service*

Our Desired Future State

*“We will be an integrated regional healthcare network,
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**GRAYS HARBOR PUBLIC HOSPITAL DISTRICT NO. 2
BOARD OF COMMISSIONERS REGULAR MEETING
May 23, 2017**

COMMISSIONERS PRESENT

Andrew Bickar, District 4
Andrew Bickar, District 4
Armando Juarez, Jr, District 2
Miles Longenbaugh, District 3
Pete Scroggs, At Large
Becky Walsh, District 5 (via conference line)
Maryann Welch, District 1

OTHERS PRESENT

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

ABSENT

Robert Torgerson, At Large 1

CALL TO ORDER

President Maryann Welch called the meeting to order at 7:08p.

Absences

Commissioner Torgerson provided notice that he would not be in attendance during today's meeting.

Public Comment – Agenda Topics

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

CONSENT AGENDA

- Minutes of April 25, 2017 Board of Commissioners meeting.
- Checks/Warrants for April 2017 in the amount of \$3,037.97.

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

BOARD DISCUSSION AND ACTION

None

OLD BUSINESS

None

NEW BUSINESS

None

PUBLIC COMMENT – General

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

NEXT MEETING

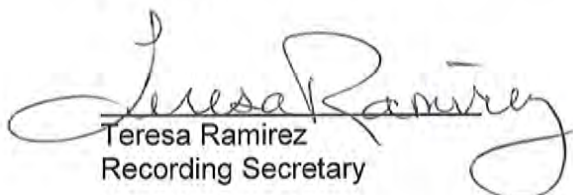
Tuesday, June 20th; following the 1:00p Hospital Board meeting in Conf. Room C on West Campus.

ADJOURNMENT

The meeting adjourned at 7:09p.

APPROVED AND ADOPTED THIS 20th day of June, 2017.

ATTEST:


Teresa Ramirez
Recording Secretary


Bob Torgerson
Secretary

**GRAYS HARBOR COMMUNITY HOSPITAL
BOARD OF DIRECTORS REGULAR MEETING
May 23, 2017**

COMMISSIONERS PRESENT

Andrew Bickar, District 4
Armando Juarez, Jr, District 2
Miles Longenbaugh, District 3
Pete Scroggs, At Large
Becky Walsh, District 5 (via conference line)
Maryann Welch, District 1

OTHERS PRESENT

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

ABSENT

Robert Torgerson, At Large 1

CALL TO ORDER

President Maryann Welch called the meeting to order at 5:58p.

BOARD EDUCATION

Randy Ross, Foundation President, provided a presentation on the GHCH Foundation. The Mission of the Foundation - *Supporting Grays Harbor Community Hospital programs, services and capital needs through advocacy and fundraising.*

A review was provided on the various fundraising events held in the past by the Foundation, and those planned into the future. It was also brought forward that Mr. & Mrs. Dick Warren left a portion of their estate (\$5M) to the Foundation. Investments of the funds have been made with local investors, with the hope of gaining a 6%-7% annual return.

To date in 2017, the Foundation has funded small and large items – a Keurig coffee maker for 2nd floor, seven bassinets for Family Birth, furniture for the 2nd/3rd floor waiting areas, and three EKG machines – all totaling \$94,301.49.

A Foundation Retreat was held earlier this year, during which the Foundation agreed upon some common goals; one of which is to fund a staff position to help support and grow the Foundation, if needed.

Absences

Commissioner Torgerson provided notice that he would not be in attendance during today's meeting.

Public Comment – Agenda Topics

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

CONSENT AGENDA

Minutes

- Minutes of April 25, 2017 Hospital Board meeting.
- Minutes of April 18, 2017 Board Quality Committee meeting.
- Minutes of April 20, 2017 Board Finance Committee meeting.

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

BOARD DISCUSSION AND ACTION

Medical Staff Credentialing

Submitted was the Medical Staff Credentialing Report.

ACTION: A motion was made by Commissioner Scroggs, seconded by Commissioner Juarez, and unanimously carried to approve reappointment of Julie Buck, MD, as Active Staff for a period of two years in the Specialty of Emergency Medicine.

ACTION: A motion was made by Commissioner Juarez, seconded by Commissioner Scroggs, and unanimously carried to approve reappointment of Kurt Kinney, MD, as Consulting Staff for a period of two years in the Specialty of Cardiology.

ACTION: A motion was made by Commissioner Bickar, seconded by Commissioner Juarez, and unanimously carried to approve reappointment of Kimberly Thomas, ARNP, from Provisional to an Allied Health Professional for a period of two years in the Specialty of Gastroenterology.

ACTION: A motion was made by Commissioner Bickar, seconded by Commissioner Juarez, and unanimously carried to approve appointment of Christopher Wolfe, MD, as Provisional Staff for a period of one year in the Specialty of Cardiology.

ACTION: A motion was made by Commissioner Scroggs, seconded by Commissioner Juarez, and unanimously carried to approve reappointment of Jennifer Hooker, PA-C, from Provisional to an Allied Health Professional for a period of two years in the Specialty of Orthopedics.

ACTION: A motion was made by Commissioner Bickar, seconded by Commissioner Juarez, and unanimously carried to approve reappointment of Stephen Reznicek, MD, as Active Staff for a period of two years in the Specialty of Urology.

ACTION: A motion was made by Commissioner Juarez, seconded by Commissioner Bickar, and unanimously carried to approve reappointment of Marc Tomlinson, DDS, as Active Staff for a period of two years in the Specialty of Dentistry.

Resignations were noted:

- Robert Falconer, MD in the Specialty of Emergency Medicine.
- Beverly Shapiro, MD, in the Specialty of IM/Addiction Medicine.

COMMITTEE REPORTS

Board Quality Report

Commissioner Longenbaugh provided report on the May Committee meeting, with information encompassing:

- Patient compliments regarding the Emergency Department, as well as care provided by Dr. Troeh. Privacy screens have been ordered to address a potential HIPAA issue.
- Various Board members attended the CEO/Trustee Patient Safety Summit. Dr. Reinertsen was the main speaker and provided many strategies for hospitals to consider in relation to patient safety.
 - Focusing on systems-issues.

- Utilizing whole numbers and correlating the outcomes to specific patient stories.
- Focusing on three to four metrics for more in-depth study.
- Selecting focus areas that would be of greatest value to board members and the public, in which to publicize to the public.
- Utilizing exception reports, with individual dashboard metrics being reviewed bi-annually.
- Several terms were reviewed; Sentinel Events and FMEA (Failure Mode Effects Analysis).
- Commissioner Welch added that information was provided on changing data into "people" in order to make discussion more meaningful.

The Committee recommended that the Quality Dept., Dr. Wong, and Executives recommend focus metrics/areas for the Committee to review and select.

Commissioner Welch brought forward metrics for consideration; surgical site infections and ED wait times. Commissioner Welch also requested that Board members submit ideas for focused metrics/areas to Commissioner Walsh or Commissioner Longenbaugh.

- Cheryl Payseno, Payseno Consulting Corp., is conducting an assessment of the Quality Structure / Department against best practices. Ms. Payseno shared with the Committee that GHCH is doing better in their ED wait times than some other hospitals.

Board Finance Report

Commissioner Scroggs provided report on the May Committee meeting, with information encompassing:

- Moss Adams will provide their audit during the June Board Finance meeting.
- Statistics; Inpatient admissions have been up for the year. Patient Days were above budget by 33%; Length of Stay remains under budget; Outpatient Registrations were 4% under budget; ED visits were 10% under budget and 13% down from last year; Inpatient Surgical Cases were 5% above budget and Outpatient Surgical Cases were 4% below budget.
- Finances; Inpatient Revenue was 11% over budget; Outpatient Revenue was 8% under budget; ED Revenue came in at 3% under budget; HMG Provider were 2% under budget; however, it has been discovered that charges need to be more closely aligned with insurance reimbursement rates; Benefits were 40% over budget; Agency expenses were over by \$148k due to the shortage of staff. The hospital hopes to acquire nurses from the recent graduating class.

Net Income came in at a \$463k loss and year to date Income was at \$152k loss. Last year at this time the hospital was at a \$637k loss, so this year is an improvement.

- Bond Covenants; Cash on Hand has been tight.
- A meeting is being held with Key Bank in June, who is the bond holders who periodically monitor financial performance.
- John Upton from the Retirement Consulting Group will be meeting with Board Finance in June.

CHAIRMAN REPORT

CNO Retirement

Commissioner Welch reminded Board members of the Retirement Reception for Cynthia Walsh, CNO, on Thursday from 2:00-4:00p. Commissioner Welch brought forward that she worked with Cynthia on the previous Board and on the IHI project, and has grown to know Cynthia well throughout the processes. Cynthia never waivers in looking for ways to improve the patient

experience. A couple big differences were the implementation of bedside rounding and the white boards that were executed under Cynthia's leadership. She has done a wonderful job.

Board Project

In order to add a bit more depth to the meetings, it has been recommended that the Board take on some reading projects. One of the topics raised was "*Just Culture*." Commissioner Welch recommended that the Board read an article on the topic and that Dr. Wong, who has done some research on the topic, provide a presentation on how "*Just Culture*" is implemented within the organization, during the July Board meeting.

SWOT

A date will be identified in which Mr. Jensen can facilitate the Board in completing its SWOT. Dr. Walker will be invited back to facilitate team building among board members.

Rebranding Committee

A design team is developing logos.

ADMINISTRATION

Executive Suite Summary

Submitted was the Executive Suite Summary Report. Of note:

- A WA DC representative with the USDA has reached out and will be conducting a site visit on Friday.
- Thankfully, as a result of Dr. Wong and Ms. Tschimperle's hard work, Dr. Riley, a new pediatrician, has agreed to come on board and begin practicing in the Fall.
- Commissioner Welch brought forward the many struggles that are factored into recruiting, and the current difficulty in recruiting department leaders. This creates a deficit in which other leaders have to accommodate and cover responsibilities.

OLD BUSINESS

None

NEW BUSINESS

None

EDUCATION PLANNING

Opiate Use was selected as the topic of education for June. Different aspects of opiate use can be considered for presentation - community level / CDU Unit and what they see / drug seeking issues / heroin use/dirty needles / CUPS Program, etc.

PUBLIC COMMENT – General

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

NEXT MEETING

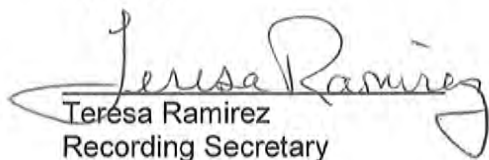
Tuesday, June 20, 2017 at 1:00p in Conference Room C, West Campus.

ADJOURNMENT

The meeting was adjourned at 7:08p.

APPROVED AND ADOPTED THIS 20th day of June, 2017.

ATTEST:


Teresa Ramirez
Recording Secretary


Bob Torgerson
Secretary



FINANCIAL STATEMENTS

May 2017

GHCH Consolidating Balance Sheet—Assets

5/31/17



	Total 5/31/17
CURRENT ASSETS:	
Cash	3,599,264
Temporarily Restricted Cash-Peds	282,853
Patient Receivables:	
Gross Patient Receivables	73,008,249
Less Allowance for Uncollectibles	(49,620,595)
Net Patient Receivables	23,387,654
Other Receivables	1,550,366
Third Party Receivables	0
Inventories	1,813,931
Prepaid Expense	694,419
Temporarily Restricted Curr Assets	606,988
Other Current Assets	1,906,314
Total Current Assets	33,841,790
Board Designated Assets	6,917,505
Property, Plant & Equipment	
Land & Land Improvements	2,185,947
Building & Improvements	67,961,604
Medical Office Building	1,317,699
Equipment	37,880,718
CIP	341,003
Total Fixed Assets	109,686,970
Accumulated Depreciation	(70,873,529)
Net Property, Plant & Equipment	38,813,442
Other Assets:	
Reserve Fund	2,145,827
Phys Loans/Guarantees (after 2001)	0
Other Non current Assets	2,833,126
Intangible--Pension	371,613
Investments	275,659
Deferred Pension Outflows	1,805,163
Permanently restricted Assets	5,057,260
Total Other Assets	12,488,648
TOTAL ASSETS	92,061,384

GHCH Consolidating Balance Sheet—Liabilities 5/31/17



	Total 5/31/17
CURRENT LIABILITIES	
Short Term Notes Payable	3,000,000
Accounts Payable	8,370,753
Due to Third Parties	398,149
Payroll & Related	3,613,851
Other Current Liabilities	2,907,685
Current Portion -LT Debt	1,983,303
Total Current Liabilities	20,273,740
Long Term Liabilities	2,833,126
Total Long Term Liabilities	2,833,126
LONG TERM DEBT	
Notes Payable	1,869,778
Bonds Payable	28,239,140
Total Long Term Debt	30,108,917
Total Liabilities	53,215,784
EQUITY	
Fund Equity	36,092,805
Equity--Prior Year	(3,024,720)
Permanently Restricted Assets	5,057,260
Reserve for Pension/Other	1,497,903
Net Income(Loss)--Current Year	(777,646)
Total Equity	38,845,601
TOTAL LIAB & FUND EQUITY	92,061,384

Grays Harbor Community Hospital
Consolidated Income Statement
5/31/2017



	Month	Month Budget	Variance	% Variance
Revenues				
Inpatient Revenue	12,012,099	8,892,116	3,119,983	35.09%
Outpatient Revenue	14,771,702	15,672,421	(900,719)	-5.75%
ER Revenue	8,136,582	8,605,195	(468,613)	-5.45%
Physician Revenue	1,100,624	1,604,895	(504,271)	-31.42%
Total Revenue	36,021,007	34,774,627	1,246,380	3.58%
Revenue Deductions				
Bad Debt	1,287,499	520,211	767,288	147.50%
Charity	27,336	118,858	(91,522)	-77.00%
Other Deductions	25,777,459	25,481,690	295,769	1.16%
Total Revenue Deductio	27,092,293	26,120,759	971,535	3.72%
Net Patient Revenue	8,928,714	8,653,868	274,845	3.18%
Other Revenue	276,829	288,122	(11,293)	-3.92%
Net Operating Revenue	9,205,543	8,941,988	263,553	2.95%
Expenses				
Salaries	3,783,408	3,441,253	342,155	9.94%
Benefits	1,630,713	1,200,546	430,167	35.83%
Professional Fees	1,261,986	1,224,126	37,860	3.09%
Supplies	1,246,743	943,823	302,920	32.09%
Utilities	84,881	97,763	(12,882)	-13.18%
Purchased Services	870,760	892,284	(21,524)	-2.41%
Agency	293,114	70,567	222,547	315.37%
Depreciation	366,220	321,095	45,125	14.05%
Rent/Lease	134,775	95,597	39,178	40.98%
Other	196,000	303,744	(107,743)	-35.47%
Insurance	79,429	83,334	(3,905)	-4.69%
Interest	149,123	146,250	2,873	1.96%
Total Expenses	10,097,150	8,820,380	1,276,772	14.48%
Net Operating Income	(891,606)	121,608	(1,013,219)	-833.18%
Operating Margin %	-9.69%	1.36%		
Non-Operating	266,080	25,434	240,646	946.16%
Net Income	(625,526)	147,042	(772,568)	-525.41%
Net Income Margin %	-6.80%	1.64%		

Grays Harbor Public Hospital District No. 2 Board of Commissioners

DISTRICT BOARD Meeting Agenda June 20, 2017 Conference Room C; West Campus

CALL TO ORDER

- I. Excused / Unexcused Absences
- II. Public Comment - Agenda Items (sign-in sheet at entrance; please limit comments to three minutes)

CONSENT AGENDA

- I. District Board Minutes; May 23, 2017
- II. May Checks/Warrants; \$982,402.97

COMMITTEE / CHAIRMAN REPORTS

- I. Board Finance – Pete Scroggs, Committee Chair
 - A. Resolution 2017-02; Designating Official to Make Declarations of Official Intent

OLD BUSINESS

NEW BUSINESS

- I. Good of the Order

PUBLIC COMMENT

Public Comment – General (sign-in sheet at entrance; please limit comments to three minutes)

NEXT MEETING July 25th Room C Immediately Following 6:00p Hospital Board Mtg.

ADJOURNMENT

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BOARD EDUCATION

Opioid Addiction and Treatment in Grays Harbor County

- Dr. Bruce Worth, HarborCrest Medical Director
- Bill Bonnes, HarborCrest Director

CALL TO ORDER

- I. Excused / Unexcused Absences
- II. Public Comment - Agenda Items (sign-in sheet at entrance; please limit comments to three minutes)

CONSENT AGENDA

- I. Hospital Board Minutes; May 23, 2017
- II. Board Quality Minutes; May 16, 2017
- III. Board Finance Minutes; May 18, 2017

BOARD DISCUSSION AND ACTION

- I. Medical Staff Credentialing

COMMITTEE / CHAIRMAN REPORTS

- I. Board Quality June Report – Miles Longenbaugh
- II. Board Finance June Report – Pete Scroggs, Committee Chair
 - A. Resolution 2017-01; Designating Official to Make Declarations of Official Intent
- I. Chairman's Report

ADMINISTRATION

- I. Executive Suite Summary Report – Tom Jensen, CEO

OLD BUSINESS

NEW BUSINESS

- I. July Board Education
 - Just Culture – July; Dr. Wong
 - Revenue Cycle Improvement Initiatives
 - Cost Based Reimbursement
 - GHCH Communication Policy / Process
 - Crisis Intervention Prevention Training
- A. Good of the Order

PUBLIC COMMENT

Public Comment – General (sign-in sheet at entrance; please limit comments to three minutes)

NEXT MEETING July 25th 6:00p Room C

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**GRAYS HARBOR PUBLIC HOSPITAL DISTRICT NO. 2
BOARD OF COMMISSIONERS REGULAR MEETING
June 20, 2017**

COMMISSIONERS PRESENT

Andrew Bickar, District 4
Miles Longenbaugh, District 3 (via conference line)
Pete Scroggs, At Large
Robert Torgerson, At Large 1
Becky Walsh, District 5

OTHERS PRESENT

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

ABSENT

Armando Juarez, Jr, District 2
Maryann Welch, District 1

CALL TO ORDER

Commissioner Torgerson called the meeting to order at 2:17p.

Absences

President Welch provided notice that she would not be in attendance during today's meeting.

Action: A motion was made by Commissioner Walsh, seconded by Commissioner Bickar and unanimously carried to approve President Welch's absence.

Public Comment – Agenda Topics

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

CONSENT AGENDA

- Minutes of May 23, 2017 Board of Commissioners meeting.
- Checks/Warrants for May 2017 in the amount of \$982,402.97.

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

COMMITTEE / CHAIRMAN REPORT

Resolution

Submitted was Resolution 2017-02; Designating Official to Make Declarations of Official Intent.

ACTION: A motion was made by Commissioner Scroggs, seconded by Commissioner Bickar, and unanimously carried to approve Resolution 2017-02; Designating Official to Make Declarations of Official Intent.

OLD BUSINESS

None

NEW BUSINESS

None

PUBLIC COMMENT – General

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

NEXT MEETING

Tuesday, July 25th; following the 6:00p Hospital Board meeting in Conf. Room C on West Campus.

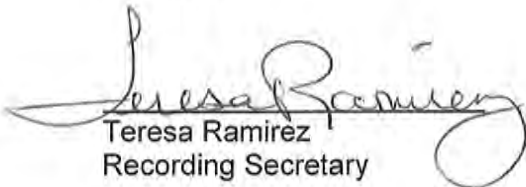
ADJOURNMENT

ACTION: A motion was made by Commissioner Walsh, seconded by Commissioner Bickar, and unanimously carried to adjourn the Grays Harbor Public Hospital District No. 2 Board meeting.

The meeting adjourned at 2:30p.

APPROVED AND ADOPTED THIS 25th day of July, 2017.

ATTEST:


Teresa Ramirez
Recording Secretary


Bob Torgerson
Secretary

**GRAYS HARBOR COMMUNITY HOSPITAL
BOARD OF DIRECTORS REGULAR MEETING
June 20, 2017**

COMMISSIONERS PRESENT

Andrew Bickar, District 4
Miles Longenbaugh, District 3 (via conference line)
Pete Scroggs, At Large
Robert Torgerson, At Large 1
Becky Walsh, District 5

OTHERS PRESENT

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

ABSENT

Armando Juarez, Jr, District 2
Maryann Welch, District 1

BOARD EDUCATION

Dr. Bruce Worth, HarborCrest Medical Director, and Bill Bonnes, HarborCrest Director, presented information on Opioid Addiction and Treatment in Grays Harbor County. Of note, among other points of interest that were shared:

- Dr. Bruce Worth started out as the Interim Medical Director of the Chemical Dependency Unit in 1982, and transitioned to the permanent Medical Director for over 30 years.
- In 2005, the Unit changed from its reference as the Chemical Dependency Unit to HarborCrest Behavioral Health (HCBH). HCBH is certified/accredited by the WA DOH and the Joint Commission.
- HCBH provides inpatient and outpatient substance use services to adults 18+, and has 26 inpatient beds. Approximately 600 inpatients are served annually from across the US and a few from overseas. The inpatient average daily census is 16 patients, with an average length of stay of 10 days.
- HCBH provides outpatient services, including intensive outpatient and aftercare treatment, substance use disorder assessments, and specimen testing. Approximately 12 outpatients are served daily, with an average length of stay of 4 days.
- Grays Harbor experienced approximately 22-30 Opioid related deaths during 2016, and the WA DOH reported more than 700 Opioid related deaths in 2016.
- The Opioid addictive behaviors came about as a result of over-marketing of Opioid Use and an edict that providers were under treating pain, from high school age, adulthood, and the elderly.
- HCBH's treatment of Opioids is transitioning away from Methadone to Suboxone. Dr. Worth, Dr. Bausher, Dr. Kato, and Dr. Geisse are treating patients at the clinic with Suboxone, with high success rates. Medication supported treatment is primarily successful if the patient participates in an outpatient program.
- HCBH is one of three clinics in Washington who cares for pregnant women who are Opioid dependent. The baby is born as non-addictive when treating with Suboxone.

It was brought forward that HCBH is hosting an **Opiate Symposium** on November 8, 2017 from 8:30a – 12:00p at the Log Pavilion. The event is for first responders, community stakeholders, SUD agencies, social service agencies, and the business community.

CALL TO ORDER

Commissioner Torgerson called the meeting to order at 1:30p.

Absences

President Welch provided notice that she would not be in attendance during today's meeting.

Action: A motion was made by Commissioner Scroggs, seconded by Commissioner Walsh and unanimously carried to approve President Welch's absence.

Public Comment – Agenda Topics

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

CONSENT AGENDA

Minutes

- Minutes of May 23, 2017 Hospital Board meeting.
- Minutes of May 16, 2017 Board Quality Committee meeting.
- Minutes of May 18, 2017 Board Finance Committee meeting.

A revision was noted in the May 23, 2017 Hospital Board meeting minutes, in that the Board Finance report needs to reflect that the report was provided on the "May" meeting vs. "April."

Action: A motion was made by Commissioner Bickar, seconded by Commissioner Walsh and unanimously carried to approve the Consent Agenda, with the revision noted.

BOARD DISCUSSION AND ACTION

Medical Staff Credentialing

Submitted was the Medical Staff Credentialing Report.

ACTION: A motion was made by Commissioner Bickar, seconded by Commissioner Scroggs, and unanimously carried to approve reappointment of Jason Kearney, 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 Bickar, seconded by Commissioner Walsh, and unanimously carried to approve reappointment of Olga Hernandez, DO, as Active Staff for a period of two years in the Specialty of Family Medicine.

ACTION: A motion was made by Commissioner Bickar, seconded by Commissioner Walsh, and unanimously carried to approve appointment of Monique Semien, DO, as Provisional Staff for a period of one year in the Specialty of Medical Oncology.

ACTION: A motion was made by Commissioner Walsh, seconded by Commissioner Bick, and unanimously carried to approve reappointment of Robyn Vera, DO, as Courtesy Staff for a period of two years in the Specialty of Radiation Oncology.

ACTION: A motion was made by Commissioner Bickar, seconded by Commissioner Walsh, and unanimously carried to approve appointment of Joshua Albrekton, MD, as Provisional Staff for a period of one year in the Specialty of Teleradiology.

ACTION: A motion was made by Commissioner Bickar, seconded by Commissioner Walsh, and unanimously carried to approve appointment of Luis Muscalrella, MD, as Provisional Staff for a period of one year in the Specialty of Teleradiology.

ACTION: A motion was made by Commissioner Scroggs, seconded by Commissioner Bickar, and unanimously carried to approve appointment of Atul Patell, MD, as Provisional Staff for a period of one year in the Specialty of Teleradiology.

ACTION: A motion was made by Commissioner Bickar, seconded by Commissioner Walsh, and unanimously carried to approve appointment of Peter Piampiano, MD, as Provisional Staff for a period of one year in the Specialty of Teleradiology.

ACTION: A motion was made by Commissioner Scroggs, seconded by Commissioner Walsh, and unanimously carried to approve appointment of Huma Qureshi, MD, as Provisional Staff for a period of one year in the Specialty of Teleradiology.

ACTION: A motion was made by Commissioner Walsh, seconded by Commissioner Bickar, and unanimously carried to approve appointment of Peilin Reed, MD, as Provisional Staff for a period of one year in the Specialty of Teleradiology.

ACTION: A motion was made by Commissioner Bickar, seconded by Commissioner Scroggs, and unanimously carried to approve appointment of Robert Reuter, MD, as Provisional Staff for a period of one year in the Specialty of Teleradiology.

ACTION: A motion was made by Commissioner Bickar, seconded by Commissioner Walsh, and unanimously carried to approve appointment of Samuel Salen, MD, as Provisional Staff for a period of one year in the Specialty of Teleradiology.

ACTION: A motion was made by Commissioner Bickar, seconded by Commissioner Walsh, and unanimously carried to approve appointment of Alix Vincent, MD, as Provisional Staff for a period of one year in the Specialty of Teleradiology.

ACTION: A motion was made by Commissioner Scroggs, seconded by Commissioner Walsh, and unanimously carried to approve reappointment of Amy Blood, DA, as an Allied Health Professional for a period of two years in the Specialty of Dental Assisting.

ACTION: A motion was made by Commissioner Bickar, seconded by Commissioner Walsh, and unanimously carried to approve reappointment of Erin Kawasaki, DO, as Active Staff for a period of two years in the Specialty of Orthopedic Surgery.

ACTION: A motion was made by Commissioner Scroggs, seconded by Commissioner Bickar, and unanimously carried to approve reappointment of William Tronvig, DPM, as Active Staff for a period of two years in the Specialty of Podiatry.

COMMITTEE REPORTS

Board Quality Report

Commissioner Walsh provided report on the June Committee meeting, with information encompassing:

- Complimentary patient stories about Amy in Social Services and an RN in the Birthing Center. Opportunities are being researched in relation to a patient transfer.
- Discussion regarding POLST forms in which providers review with patients their resuscitation options for intervention.
- The Death with Dignity Act; GHCH does not participate; however, there is a process in which patients can be referred to a provider in the area.

The 2017 Quality Assurance/Performance Improvement Plan and Addendums were presented, with metrics being discussed for Board selection, for more in-depth and detailed review and discussions. Various other metrics will be presented to Board Quality on a rotating schedule.

Board Quality approved a recommendation to the Board to approve the 2017 Quality Assurance/ Performance Improvement Plan and Addendums.

ACTION: A motion was made by Commissioner Walsh, seconded by Commissioner Longenbaugh, and unanimously carried to approve the 2017 Quality Assurance/ Performance Improvement Plan and Addendums.

Board Quality approved a recommendation to the Board to approve two primary metrics for more in-depth and detailed focus - SEPSIS and ED Wait Times.

ACTION: A motion was made by Commissioner Walsh, seconded by Commissioner Longenbaugh, and unanimously carried to approve the two primary metrics for more in-depth and detailed focus - SEPSIS and ED Wait Times.

The Joint Commission

The hospital submitted its FMEA on transvaginal probes and the Joint Commission accepted it as a best practice and it is now published on their website for nation-wide access.

CipherHealth

Eighty-nine percent of patients discharged have access to prerecorded discharge instructions. Seventy-eight percent answered their phone calls regarding their discharge, and those who had concerns were responded to in less than 24 hours. Eighty-three percent of patients found the phone calls to be helpful. Patients with a diagnosis of COPD and CHF had follow-up appointments made with their primary care provider, prior to discharge, 100% of the time.

Board Finance Report

Commissioner Scroggs provided report on the June Committee meeting, with information encompassing:

- John Upton, Retirement Consulting Group, presented on the investment status of the Hospital's retirement plan. The hospital's plan is fully funded, with 74% of investments in stocks and equities, and 26% in bonds. Advisors indicate that the market is at an all-time high; however, the challenge lies in that no one can predict market decline. The hospital has a Fiduciary Committee who is monitoring the investments.

- Moss Adams, Accounting Firm, presented a high-level Unmodified Report of the 2016 Audited Financial Statements. There were no adjustments or deficiencies outside of some internal controls within HMG.
- May Financials (see Financials for details); Of note:
 - Agency costs are up due to the increased need for staff coverage. A new class of nursing graduates will be orienting at the hospital in August, with agency costs improving by October.
 - Net Operating Revenue: \$9.2M, which is ahead of budget by \$264k.
 - Net Income: \$626k loss.
 - Year-to-date Net Income: \$778k loss.
- In the near future, the Hospital has a significant contribution due to the pension plan, which may require funds to be drawn from the Board Designated assets, which has been done at other times in the past.
- Cindy Sherman, Controller, has accepted a position at another hospital, and her last day will be June 30th.

Resolution

Submitted was Resolution 2017-01; Designating Official to Make Declarations of Official Intent. The resolution delegates authority to the CEO and CFO, allowing them to declare the organization's intent to reimburse an expenditure with proceeds from a future borrowing. For example, there may be project costs or equipment expenditures prior to the financing that the organization would like to reimburse itself for, once the financing is complete. When CEO or CFO sign reimbursement declarations, the organization has the option (not the obligation) to reimburse itself proceeds from future borrowing. Reimbursement Period: must take place within 18 months after the project is "placed in service" (i.e. completed and used), and in no event later than 3 years from the date of the expenditure.

ACTION: A motion was made by Commissioner Scroggs, seconded by Commissioner Walsh, and unanimously carried to approve Resolution 2017-01; Designating Official to Make Declarations of Official Intent.

ADMINISTRATION

Executive Suite Summary

Submitted was the Executive Suite Summary Report. Of note:

- Teleradiology; The new vendor will conduct final reads vs. preliminary reads, which will allow the hospital to bill for services.
- Two new Interim Directors have been engaged; one to work in the ED and the other to work in Surgical Services.
- It was noted that all 13 nursing graduates have agreed to work at GHCH.

OLD BUSINESS

None

NEW BUSINESS

Education Planning

Just Culture was selected as the topic of education for July, to be presented by Dr. Anne Marie Wong, MD.

PUBLIC COMMENT – General

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

NEXT MEETING

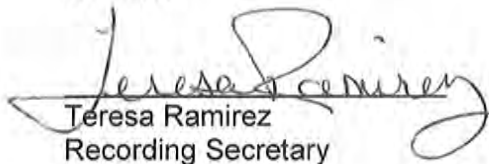
Tuesday, July 25, 2017 at 6:00p in Conference Room C, West Campus.

ADJOURNMENT

The meeting was adjourned at 2:17p.

APPROVED AND ADOPTED THIS 25th day of July, 2017.

ATTEST:


Teresa Ramirez
Recording Secretary


Bob Torgerson
Secretary



FINANCIAL STATEMENTS

June 2017

GHCH Consolidating Balance Sheet—Assets

6/30/17



	Total 6/30/17
CURRENT ASSETS:	
Cash	4,768,410
Temporarily Restricted Cash-Peds	0
Patient Receivables:	
Gross Patient Receivables	71,177,559
Less Allowance for Uncollectibles	(47,308,415)
Net Patient Receivables	23,869,144
Other Receivables	789,606
Third Party Receivables	0
Inventories	1,835,825
Prepaid Expense	817,556
Temporarily Restricted Curr Assets	628,849
Other Current Assets	2,058,180
Total Current Assets	34,767,570
Board Designated Assets	5,424,663
Property, Plant & Equipment	
Land & Land Improvements	2,185,947
Building & Improvements	67,961,604
Medical Office Building	1,317,699
Equipment	37,931,168
CIP	332,078
Total Fixed Assets	109,728,496
Accumulated Depreciation	(71,197,288)
Net Property, Plant & Equipment	38,531,207
Other Assets:	
Reserve Fund	2,151,410
Phys Loans/Guarantees (after 2001)	0
Other Non current Assets	2,833,126
Intangible--Pension	371,613
Investments	275,659
Deferred Pension Outflows	1,805,163
Permanently restricted Assets	5,057,260
Total Other Assets	12,494,230
TOTAL ASSETS	91,217,670

GHCH Consolidating Balance Sheet—Liabilities 6/30/17



	Total 6/30/17
CURRENT LIABILITIES	
Short Term Notes Payable	3,000,000
Accounts Payable	8,036,656
Due to Third Parties	438,149
Payroll & Related	3,447,798
Other Current Liabilities	2,568,638
Current Portion -LT Debt	1,984,396
Total Current Liabilities	19,475,637
Long Term Liabilities	2,833,126
Total Long Term Liabilities	2,833,126
LONG TERM DEBT	
Notes Payable	1,866,941
Bonds Payable	28,207,394
Total Long Term Debt	30,074,335
Total Liabilities	52,383,099
EQUITY	
Fund Equity	36,092,805
Equity--Prior Year	(3,024,720)
Permanently Restricted Assets	5,057,260
Reserve for Pension/Other	1,497,903
Net Income(Loss)--Current Year	(788,676)
Total Equity	38,834,571
TOTAL LIAB & FUND EQUITY	91,217,670

**Grays Harbor Community Hospital
Consolidated Income Statement
6/30/2017**



	Month	Month Budget	Variance	% Variance
Revenues				
Inpatient Revenue	11,237,637	8,631,597	2,606,040	30.19%
Outpatient Revenue	16,002,118	15,501,965	500,153	3.23%
ER Revenue	7,513,892	8,384,266	(870,374)	-10.38%
Physician Revenue	1,659,855	1,604,895	54,960	3.42%
Total Revenue	36,413,502	34,122,723	2,290,779	6.71%
Revenue Deductions				
Bad Debt	1,133,028	509,986	623,042	122.17%
Charity	50,069	116,523	(66,454)	-57.03%
Other Deductions	26,185,964	24,998,988	1,186,976	4.75%
Total Revenue Deducti	27,369,061	25,625,497	1,743,564	6.80%
Net Patient Revenue	9,044,441	8,497,226	547,215	6.44%
Other Revenue	280,188	288,120	(7,931)	-2.75%
Net Operating Revenue	9,324,629	8,785,344	539,284	6.14%
Expenses				
Salaries	3,336,974	3,372,152	(35,178)	-1.04%
Benefits	1,616,700	1,175,127	441,574	37.58%
Professional Fees	1,430,887	1,207,496	223,391	18.50%
Supplies	983,960	925,961	57,999	6.26%
Utilities	85,117	86,252	(1,135)	-1.32%
Purchased Services	896,796	878,352	18,444	2.10%
Agency	511,814	68,798	443,016	643.94%
Depreciation	312,001	320,958	(8,957)	-2.79%
Rent/Lease	91,476	95,596	(4,120)	-4.31%
Other	231,964	303,697	(71,732)	-23.62%
Insurance	15,851	83,333	(67,482)	-80.98%
Interest	147,355	146,250	1,105	0.76%
Total Expenses	9,660,896	8,663,970	996,926	11.51%
Net Operating Income	(336,266)	121,374	(457,642)	-377.05%
Operating Margin %	-3.61%	1.38%		
Non-Operating	325,237	25,435	299,802	1178.70%
Net Income	(11,030)	146,809	(157,839)	-107.51%
Net Income Margin %	-0.12%	1.67%		

Grays Harbor Public Hospital District No. 2 Board of Commissioners

DISTRICT BOARD Meeting Agenda July 25, 2017 Conference Room C; West Campus

CALL TO ORDER

- I. Excused Absences
- II. Public Comment - Agenda Items (sign-in sheet at entrance; please limit comments to three minutes)

CONSENT AGENDA

- I. District Board Minutes; June 20, 2017
- II. June Checks/Warrants; \$375,875.40

COMMITTEE / CHAIRMAN REPORTS

- I. Chairman's Report

OLD BUSINESS

NEW BUSINESS

- I. Good of the Order

PUBLIC COMMENT

Public Comment – General (sign-in sheet at entrance; please limit comments to three minutes)

NEXT MEETING August 22nd Room C Immediately Following 6:00p Hospital Board Mtg.

ADJOURNMENT

Grays Harbor Public Hospital District No. 2 does not discriminate against or exclude anyone from participation in public meetings. Requests for assistance should be made by contacting Administration at 360-537-5117, 48 hours in advance of the meeting. Thank you.

NOTE: This is an "open" agenda. The Commissioners or Recording Secretary of the Board may elect to add, delete, or change items prior to or at the meetings. This does not include legally advertised public hearings.

Our Mission

*Heal, Comfort and Serve
Our Community with Compassion.*

Our Vision

*To provide each patient superior service
and safety, exceptional by any standard.*

Our Values

Respect • Integrity • Compassion • Excellence

Our Standards

*Communication • Accountability • Professionalism •
Teamwork • Ownership • Safety • Service*

Our Desired Future State

*“We will be an integrated regional healthcare network,
partnering in our communities to provide exceptional care
with an inspired healthcare team.”*



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HOSPITAL BOARD

Meeting Agenda

July 25, 2017

6:00 pm

Conference Room C, West Campus

BOARD EDUCATION

Just Culture – Anne Marie Wong, MD, CMO

CALL TO ORDER

- I. Excused Absences
- II. Public Comment - Agenda Items (sign-in sheet at entrance; please limit comments to three minutes)

CONSENT AGENDA

- I. Hospital Board Minutes; June 20, 2017
- II. Board Quality Minutes; June 20, 2017
- III. Board Finance Minutes; June 15, 2017

BOARD DISCUSSION AND ACTION

- I. Medical Staff Credentialing - July

COMMITTEE / CHAIRMAN REPORTS

- I. Board Quality July Report – Miles Longenbaugh
- II. Board Finance July Report – Pete Scroggs, Committee Chair
- III. Chairman's Report

ADMINISTRATION

- I. Executive Suite Summary Report – Tom Jensen, CEO

OLD BUSINESS

NEW BUSINESS

- I. August Board Education - SEPSIS – Kris Morrison, Quality, Risk, Compliance Director
 - Revenue Cycle Improvement Initiatives
 - Cost Based Reimbursement
 - GHCH Communication Policy / Process
 - Crisis Intervention Prevention Training
- A. Good of the Order

PUBLIC COMMENT

Public Comment – General (sign-in sheet at entrance; please limit comments to three minutes)

NEXT MEETING August 22nd 1:00p Room C

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**GRAYS HARBOR PUBLIC HOSPITAL DISTRICT NO. 2
BOARD OF COMMISSIONERS REGULAR MEETING
July 25, 2017**

COMMISSIONERS PRESENT

Andrew Bickar, District 4
Miles Longenbaugh, District 3
Pete Scroggs, At Large
Robert Torgerson, At Large 1
Maryann Welch, District 1

OTHERS PRESENT

Tom Jensen, CEO, GHCH
Joe Vessey, CFO, GHCH
Teresa Ramirez, Executive Assistant, GHCH

Members of the Public

ABSENT

Armando Juarez, Jr, District 2
Becky Walsh, District 5

CALL TO ORDER

President Welch called the meeting to order at 7:25p.

Absences

Commissioner Walsh provided notice that she would not be in attendance during today's meeting.

Action: A motion was made by Commissioner Longenbaugh, seconded by Commissioner Torgerson and unanimously carried to approve Commissioner Walsh's absence.

Public Comment – Agenda Topics

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

CONSENT AGENDA

- Minutes of June 20, 2017 Board of Commissioners meeting.
- Checks/Warrants for June 2017 in the amount of \$375,875.40.

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

COMMITTEE / CHAIRMAN REPORT

None

OLD BUSINESS

It was brought forward that no further conversations have been raised related to the Montesano property issues.

NEW BUSINESS

None

PUBLIC COMMENT – General

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

NEXT MEETING

Tuesday, August 22nd; following the 1:00p Hospital Board meeting in Conf. Room C on West Campus.

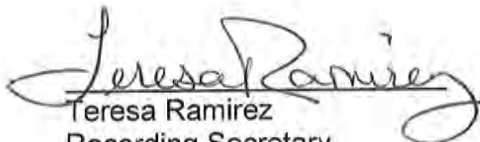
ADJOURNMENT

ACTION: A motion was made by Commissioner Bickar, seconded by Commissioner Scroggs, and unanimously carried to adjourn the Grays Harbor Public Hospital District No. 2 Board meeting.

The meeting adjourned at 7:28p.

APPROVED AND ADOPTED THIS 22nd day of August, 2017.

ATTEST:


Teresa Ramirez
Recording Secretary


Bob Torgerson
Secretary

**GRAYS HARBOR COMMUNITY HOSPITAL
BOARD OF DIRECTORS REGULAR MEETING
July 25, 2017**

COMMISSIONERS PRESENT

Andrew Bickar, District 4
Miles Longenbaugh, District 3
Pete Scroggs, At Large
Robert Torgerson, At Large 1
Maryann Welch, District 1

OTHERS PRESENT

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

ABSENT

Armando Juarez, Jr, District 2
Becky Walsh, District 5

BOARD EDUCATION

Anne Marie Wong, MD, CMO provided education on *Just Culture*, in addition to referencing two articles previously provided – *Influencing Leadership Just Culture Training* ; *Worker Safety Transforming Culture Toolkit*. Presentation on file with Board Minutes.

CALL TO ORDER

President Welch called the meeting to order at 6:43p.

Absences

Commissioner Walsh provided notice that she would not be in attendance during today's meeting.

Action: A motion was made by Commissioner Torgerson, seconded by Commissioner Longenbaugh and unanimously carried to approve Commission Walsh's absence.

Public Comment – Agenda Topics

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

CONSENT AGENDA

Minutes

- Minutes of June 20, 2017 Hospital Board meeting.
- Minutes of June 20, 2017 Board Quality Committee meeting.
- Minutes of June 15, 2017 Board Finance Committee meeting.

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

BOARD DISCUSSION AND ACTION

Medical Staff Credentialing

Submitted was the Medical Staff Credentialing Report.

ACTION: A motion was made by Commissioner Bickar, seconded by Commissioner Scroggs, and unanimously carried to approve reappointment of Laura Hallak, MD, as Active Staff for a period of two years in the Specialty of Family

Medicine.

- ACTION:** A motion was made by Commissioner Bickar, seconded by Commissioner Longenbaugh, and unanimously carried to approve appointment of Jarrett Riley, DO, as Provisional Staff for a period of one year in the Specialty of Pediatrics.
- ACTION:** A motion was made by Commissioner Torgerson, seconded by Commissioner Scroggs, and unanimously carried to approve reappointment of Evan Brown, DO, as Active Staff for a period of two years in the Specialty of IM / Hospitalist.
- ACTION:** A motion was made by Commissioner Scroggs, seconded by Commissioner Torgerson, and unanimously carried to approve reappointment of Ananthakrishna Chilukuri, MD, as Consulting Staff for a period of two years in the Specialty of Teleradiology.
- ACTION:** A motion was made by Commissioner Bickar, seconded by Commissioner Longenbaugh, and unanimously carried to approve appointment of Matthew Hudkins, MD, as Provisional Staff for a period of one year in the Specialty of Teleradiology.
- ACTION:** A motion was made by Commissioner Bickar, seconded by Commissioner Scroggs, and unanimously carried to approve appointment of Farhad Keliddari, MD, as Provisional Staff for a period of one year in the Specialty of Teleradiology.
- ACTION:** A motion was made by Commissioner Torgerson, seconded by Commissioner Bickar, and unanimously carried to approve reappointment of Kevin Long, MD, as Consulting Staff for a period of two years in the Specialty of Pathology.
- ACTION:** A motion was made by Commissioner Bickar, seconded by Commissioner Longenbaugh, and unanimously carried to approve appointment of Kenneth Tan, MD, as Provisional Staff for a period of one year in the Specialty of Teleradiology.
- ACTION:** A motion was made by Commissioner Bickar, seconded by Commissioner Longenbaugh, and unanimously carried to approve reappointment of Eric Wepler, MD, as Active Staff for a period of two years in the Specialty of Pathology.
- ACTION:** A motion was made by Commissioner Bickar, seconded by Commissioner Longenbaugh, and unanimously carried to approve reappointment of Charles Best, MD, as Active Staff for a period of two years in the Specialty of Urology.
- ACTION:** A motion was made by Commissioner Torgerson, seconded by Commissioner Scroggs, and unanimously carried to approve reappointment of Nicholas Hallak, MD, as Active Staff for a period of two years in the Specialty of OB/GYN.
- ACTION:** A motion was made by Commissioner Bickar, seconded by Commissioner Longenbaugh, and unanimously carried to approve appointment of Shakirat Oyetunji, MD, as Locums Staff for a period of seven days in the Specialty of General Surgery.

ACTION: A motion was made by Commissioner Torgerson, seconded by Commissioner Scroggs, and unanimously carried to approve appointment of Rachel Sell, MD, as Provisional Staff for a period of one year in the Specialty of General Surgery.

A resignation was noted for William Faloon, MD, in the specialty of Orthopedics.

Submitted was a correction made to the June Credentials Report related to the provisional staff term dates. Medical Staff Services was unaware that the Board of Commissioners meeting was being held a week earlier than usual; therefore, the Report reflected Provisional Staff term dates of 06/27/2017-06/27/2018, versus 06/20/2017-06/20/2018.

ACTION: A motion was made by Commissioner Torgerson, seconded by Commissioner Longenbaugh, and unanimously carried to approve the corrected June Credentials Report.

COMMITTEE REPORTS

Board Quality Report

Commissioner Longenbaugh provided report on the July Committee meeting, with information encompassing:

- Education was provide on SPESIS and ED Wait Times. From 4th quarter of 2016 through the 1st quarter of 2017, an increase in SEPSIS deaths was noted, which is attributed to a severe flu epidemic, as well as higher patient volumes. A SEPSIS Committee has been formed to address SEPSIS in more detail, case-by-case, and to establish protocols, etc.
- Education was provide on ED Wait Times (Door-to-Doc). Ms. Brandt, CNO, brought forward that the ED is collaborating with TeamHealth to address various initiatives related to wait times. TeamHealth is also working to provide a full slate of stable providers in the ED. Starting in October, two new PA's will be added and RN triage will increase for better coverage. A TV is being mounted for patient communication on wait times. Nancee Long, Public Relations Director, is developing a marketing pamphlet on what to expect during an ED visit and tests that may be performed in the ED. Many ED patient visits are attributable to the lack of available primary care providers within the community.
- Since the implementation of CipherHeath readmissions have reduced between 3%-10%. HCAHPS scores have preliminarily improved.

Board Finance Report

Commissioner Scroggs provided report on the July Committee meeting, with information encompassing:

- Ned Karrin and Bruce Rinne of KKRA provided the annual presentation of the investment performance of the Hospital Board restricted fund. KKRA has provided service on this fund for 30 years. Years prior, allocations were primarily conservative and have since then opened up investments to include more stocks and bonds. The current allocation of the hospital's investments is 50% stocks, 2% cash, and 48% bonds. In equity performance, from 1999-present, the annualized IRR of 5.06% trails S&P.
- Financials; (details outlined within Financial Statements). The hospital continues to have strong revenue and volumes on the inpatient side. HMG continues to have strong visits. Inpatient Revenue was over budget 30% and OP revenue was over budget by 3%. Revenue before Expenses were well over budget. Expense side benefit, professional fees, and agency fees continue to be over budget. Agency staff are being utilized hospital-wide

to cover specific, technical positions that are difficult to recruit for rural areas. Thirteen nurses from GH College will be onboarding in October, which should eliminate some of the agency staff. Other Expenses are under budget by \$71K. Non-operating Expense was favorable at \$325K, from monies being transferred over from available grant dollars. YTD on the income statement a loss of \$787K was realized, compared to a loss of \$970K last year.

- Bond covenants are in good shape.
- Aiken & Sanders has completed their forensic audit on the HMG embezzlement situation. Charges have been filed with the Aberdeen Police Department. The hospital will be covered through its insurance. Accounting practices are being changed to reduce risk. Payroll will be conducted through Aiken & Sanders through year-end and will then transfer to the hospital.
- USDA Loan; Mr. Vessey is exploring banking partners to diversify the loan.
- Efforts are underway to qualify for Cost Based Reimbursement for Rural Health Clinics, with HarborCrest bed count creating challenges by pushing the hospital's total bed count over qualifying requirements.

ADMINISTRATION

WSHA/AWPHD Rural Conference

Commissioner Scroggs shared highlights covered during the WSHA/AWPHD Rural Conference:

- Kittitas Valley received a best practice award for SEPSIS management. Melanie Brandt, CNO, will be visiting Kittitas in order to obtain ideas for implementation at GHCH.
- Opioid Epidemic – Olympic Medical Center shared their implementation of a best practice program.
- Value Based Medicine related to Medicaid – A trial is underway for total joint replacement through a center of excellence in rural areas.
- A presentation was provided on medical care making up only 30% of an individual's overall health. Other impacts include healthy eating, exercise, etc. It may be a good time to reach out and partner with the GH County Health Services again.
- Information was provided on the Repeal and Replace legislation - hardest hit areas will be rural communities.

Executive Suite Summary

Submitted was the Executive Suite Summary Report. Of note:

- Mr. Jensen emphasized the implementation of CipherHealth Discharge Phone calls as being one of the best programs implemented in relation to immediate improved results.
- Recruitment; In August, new providers will begin practicing in the specialties of pediatrics, general surgery and family practice.

OLD BUSINESS

None

NEW BUSINESS

Education Planning

SEPSIS was selected as the topic of education for August, to be presented by Kris Morrison, Director of Quality, Risk & Compliance.

PUBLIC COMMENT – General

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

NEXT MEETING

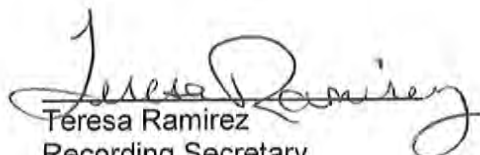
Tuesday, August 22, 2017 at 1:00p in Conference Room C, West Campus.

ADJOURNMENT

The meeting was adjourned at 7:25 p.

APPROVED AND ADOPTED THIS 22nd day of August, 2017.

ATTEST:


Teresa Ramirez
Recording Secretary


Bob Torgerson
Secretary



FINANCIAL STATEMENTS

July 2017

GHCH Consolidating Balance Sheet—Assets

7/31/17



	Total 7/31/17
CURRENT ASSETS:	
Cash	4,537,411
Temporarily Restricted Cash-Peds	0
Patient Receivables:	
Gross Patient Receivables	74,646,131
Less Allowance for Uncollectibles	(50,181,981)
Net Patient Receivables	24,464,150
Other Receivables	1,400,625
Third Party Receivables	0
Inventories	1,849,971
Prepaid Expense	724,017
Temporarily Restricted Curr Assets	719,751
Other Current Assets	647,888
Total Current Assets	34,343,813
Board Designated Assets	5,476,804
Property, Plant & Equipment	
Land & Land Improvements	2,185,947
Building & Improvements	68,072,715
Medical Office Building	1,317,699
Equipment	38,060,168
CIP	348,572
Total Fixed Assets	109,985,101
Accumulated Depreciation	(71,519,683)
Net Property, Plant & Equipment	38,465,418
Other Assets:	
Reserve Fund	2,145,306
Phys Loans/Guarantees (after 2001)	0
Other Non current Assets	2,833,126
Intangible--Pension	371,613
Investments	275,659
Deferred Pension Outflows	1,805,163
Permanently restricted Assets	5,057,260
Total Other Assets	12,488,126
TOTAL ASSETS	90,774,161

GHCH Consolidating Balance Sheet—Liabilities 7/31/17



	Total 7/31/17
CURRENT LIABILITIES	
Short Term Notes Payable	3,000,000
Accounts Payable	9,254,524
Due to Third Parties	478,149
Payroll & Related	3,931,662
Other Current Liabilities	2,850,320
Current Portion -LT Debt	2,110,493
Total Current Liabilities	21,625,148
Long Term Liabilities	2,833,126
Total Long Term Liabilities	2,833,126
LONG TERM DEBT	
Notes Payable	1,864,064
Bonds Payable	26,475,555
Total Long Term Debt	28,339,619
Total Liabilities	52,797,893
EQUITY	
Fund Equity	36,092,805
Equity--Prior Year	(3,024,720)
Permanently Restricted Assets	5,057,260
Reserve for Pension/Other	1,497,903
Net Income(Loss)--Current Year	(1,646,979)
Total Equity	37,976,268
TOTAL LIAB & FUND EQUITY	90,774,161

Grays Harbor Community Hospital
Consolidated Income Statement
7/31/2017



	Month	Month Budget	Variance	% Variance
Revenues				
Inpatient Revenue	10,091,758	9,459,084	632,674	6.69%
Outpatient Revenue	13,057,502	15,957,012	(2,899,510)	-18.17%
ER Revenue	5,809,725	8,702,488	(2,892,763)	-33.24%
Physician Revenue	1,121,392	1,604,895	(483,503)	-30.13%
Total Revenue	30,080,377	35,723,479	(5,643,102)	-15.80%
Revenue Deductions				
Bad Debt	695,276	535,092	160,184	29.94%
Charity	(15,589)	122,259	(137,848)	-112.75%
Other Deductions	21,569,694	26,184,278	(4,614,584)	-17.62%
Total Revenue Deductio	22,249,380	26,841,629	(4,592,248)	-17.11%
Net Patient Revenue	7,830,997	8,881,850	(1,050,854)	-11.83%
Other Revenue	276,041	288,120	(12,079)	-4.19%
Net Operating Revenue	8,107,039	9,169,968	(1,062,932)	-11.59%
Expenses				
Salaries	3,527,126	3,515,509	11,617	0.33%
Benefits	804,749	1,227,866	(423,117)	-34.46%
Professional Fees	1,607,150	1,246,061	361,089	28.98%
Supplies	900,857	969,067	(68,210)	-7.04%
Utilities	92,794	86,248	6,546	7.59%
Purchased Services	704,466	903,282	(198,816)	-22.01%
Agency	394,828	72,710	322,118	443.02%
Depreciation	310,932	320,962	(10,030)	-3.12%
Rent/Lease	83,381	95,598	(12,217)	-12.78%
Other	468,172	303,719	164,453	54.15%
Insurance	78,851	83,333	(4,482)	-5.38%
Interest	141,823	146,250	(4,427)	-3.03%
Total Expenses	9,115,125	8,970,603	144,525	1.61%
Net Operating Income	(1,008,086)	199,365	(1,207,457)	-605.65%
Operating Margin %	-12.43%	2.17%		
Non-Operating	149,783	25,433	124,350	488.93%
Net Income	(858,303)	224,798	(1,083,101)	-481.81%
Net Income Margin %	-10.59%	2.45%		

Grays Harbor Public Hospital District No. 2 Board of Commissioners

DISTRICT BOARD Meeting Agenda August 22, 2017 Conference Room C; West Campus

CALL TO ORDER

- I. Excused Absences
- II. Public Comment - Agenda Items (sign-in sheet at entrance; please limit comments to three minutes)

CONSENT AGENDA

- I. District Board Minutes; July 25, 2017
- II. July Checks/Warrants; \$1,127.44

COMMITTEE / CHAIRMAN REPORTS

- I. Chairman's Report

OLD BUSINESS

NEW BUSINESS

- I. Good of the Order

PUBLIC COMMENT

Public Comment – General (sign-in sheet at entrance; please limit comments to three minutes)

NEXT MEETING September 26th Room C Following 6:00p Hospital Board Mtg.

ADJOURNMENT

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*Heal, Comfort and Serve
Our Community with Compassion.*

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and safety, exceptional by any standard.*

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FINANCIAL STATEMENTS

August 2017

GHCH Consolidating Balance Sheet—Assets

8/31/17



	<u>Total 8/31/17</u>
CURRENT ASSETS:	
Cash	4,871,557
Temporarily Restricted Cash-Peds	0
Patient Receivables:	
Gross Patient Receivables	68,326,539
Less Allowance for Uncollectibles	<u>(44,593,235)</u>
Net Patient Receivables	23,733,304
Other Receivables	1,412,035
Third Party Receivables	0
Inventories	1,861,492
Prepaid Expense	618,326
Temporarily Restricted Curr Assets	719,887
Other Current Assets	<u>808,383</u>
Total Current Assets	34,024,984
Board Designated Assets	5,591,904
Property, Plant & Equipment	
Land & Land Improvements	2,185,947
Building & Improvements	68,082,971
Medical Office Building	1,317,699
Equipment	38,079,060
CIP	<u>348,572</u>
Total Fixed Assets	110,014,249
Accumulated Depreciation	<u>(71,843,923)</u>
Net Property, Plant & Equipment	38,170,326
Other Assets:	
Reserve Fund	2,151,084
Phys Loans/Guarantees (after 2001)	0
Other Non current Assets	2,833,126
Intangible--Pension	371,613
Investments	275,659
Deferred Pension Outflows	1,805,163
Permanently restricted Assets	<u>5,057,260</u>
Total Other Assets	12,493,904
TOTAL ASSETS	<u><u>90,281,117</u></u>

GHCH Consolidating Balance Sheet—Liabilities 8/31/17



	Total 8/31/17
CURRENT LIABILITIES	
Short Term Notes Payable	3,000,000
Accounts Payable	9,466,796
Due to Third Parties	518,149
Payroll & Related	3,750,226
Other Current Liabilities	2,544,609
Current Portion -LT Debt	2,111,592
Total Current Liabilities	21,391,373
Long Term Liabilities	2,833,126
Total Long Term Liabilities	2,833,126
LONG TERM DEBT	
Notes Payable	1,861,198
Bonds Payable	26,443,623
Total Long Term Debt	28,304,821
Total Liabilities	52,529,319
EQUITY	
Fund Equity	36,092,805
Equity--Prior Year	(3,024,720)
Permanently Restricted Assets	5,057,260
Reserve for Pension/Other	1,497,903
Net Income(Loss)--Current Year	(1,871,449)
Total Equity	37,751,798
TOTAL LIAB & FUND EQUITY	90,281,117

**Grays Harbor Community Hospital
Consolidated Income Statement
8/31/2017**



	Month	Month Budget	Variance	% Variance
Revenues				
Inpatient Revenue	9,391,266	9,715,047	(323,781)	-3.33%
Outpatient Revenue	15,522,640	16,090,285	(567,645)	-3.53%
ER Revenue	6,359,880	8,614,206	(2,254,326)	-26.17%
Physician Revenue	1,234,244	1,604,895	(370,651)	-23.10%
Total Revenue	32,508,030	36,024,433	(3,516,403)	-9.76%
Revenue Deductions				
Bad Debt	398,258	539,812	(141,554)	-26.22%
Charity	32,155	123,336	(91,181)	-73.93%
Other Deductions	23,818,878	26,407,124	(2,588,246)	-9.80%
Total Revenue Deductic	24,249,291	27,070,272	(2,820,981)	-10.42%
Net Patient Revenue	8,258,739	8,954,161	(695,422)	-7.77%
Other Revenue	277,510	288,122	(10,612)	-3.68%
Net Operating Revenue	8,536,249	9,242,281	(706,033)	-7.64%
Expenses				
Salaries	3,427,772	3,535,106	(107,334)	-3.04%
Benefits	835,361	1,235,069	(399,708)	-32.36%
Professional Fees	1,280,623	1,250,953	29,670	2.37%
Supplies	977,684	980,732	(3,048)	-0.31%
Utilities	85,983	86,247	(264)	-0.31%
Purchased Services	942,586	902,781	39,805	4.41%
Agency	386,334	72,945	313,389	429.62%
Depreciation	312,703	320,961	(8,258)	-2.57%
Rent/Lease	110,570	95,596	14,974	15.66%
Other	260,210	303,692	(43,482)	-14.32%
Insurance	96,125	83,334	12,791	15.35%
Interest	147,621	146,250	1,371	0.94%
Total Expenses	8,863,573	9,013,664	(150,093)	-1.67%
Net Operating Income	(327,323)	228,617	(555,940)	-243.18%
Operating Margin %	-3.83%	2.47%		
Non-Operating	102,853	25,435	77,418	304.37%
Net Income	(224,470)	254,052	(478,522)	-188.36%
Net Income Margin %	-2.63%	2.75%		

**GRAYS HARBOR PUBLIC HOSPITAL DISTRICT NO. 2
BOARD OF COMMISSIONERS REGULAR MEETING
August 22, 2017**

COMMISSIONERS PRESENT

Andrew Bickar, District 4
Miles Longenbaugh, District 3
Pete Scroggs, At Large
Robert Torgerson, At Large 1
Maryann Welch, District 1

OTHERS PRESENT

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

ABSENT

Armando Juarez, Jr, District 2
Becky Walsh, District 5

CALL TO ORDER

President Welch called the meeting to order at 1:57p.

Absences

Commissioner Walsh and Commissioner Juarez provided notice that they would not be in attendance during today's meeting.

Action: A motion was made by Commissioner Bickar, seconded by Commissioner Torgerson and unanimously carried to approve Commissioner Walsh and Commissioner Juarez' absence.

Public Comment – Agenda Topics

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

CONSENT AGENDA

- Minutes of July 25, 2017 Board of Commissioners meeting.
- Checks/Warrants for July 2017 in the amount of \$1,127.44.

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

COMMITTEE / CHAIRMAN REPORT

None

OLD BUSINESS

None

NEW BUSINESS

A point of clarification was raised by Commissioner Torgerson that public comment at the beginning of the meeting is designed to address items listed on the agenda, and that public comment at the end of the meeting is designed to address general comments.

PUBLIC COMMENT – General

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

NEXT MEETING

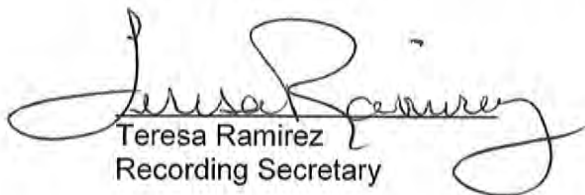
Tuesday, September 26th; following the 6:00p Hospital Board meeting in Conf. Room C on West Campus.


ADJOURNMENT

The meeting adjourned at 2:08p.

APPROVED AND ADOPTED THIS 26th day of September, 2017.

ATTEST:


Teresa Ramirez
Recording Secretary


Bob Torgerson
Secretary

**GRAYS HARBOR COMMUNITY HOSPITAL
BOARD OF DIRECTORS REGULAR MEETING
August 22, 2017**

COMMISSIONERS PRESENT

Andrew Bickar, District 4
Miles Longenbaugh, District 3
Pete Scroggs, At Large
Robert Torgerson, At Large 1
Maryann Welch, District 1

OTHERS PRESENT

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

ABSENT

Armando Juarez, Jr, District 2
Becky Walsh, District 5

BOARD EDUCATION

Kris Morrison, Director of Quality, Risk & Compliance, provided education through a video on Sepsis.

CALL TO ORDER

President Welch called the meeting to order at 1:17p.

Absences

Commissioner Walsh and Commissioner Juarez provided notice that they would not be in attendance during today's meeting.

Action: A motion was made by Commissioner Bickar, seconded by Commissioner Torgerson and unanimously carried to approve Commissioner Walsh and Commissioner Juarez' absence.

Public Comment – Agenda Topics

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

CONSENT AGENDA

Minutes

- Minutes of July 25, 2017 Hospital Board meeting.
- Minutes of July 18, 2017 Board Quality Committee meeting.
- Minutes of July 20, 2017 Board Finance Committee meeting.

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

BOARD DISCUSSION AND ACTION

Medical Staff Credentialing

Submitted was the Medical Staff Credentialing Report.

ACTION: A motion was made by Commissioner Scroggs, seconded by Commissioner Bickar, and unanimously carried to approve appointment of Kirpal Clark, MD, as Provisional Staff for a period of one year in the Specialty of Emergency Medicine.

ACTION: A motion was made by Commissioner Bickar, seconded by Commissioner Longenbaugh, and unanimously carried to approve appointment of Erin Lystad, PA-C, as Provisional Allied Health Professional for a period of one year in the Specialty of Emergency Medicine.

ACTION: A motion was made by Commissioner Torgerson, seconded by Commissioner Bickar, and unanimously carried to approve appointment of Paula Moreno, PA-C, as Provisional Allied Health Professional for a period of one year in the Specialty of Emergency Medicine.

ACTION: A motion was made by Commissioner Bickar, seconded by Commissioner Torgerson, and unanimously carried to approve appointment of Patrick Paulsen, PA-C, as an Active Allied Health Professional for a period of two years in the Specialty of Emergency Medicine.

ACTION: A motion was made by Commissioner Longenbaugh, seconded by Commissioner Torgerson, and unanimously carried to approve appointment of Trenton Scheibe, MD, as Provisional Staff for a period of one year in the Specialty of Emergency Medicine.

ACTION: A motion was made by Commissioner Bickar, seconded by Commissioner Scroggs, and unanimously carried to approve appointment of Michelle Stone, MD, as Provisional Staff for a period of one year in the Specialty of Emergency Medicine.

It was noted that Michelle Stone, DO, was removed from the revised Credentials Report due to pending State License.

ACTION: A motion was made by Commissioner Torgerson, seconded by Commissioner Longenbaugh, and unanimously carried to approve appointment of Brian Fox, DO, as Provisional Staff for a period of one year in the Specialty of Family Medicine.

ACTION: A motion was made by Commissioner Scroggs, seconded by Commissioner Torgerson, and unanimously carried to approve appointment of Bonita Baker, MD, as Active Staff for a period of two years in the Specialty of IM/Hospitalist.

ACTION: A motion was made by Commissioner Scroggs, seconded by Commissioner Longenbaugh, and unanimously carried to approve appointment of Brian Gutshall, DO, as Active Staff for a period of two years in the Specialty of IM/Hospitalist.

ACTION: A motion was made by Commissioner Bickar, seconded by Commissioner Scroggs, and unanimously carried to approve appointment of Brian Samuel Wairiri, MD, as Active Staff for a period of two years in the Specialty of Radiology.

Resignations were noted for Antonio Capps, MD, in the specialty of Emergency Medicine, and for Young Bin, Choi, MD, in the specialty of Telestroke/Neurology.

Commissioner Longenbaugh inquired, and it was clarified, that all Emergency Medicine providers are contracted through TeamHealth vs. the Hospital.

COMMITTEE REPORTS

Board Quality Report

Commissioner Longenbaugh provided report on the August Committee meeting, with information encompassing:

- The Department of Health Survey, whose final report will be provided in approximately 10 days.
- Patient compliments of staff. In addition, unresolved grievances are now down to only four.
- A recommendation was made that Cybersecurity be considered for future Board education.
- Increased security coverage and de-escalation training has had a positive impact on decreasing code grays.
- HCAHPS Report; *Overall Rating* and *Would You Recommend* variances do not indicate any significant trends. Exploration is underway in obtaining feedback from patients prior to being discharged from the hospital, in order to more proactively address issues. CMS is removing their requirement of pain questions being included in patient satisfaction surveys, due to the association of increased prescribing of narcotics for pain.
- ED Wait Times; Left Without Being Seen (LWBS) and Door to Doc numbers are positively decreasing. Leaving Against Medical Advice (AMA) is increasing and is most attributable to mental health patients. Throughput efforts continue, with next steps to include coordination conversations with TeamHealth. The TV monitor indicating ED wait times is now fully operational. The rough draft of the ED brochure is being introduced to staff tomorrow for feedback.
- Nursing Report; Medications and Discharge Information outcomes are at or above the national average, most attributable to the implementation of CipherHealth Discharge Phone Calls. GHCH outcomes are better than national averages. Nurses Care; A higher level of engagement is being established. In coordination with the Kelly Corcoran, the Nursing Division will be assigning a group of staff to each initiative to identify ways to hardwire processes, in order to improve scores.
- Blood Utilization; Appropriate Blood Use is at 100% and there have been no Transfusion Reactions. Blood Product Wastage is challenging to address and work is underway with the vendor regarding more effective inventory control, in order to avoid expiration of the blood product.
- Infection Control; Surgical Site Infections (SSI) remain below the national baseline – excellent overall rate. Catheter use has increased, resulting in an increase in Catheter Associated UTI's. Policy review will be undertaken, as well as action planning to reduce catheter use. Central Line Bloodstream Infection – GHCH won the *National Best Practice/Benchmark Met*.
- Sepsis; Many initiatives are underway to address Sepsis and raise awareness among staff and the community; Development of a Sepsis Multi-Disciplinary Committee and drafting of an article/materials for Sepsis Awareness month.
- Readmissions are at or below state averages. The implementation of CipherHealth Discharge Phone Calls is having a positive impact on readmissions.

Board Finance Report

Commissioner Scroggs provided report on the August Committee meeting, with information encompassing:

- Chief Leonard Johnson and Fireman Adam Bigby from Fire District No. 2 provided a presentation to the Committee. Information was provided on patient transfer services being provided by the Fire District, as well as information on ALS and BLS transports. County-wide statistics are being gathered on ALS transports. Chief Johnson is also heading up

coordination efforts between all fire district departments to better utilize staff overall for patient transfers.

- Financials;

Total Revenue:	\$30,080,377
Revenue Deductions:	\$22,249,380
Net Operating Revenue:	\$ 8,107,039
Total Expenses:	\$ 9,115,125
Net Income:	\$ (858,303)
- Bond covenants; Distributed was the June Bond Covenant report. The Debt Service Coverage Ratio of 2.83, Excess Margin of 2.72% and Cushion Ratio of 2.72, are all above the minimum required. Days Cash on Hand is at 45.9. The increase in AR was due to a shortage of inpatient coders. At the end of July there was \$14.5M in claims awaiting coding, and it is now down to \$8.3M, with an increase in cash receipts anticipated shortly. Mr. Vessey clarified that at times coding has been outsourced due to challenges with monitoring productivity, which is the industry norm. Due to attrition, coders have decreased from 13-14 to the current six or seven, with the rest being outsourced.
- Report was given on initiatives being explored related to inpatient vs. observation beds.

Chairman's Report

Information was distributed on WSHA's Annual Member Meeting and Governance Education Day being held in Seattle on October 12th and 13th. Commissioners were requested to contact Teresa if they wish to attend.

ADMINISTRATION

Executive Suite Summary

Submitted was the Executive Suite Summary Report. Of note:

- USDA; Conference calls continue with local and federal representatives. It is hopeful that the hospital will hear from a USDA representative next week
- It was noted that the Hospital is being recognized for excellent performance in the reduction of hospital infections. For the last four quarters GHCH sustained excellent performance, resulting in zero infections, and will be receiving the **CALNOC Award** for:
 - Best Performance in Preventing Hospital Acquired Infections – C. Difficile Total Facility
 - Best Performance in Preventing Hospital Acquired Infections – MRSA Total Facility
- It was noted that the HMG Recruiting Report is now being included with the Executive Report.

OLD BUSINESS

None

NEW BUSINESS

Education Planning

Revenue Cycle Improvement Initiatives – Antone Eek, Patient Accounts Director

PUBLIC COMMENT – General

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

NEXT MEETING

Tuesday, September 26, 2017 at 6:00p in Conference Room C, West Campus.

ADJOURNMENT

The meeting was adjourned at 1:57p.

APPROVED AND ADOPTED THIS 26th day of September, 2017.

ATTEST:


Teresa Ramirez
Recording Secretary


Bob Torgerson
Secretary

Grays Harbor Public Hospital District No. 2 Board of Commissioners

DISTRICT BOARD Meeting Agenda September 26, 2017 Conference Room C; West Campus

CALL TO ORDER

- I. Excused Absences
- II. Public Comment - Agenda Items (sign-in sheet at entrance; please limit comments to three minutes)

CONSENT AGENDA

- I. District Board Minutes; August 22, 2017
- II. August Checks/Warrants; \$62,174.33

COMMITTEE / CHAIRMAN REPORTS

- I. Chairman's Report

OLD BUSINESS

NEW BUSINESS

- I. Good of the Order

PUBLIC COMMENT

Public Comment – General (sign-in sheet at entrance; please limit comments to three minutes)

NEXT MEETING October 24th Room C Following 1:00p Hospital Board Mtg.

ADJOURNMENT

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HOSPITAL BOARD
Meeting Agenda
September 26, 2017
6:00 pm
Conference Room C, West Campus

BOARD EDUCATION

Revenue Cycle Improvement Initiatives – Antone Eek, Patient Accounts Director

CALL TO ORDER

- I. Excused Absences
- II. Public Comment - Agenda Items (sign-in sheet at entrance; please limit comments to three minutes)

CONSENT AGENDA

- I. Hospital Board Minutes; August 22, 2017
- II. Board Quality Minutes; August 15, 2017
- III. Board Finance Minutes; August 17, 2017

BOARD DISCUSSION AND ACTION

- I. Medical Staff Credentialing Report

COMMITTEE / CHAIRMAN REPORTS

- I. Board Quality September Report – Miles Longenbaugh
- II. Board Finance September Report – Pete Scroggs, Committee Chair
- III. Chairman's Report

ADMINISTRATION

- I. Executive Suite Summary Report – Tom Jensen, CEO
 - A. HMG Recruiting Report (no new additions from last month)
 - B. Employee Forum Slides

OLD BUSINESS

NEW BUSINESS

- I. October Education
 - Cost Based Reimbursement
 - GHCH Communication Policy / Process
 - Crisis Intervention Prevention Training
 - Cybersecurity
- A. Good of the Order

PUBLIC COMMENT

Public Comment – General (sign-in sheet at entrance; please limit comments to three minutes)

NEXT MEETING October 24th 1:00p Room C

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**GRAYS HARBOR PUBLIC HOSPITAL DISTRICT NO. 2
BOARD OF COMMISSIONERS REGULAR MEETING
September 26, 2017**

COMMISSIONERS PRESENT

Miles Longenbaugh, District 3
Pete Scroggs, At Large
Robert Torgerson, At Large 1
Becky Walsh, District 5
Maryann Welch, District 1

OTHERS PRESENT

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

ABSENT

Andrew Bickar, District 4
Armando Juarez, Jr, District 2

CALL TO ORDER

President Welch called the meeting to order at 7:21p.

Absences

Commissioner Juarez provided notice that he would not be in attendance during today's meeting.

Action: A motion was made by Commissioner Torgerson, seconded by Commissioner Walsh, and unanimously carried to approve Commissioner Juarez' absence.

Public Comment – Agenda Topics

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

CONSENT AGENDA

- Minutes of August 22, 2017 Board of Commissioners meeting.
- Checks/Warrants for August 2017 in the amount of \$62,174.33.

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

COMMITTEE / CHAIRMAN REPORT

None

OLD BUSINESS

None

NEW BUSINESS

Mr. Vessey brought forward that the 2018 Budget needs to be submitted to the County by November 15th, and that a Budget Hearing needs to be scheduled prior to the 15th. Public notification is required two weeks prior to Budget Hearing.

Roundtable decision to schedule the Budget Hearing for November 14th at 4:30p in Room C.

PUBLIC COMMENT – General

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

NEXT MEETING


Tuesday, October 24th; following the 1:00p Hospital Board meeting in Conf. Room C on West Campus.

ADJOURNMENT

The meeting adjourned at 7:28p.

APPROVED AND ADOPTED THIS 24th day of October, 2017.

ATTEST:


Teresa Ramirez
Recording Secretary


Bob Torgerson
Secretary

**GRAYS HARBOR COMMUNITY HOSPITAL
BOARD OF DIRECTORS REGULAR MEETING
September 26, 2017**

COMMISSIONERS PRESENT

Miles Longenbaugh, District 3
Pete Scroggs, At Large
Robert Torgerson, At Large 1
Becky Walsh, District 5
Maryann Welch, District 1

OTHERS PRESENT

Tom Jensen, CEO, GHCH
Joe Vessey, CFO, GHCH
Teresa Ramirez, Executive Assistant, GHCH

Members of the Public

ABSENT

Andrew Bickar, District 4
Armando Juarez, Jr, District 2

BOARD EDUCATION

Education was provided by Antone Eek, Revenue Cycle Executive Director, on Revenue Cycle Improvement Initiatives that have been or are going to be implemented in the near future (slides on file with Board minutes).

CALL TO ORDER

President Welch called the meeting to order at 6:30p.

Absences

Commissioner Juarez provided notice that he would not be in attendance during today's meeting.

Commissioner Juarez informed President Welch that he is considering whether he can continue serving as a Commissioner on the Board and will make a decision within the next 30 days.

Action: A motion was made by Commissioner Torgerson, seconded by Commissioner Scroggs and unanimously carried to approve Commissioner Juarez' absence.

Public Comment – Agenda Topics

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

CONSENT AGENDA

Minutes

- Minutes of August 22, 2017 Hospital Board meeting.
- Minutes of August 15, 2017 Board Quality Committee meeting.
- Minutes of August 17, 2017 Board Finance Committee meeting.

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

BOARD DISCUSSION AND ACTION

Medical Staff Credentialing

Submitted was the Medical Staff Credentialing Report.

- ACTION:** A motion was made by Commissioner Scroggs, seconded by Commissioner Walsh, and unanimously carried to approve appointment of Natalie Gilbert, DO, from Provisional to Active Staff for a period of two years in the Specialty of Emergency Medicine.
- ACTION:** A motion was made by Commissioner Walsh, seconded by Commissioner Torgerson, and unanimously carried to approve appointment of Russell Japikse, MD, to Provisional Staff for a period of one year in the Specialty of Emergency Medicine.
- ACTION:** A motion was made by Commissioner Torgerson, seconded by Commissioner Scroggs, and unanimously carried to approve appointment of Michelle Stone, DO, to Provisional Staff for a period of one year in the Specialty of Emergency Medicine.
- ACTION:** A motion was made by Commissioner Walsh, seconded by Commissioner Torgerson, and unanimously carried to approve appointment of Shawna Brown, ARNP, from Provisional to Allied Health Professional for a period of one year in the Specialty of Pediatrics.
- ACTION:** A motion was made by Commissioner Scroggs, seconded by Commissioner Walsh, and unanimously carried to approve reappointment of Colette Kato, DO, as Active Staff for a period of two years in the Specialty of Family Medicine.
- ACTION:** A motion was made by Commissioner Torgerson, seconded by Commissioner Longenbaugh, and unanimously carried to approve appointment of Trenton Sensiba, DO, from Provisional to Active Staff for a period of two years in the Specialty of Internal Medicine.
- ACTION:** A motion was made by Commissioner Walsh, seconded by Commissioner Scroggs, and unanimously carried to approve appointment of Jaekyung Song, MD, from Provisional to Active Staff for a period of two years in the Specialty of IM/Hospitalist Medicine.
- ACTION:** A motion was made by Commissioner Scroggs, seconded by Commissioner Torgerson, and unanimously carried to approve appointment of Natalie Zering, PA-C, from Provisional to Allied Health Services for a period of two years in the Specialty of PA/Hospitalist.
- ACTION:** A motion was made by Commissioner Walsh, seconded by Commissioner Torgerson, and unanimously carried to approve appointment of Barbara Blankenship, MD, from Provisional to Consulting Services for a period of two years in the Specialty of Teleradiology.
- ACTION:** A motion was made by Commissioner Torgerson, seconded by Commissioner Walsh, and unanimously carried to approve appointment of Elizabeth Kehr, MD, from Provisional to Consulting Services for a period of two years in the Specialty of Pathology.

ACTION: A motion was made by Commissioner Scroggs, seconded by Commissioner Torgerson, and unanimously carried to approve appointment of Laiandrea Stewart, MD, to Provisional Services for a period of one year in the Specialty of Teleradiology.

ACTION: A motion was made by Commissioner Walsh, seconded by Commissioner Longenbaugh, and unanimously carried to approve appointment of Juanito Villanueva, MD, to Provisional Services for a period of one year in the Specialty of Teleradiology.

ACTION: A motion was made by Commissioner Walsh, seconded by Commissioner Scroggs, and unanimously carried to approve reappointment of Robin Franciscovich, MD, to Active Staff for a period of two years in the Specialty of Anesthesiology.

Noted was the resignation of Matthew Hudkins, MD, in the specialty of Teleradiology.

COMMITTEE REPORTS

Board Quality Report

Commissioner Longenbaugh provided report on the September Quality Committee meeting, with information encompassing:

- HCAHPS; No notable trends identified from July to August.
- Cleanliness and Environment of Care; Challenges have been experienced in hiring Housekeeping staff; however, positions have now been filled. Even with these challenges, a high standard of cleanliness has been maintained.
- Overall Quality Report; DOH surveyors cited that there was a lack of quality information/data flowing from Board Quality to the full Board.
- Pain Management continues to be challenging; however, Pharmacists are now rounding on the units in order to address pain management issues with staff.
- No falls with injury were reported.
- Immediate Use Sterilization; DOH surveyors cited flash sterilization was occurring too often. Improvement and action planning has already been executed, with improvement noted.
- IC Report; All benchmarks across the board are doing well. There have been no ventilator associated events since implementing the high flow oxygen system in January. Ventilator days have decreased from 48-50 down to four days.
- Flu Shot Campaign; The Foundation is funding coffee coupons for every employee who receives their flu shot.
- Medication Safety Report; Pharmacy process 22,000-27,000 orders per month. Near misses are at a low of 6%-7%.
- ED Report; Door to Doc Time, Left Without Being Seen, etc., are all positively dropping since implementation of recent initiatives. A new brochure has been developed, *What to Expect in the ED*.
- Sepsis; Early analysis indicates overall improvements. A Sepsis Committee is now routinely meeting in order to create an environment of early detection of Sepsis; thereby, decreasing mortalities.

Submitted for Board approval was the revised 2017 Quality Assurance/Performance Plan Summary and reporting calendar.

ACTION: A motion was made by Commissioner Torgerson, seconded by Commissioner Walsh, and unanimously carried to approve the revised 2017 Quality Assurance/ Performance Plan Summary and reporting calendar.

Board Finance Report

Commissioner Scroggs provided report on the September Finance Committee meeting, with information encompassing:

- Discussion was held regarding the 49-Bed Project. This project is driven by the fact that a significant amount of funds is being lost in Primary Care. Facilities, such as Summit Pacific Medical Center, receives higher reimbursement due to their status as a Critical Access Hospital (CAH). The decision to proceed with the 49-Bed option is to capture increased reimbursement based on costs, to offer more services, and to allow for recruiting of additional Primary Care providers. There is a current deficit in Primary Care, with a forecast of retiring physicians over the next five to ten years. The hospital's average daily census has been well under the 49 beds over the past several years. The hospital's state license for 140 beds will not be affected by the 49-Bed project. In order to meet qualifying requirements, the project needs to be implemented three months prior to the year end. By October 1st, a specific area within the hospital will house observation beds. Currently, the hospital is about \$1.9M in the red, and potential savings from this change is approximately \$3M annually from additional reimbursement. Unintended income is also anticipated through Primary Care referrals for ancillary services.
- August Financials;

Total Revenue:	\$32,508,030
Revenue Deductions:	\$24,249,291
Net Operating Revenue:	\$8,258,739
Total Expenses:	\$8,863,573
Net Income:	-\$224,470

 - TeamHealth is now billing for their own services, which is reflected in a reduction in ED Revenue and Professional Fees.
 - Benefits were below budget mainly due to 403b forfeiture refund from Trusteed Plans.
 - Agency; Further decreases are anticipated as new nursing staff move through orientation.
- Bond Covenants; Days Cash on Hand is below target.
- USDA Loan; Funding options were discussed in the event the USDA loan does not come through.
- Budget Assumptions; 2018 Budgets are being developed. Assumptions were presented, with a conservative plan being implemented, and a 2% positive net income being targeted in 2018. The Finance Committee approved the Budget Assumptions.
- An RFP will be sent for a new investment advisor for the hospital's pension plan.

Commissioner Torgerson inquired as to when the hospital will see a financial gain from the 49-Bed project. Mr. Jensen indicated that it is uncertain when the higher reimbursement will be realized; however, the latest should be mid-2019. Reimbursement will include retrospective payments.

Chairman's Report

Mr. Jensen, President Welch, and Commissioner Torgerson will be attending WSHA's Annual Meeting and Governance Education. Commissioner Longenbaugh will be attending the Governance Education.

ADMINISTRATION

Executive Suite Summary

Submitted was the Executive Suite Summary Report. Of note:

- Submitted for Board information was a copy of the Employee Forum slides.
- Provided was the Community Needs Health Assessment, which will be posted on the Hospital's website.

OLD BUSINESS

None

NEW BUSINESS

Cost Based Reimbursement was selected for the October Board education.

PUBLIC COMMENT – General

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

After comments were received related to the 49-Bed Project's impact on HarborCrest, Commissioner Welch expressed confidence in Mr. Jensen and Mr. Vessey's due diligence in investigating all available options and their impact on the Hospital and HarborCrest. Having said this, there are additional unanswered questions that are further being explored related to HarborCrest.

Commissioner Torgerson brought forward that the USDA Loan is not yet dead and encouraged the public to reach out to State and Federal Legislators in support of the loan.

NEXT MEETING

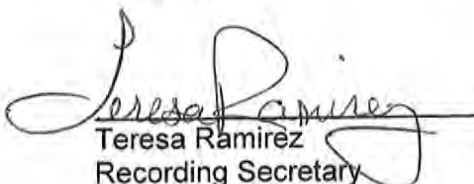
Tuesday, October 24, 2017 at 1:00p in Conference Room C, West Campus.

ADJOURNMENT

The meeting was adjourned at 7:21p.

APPROVED AND ADOPTED THIS 24th day of October, 2017.

ATTEST:


Teresa Ramirez
Recording Secretary


Bob Torgerson
Secretary



FINANCIAL STATEMENTS

September 2017

GHCH Consolidating Balance Sheet—Assets

9/30/17



	<u>Total 9/30/17</u>
CURRENT ASSETS:	
Cash	2,357,660
Temporarily Restricted Cash-Peds	0
Patient Receivables:	
Gross Patient Receivables	69,850,081
Less Allowance for Uncollectibles	<u>(45,435,657)</u>
Net Patient Receivables	24,414,425
Other Receivables	1,452,974
Third Party Receivables	0
Inventories	1,866,410
Prepaid Expense	537,109
Temporarily Restricted Curr Assets	812,761
Other Current Assets	<u>922,484</u>
Total Current Assets	32,363,822
Board Designated Assets	5,556,029
Property, Plant & Equipment	
Land & Land Improvements	2,185,947
Building & Improvements	68,082,971
Medical Office Building	1,317,699
Equipment	38,278,404
CIP	<u>292,153</u>
Total Fixed Assets	110,157,174
Accumulated Depreciation	<u>(72,167,337)</u>
Net Property, Plant & Equipment	37,989,838
Other Assets:	
Reserve Fund	2,156,674
Phys Loans/Guarantees (after 2001)	0
Other Non current Assets	2,877,339
Intangible--Pension	371,613
Investments	275,659
Deferred Pension Outflows	1,805,163
Permanently restricted Assets	<u>6,324,782</u>
Total Other Assets	13,811,230
TOTAL ASSETS	<u><u>89,720,918</u></u>

GHCH Consolidating Balance Sheet—Liabilities 9/30/17



	Total 9/30/17
CURRENT LIABILITIES	
Short Term Notes Payable	3,000,000
Accounts Payable	9,472,339
Due to Third Parties	558,149
Payroll & Related	3,247,137
Other Current Liabilities	1,655,354
Current Portion -LT Debt	2,112,695
Total Current Liabilities	20,045,674
Long Term Liabilities	2,833,126
Total Long Term Liabilities	2,833,126
LONG TERM DEBT	
Notes Payable	1,858,322
Bonds Payable	26,411,598
Total Long Term Debt	28,269,920
Total Liabilities	51,148,720
EQUITY	
Fund Equity	36,092,805
Equity--Prior Year	(3,024,720)
Permanently Restricted Assets	6,324,782
Reserve for Pension/Other	1,497,903
Net Income(Loss)--Current Year	(2,318,571)
Total Equity	38,572,198
TOTAL LIAB & FUND EQUITY	89,720,918

Grays Harbor Community Hospital
Consolidated Income Statement
9/30/2017



	Month	Month Budget	Variance	% Variance
Revenues				
Inpatient Revenue	10,235,630	9,116,001	1,119,629	12.28%
Outpatient Revenue	13,048,755	15,837,359	(2,788,604)	-17.61%
ER Revenue	6,349,002	8,428,578	(2,079,576)	-24.67%
Physician Revenue	1,331,420	1,604,895	(273,475)	-17.04%
Total Revenue	30,964,807	34,986,833	(4,022,026)	-11.50%
Revenue Deductions				
Bad Debt	384,901	523,539	(138,638)	-26.48%
Charity	198,754	119,619	79,135	66.16%
Other Deductions	22,640,813	25,638,824	(2,998,011)	-11.69%
Total Revenue Deductic	23,224,468	26,281,982	(3,057,514)	-11.63%
Net Patient Revenue	7,740,339	8,704,851	(964,512)	-11.08%
Other Revenue	277,511	288,122	(10,610)	-3.68%
Net Operating Revenue	8,017,851	8,992,971	(975,122)	-10.84%
Expenses				
Salaries	3,438,480	3,428,973	9,507	0.28%
Benefits	915,037	1,196,027	(280,990)	-23.49%
Professional Fees	985,604	1,227,072	(241,468)	-19.68%
Supplies	994,931	954,127	40,804	4.28%
Utilities	98,074	86,250	11,824	13.71%
Purchased Services	793,594	889,650	(96,056)	-10.80%
Agency	414,340	70,353	343,987	488.94%
Depreciation	311,876	320,958	(9,082)	-2.83%
Rent/Lease	150,242	95,597	54,645	57.16%
Other	192,134	303,712	(111,577)	-36.74%
Insurance	88,454	83,333	5,121	6.15%
Interest	136,556	146,250	(9,694)	-6.63%
Total Expenses	8,519,322	8,802,300	(282,978)	-3.21%
Net Operating Income	(501,470)	190,671	(692,144)	-363.00%
Operating Margin %	-6.25%	2.12%		
Non-Operating	54,349	25,435	28,914	113.68%
Net Income	(447,121)	216,106	(663,227)	-306.90%
Net Income Margin %	-5.58%	2.40%		

HOSPITAL BOARD

Meeting Agenda

October 24, 2017

1:00 pm

Conference Room C, West Campus

BOARD EDUCATION

Cost Based Reimbursement – Joe Vessey, CFO

CALL TO ORDER

- I. Excused Absences
- II. Public Comment - Agenda Items (sign-in sheet at entrance; please limit comments to three minutes)

CONSENT AGENDA

- I. Hospital Board Minutes; September 26, 2017
- II. Board Quality Minutes; September 19, 2017
- III. Board Finance Minutes; September 21, 2017

BOARD DISCUSSION AND ACTION

- I. Medical Staff Credentialing Report

COMMITTEE / CHAIRMAN REPORTS

- I. Board Quality October Report – Miles Longenbaugh
- II. Board Finance October Report – Pete Scroggs, Committee Chair
- III. Chairman's Report
 - A. Community Health Needs Assessment
 - B. Rebranding
 - C. WSHA Annual Mtg. & Governance Education

ADMINISTRATION

- I. Executive Suite Summary Report – Tom Jensen, CEO
 - D. HMG Recruiting Report

OLD BUSINESS

NEW BUSINESS

- I. November Education
 - GHCH Communication Policy / Process
 - Crisis Intervention Prevention Training
 - Cybersecurity
- A. Good of the Order

PUBLIC COMMENT

Public Comment – General (sign-in sheet at entrance; please limit comments to three minutes)

NEXT MEETING

Budget Hearing: November 14th 4:30p Room C

Hospital Board Mtg: November 28th 6:00p Room C

Grays Harbor Community Hospital does not discriminate against or exclude anyone from participation in public meetings. Requests for assistance should be made by contacting Administration at 360-537-5117, 48 hours in advance of the meeting. Thank you.

NOTE: This is an "open" agenda. The Commissioners or Recording Secretary of the Board may elect to add, delete, or change items prior to or at the meetings. This does not include legally advertised public hearings.

Our Mission

*Heal, Comfort and Serve
Our Community with Compassion.*

Our Vision

*To provide each patient superior service
and safety, exceptional by any standard.*

Our Values

Respect • Integrity • Compassion • Excellence

Our Standards

*Communication • Accountability • Professionalism •
Teamwork • Ownership • Safety • Service*

Our Desired Future State

*“We will be an integrated regional healthcare network,
partnering in our communities to provide exceptional care
with an inspired healthcare team.”*



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**GRAYS HARBOR PUBLIC HOSPITAL DISTRICT NO. 2
BOARD OF COMMISSIONERS REGULAR MEETING
October 24, 2017**

COMMISSIONERS PRESENT

Miles Longenbaugh, District 3 (via conference line)
Pete Scroggs, At Large
Robert Torgerson, At Large 1
Becky Walsh, District 5 (via conference line)
Maryann Welch, District 1

OTHERS PRESENT

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

ABSENT

Andrew Bickar, District 4
Armando Juarez, Jr, District 2

CALL TO ORDER

President Welch called the meeting to order at 2:34p.

Absences

Commissioners Bickar and Juarez provided notice that they would not be in attendance during today's meeting.

Action: A motion was made by Commissioner Torgerson, seconded by Commissioner Scroggs, and unanimously carried to approve Commissioners Bickar and Juarez's absences.

Public Comment – Agenda Topics

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

CONSENT AGENDA

- Minutes of September 26, 2017 Board of Commissioners meeting.
- Checks/Warrants for September 2017 in the amount of \$52,980.95.

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

COMMITTEE / CHAIRMAN REPORT

Finance Committee

Submitted were the 2018 Budget, as well as Resolutions 2017-03 - 2018 Budget and Levy; Resolution 2017-04 - 2018 Levy; and 2018 Levy Certification.

Mr. Vessey provided report on the Budget:

- The 2017 year-to-date numbers are being rolled-over into 2018, with the philosophy to project a flat 2018 Budget.
- Reflected within the Budget is a decrease in FTE's from 565.17 to 541.95 in 2018. Unfortunately, it is a necessary decrease in order to remain financially viable. Most of the decrease will be realized through attrition or by not replacing positions. Departments are addressing productivity, based on an Truven Assessment conducted in the past.
- Salaries are projected to decrease due to the declining FTE's.

- The Tax Levy is set at \$2.8M, in order to allow for potentially higher property assessments.
- The Net Operating Revenue is budgeted at a 3% increase.
- Efforts will be taken to renegotiate with commercial insurances for higher reimbursement.
- Professional Fees are being budgeted lower, due to TeamHealth now doing their own billing.
- Supplies are increasing by 5% due purely to inflation of pharmaceuticals and implantables.
- Depreciation is going down as we continue to not buy new equipment and older equipment continues to depreciate.
- Net Income for 2018 is in the ballpark of \$1.14M.

Mr. Vessey brought forward that final adjustments will still be made prior to the November 14th Budget Hearing.

Commissioner Welch questioned whether Commissioners need to approve the District Budget. Mr. Vessey indicated that he would provide more detailed break-out within the final combined Budget.

The 2018 Budget and Resolutions will be submitted, with action to be taken, at the November 14th Budget Hearing to be held at 4:30p in Room C.

OLD BUSINESS

None

NEW BUSINESS

Commissioner Welch provided Commissioner Juarez' resignation, whose term was until November 2019. Commissioner Welch announced that any interested community member will need to submit their resume to Teresa Ramirez, GHCH Executive Assistant, by November 9th. Commissioners Scroggs and Torgerson will serve as Adhoc Committee members who will interview candidates.

ACTION: A motion made by Commissioner Walsh, seconded by Commissioner Torgerson, and unanimously approved to regrettably accept Commissioner Juarez' resignation from the Hospital and District Board.

Roundtable agreement to develop and send a press release regarding the vacancy.

PUBLIC COMMENT – General

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

NEXT MEETING

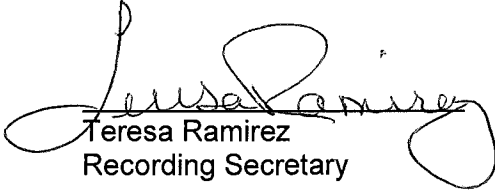
Budget Hearing:	November 14 th	4:30p	Room C
District Board Mtg:	November 28 th	Room C	Following 6:00p Hospital Board Mtg.

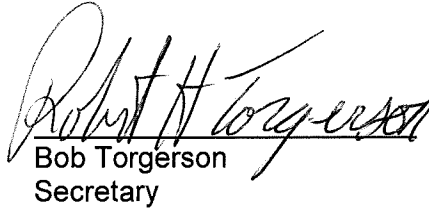
ADJOURNMENT

The meeting adjourned at 2:48p.

APPROVED AND ADOPTED THIS 28th day of November, 2017.

ATTEST:


Teresa Ramirez
Recording Secretary


Bob Torgerson
Secretary

**GRAYS HARBOR COMMUNITY HOSPITAL
BOARD OF DIRECTORS REGULAR MEETING
October 24, 2017**

COMMISSIONERS PRESENT

Miles Longenbaugh, District 3 (via conference line)
Pete Scroggs, At Large
Robert Torgerson, At Large 1
Becky Walsh, District 5 (via conference line)
Maryann Welch, District 1

OTHERS PRESENT

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

ABSENT

Andrew Bickar, District 4
Armando Juarez, Jr, District 2

BOARD EDUCATION

Education was provided by Joe Vessey, CFO, on Cost Based Reimbursement (see presentation slide deck for details).

CALL TO ORDER

President Welch called the meeting to order at 1:38p.

Absences

Commissioners Bickar and Juarez provided notice that they would not be in attendance during today's meeting.

Action: A motion was made by Commissioner Torgerson, seconded by Commissioner Scroggs, and unanimously carried to approve Commissioners Bickar and Juarez's absences.

Public Comment – Agenda Topics

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

CONSENT AGENDA

Minutes

- Minutes of September 26, 2017 Hospital Board meeting.
- Minutes of September 19, 2017 Board Quality Committee meeting.
- Minutes of September 21, 2017 Board Finance Committee meeting.

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

BOARD DISCUSSION AND ACTION

Medical Staff Credentialing

Submitted was the Medical Staff Credentialing Report.

ACTION: A motion was made by Commissioner Torgerson, seconded by Commissioner Scroggs, and unanimously carried to approve reappointment of Brooke Frakes, MD, as Active Staff for a period of two years in the Specialty of Emergency Medicine.

ACTION: A motion was made by Commissioner Scroggs, seconded by Commissioner Walsh, and unanimously carried to approve appointment of Sarah Hudson, PA-C, as Provisional Staff for a period of one year in the Specialty of Emergency Medicine.

ACTION: A motion was made by Commissioner Torgerson, seconded by Commissioner Scroggs, 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 Walsh, seconded by Commissioner Scroggs, and unanimously carried to approve appointment of Timothy Richardson, PA-C, as Provisional Staff for a period of one year in the Specialty of Emergency Medicine.

ACTION: A motion was made by Commissioner Torgerson, seconded by Commissioner Scroggs, and unanimously carried to approve reappointment of Daniel Sheffield, DO, from Provisional to Active Staff for a period of two years in the Specialty of Emergency Medicine.

ACTION: A motion was made by Commissioner Scroggs, seconded by Commissioner Walsh, and unanimously carried to approve reappointment of Mary Clayton, ARNP, as an Allied Health Professional for a period of two years in the Specialty of Family Medicine / Wound Care.

ACTION: A motion was made by Commissioner Torgerson, seconded by Commissioner Scroggs, and unanimously carried to approve appointment of Monica Hallak, ARNP, as Provisional Staff for a period of one year in the Specialty of Family Medicine.

ACTION: A motion was made by Commissioner Scroggs, seconded by Commissioner Torgerson, and unanimously carried to approve reappointment of Marcos Chavez, Jr, PA-C, as an Allied Health Professional for a period of two years in the Specialty of PA / Hospitalist.

ACTION: A motion was made by Commissioner Torgerson, seconded by Commissioner Scroggs, 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 PA / Hospitalist.

ACTION: A motion was made by Commissioner Scroggs, seconded by Commissioner Torgerson, and unanimously carried to approve reappointment of Arthur Molina, MD, as Consulting Staff for a period of two years in the Specialty of Medical Oncology.

ACTION: A motion was made by Commissioner Torgerson, seconded by Commissioner Scroggs, and unanimously carried to approve appointment of Corey White, DO, as Provisional Staff for a period of one year in the Specialty of Neurology / Telestroke.

ACTION: A motion was made by Commissioner Scroggs, seconded by Commissioner Torgerson, and unanimously carried to approve appointment of Jeffrey Caverly, MD, as Provisional Staff for a period of one year in the Specialty of Teleradiology.

ACTION: A motion was made by Commissioner Torgerson, seconded by Commissioner Scroggs, and unanimously carried to approve appointment of Surender Kurapati, MD, as Provisional Staff for a period of one year in the Specialty of Teleradiology.

ACTION: A motion was made by Commissioner Scroggs, seconded by Commissioner Torgerson, and unanimously carried to approve appointment of Jason Lue, MD, as Provisional Staff for a period of one year in the Specialty of Teleradiology.

ACTION: A motion was made by Commissioner Walsh, seconded by Commissioner Scroggs, and unanimously carried to approve appointment of Jose Ospina, MD, as Provisional Staff for a period of one year in the Specialty of Teleradiology.

ACTION: A motion was made by Commissioner Torgerson, seconded by Commissioner Scroggs, and unanimously carried to approve reappointment of William Hofmann, MD, as Active Staff for a period of two years in the Specialty of Anesthesiology / Wound Care.

ACTION: A motion was made by Commissioner Scroggs, seconded by Commissioner Torgerson, and unanimously carried to approve appointment of Monica Hallak, ARNP, as Provisional Staff for a period of one year in the Specialty of Urology.

Noted were the resignations of the following providers:

- Patrick Henderson, DO, in the Specialty of ENT
- Paula Moreno, PA-C, in the Specialty of Emergency Medicine
- Ranie Pendarvis, MD, in the Specialty of Teleradiology
- Tracy Russell, MD, in the Specialty of Pediatrics

A lapse in privileges was noted for Jennifer First, ARNP, in the Specialty of NP / Hospitalist.

Commissioner Scroggs inquired as to whether it is a legal requirement to approve medical staff individually rather than the group as whole. Mr. Jensen brought forward that individual approvals are a best practice standard.

COMMITTEE REPORTS

Board Quality Report

Commissioner Longenbaugh provided report on the October Board Quality Committee meeting, with information encompassing:

- Patient compliments were received on 2nd and 3rd floor staff. There was also a concern noted regarding a patient who had to share a room with a disruptive patient.
- TeamHealth has been stabilizing, with an increased number of PA's replacing locums.
- Registration and Triage Nurses have not been receiving as many patient/family inquiries about wait times since the installation of the TV in the ED Lobby.

- ED brochures are being provided to patients by Registration staff.
- Sepsis; The Severe Sepsis Bundle compliance is showing a slight increase above the benchmark. Dr. Kearney and Cara Bardwell, PA-C, are providers who serve on the Sepsis Committee. Early recognition of severe Sepsis is of utmost focus. Dr. Wong will be working with the Hospitalists. An auditing tool has been established which allows for data collection on utilization of Sepsis order sets.
- Quality Report; A Department of the Health re-survey was conducted on October 12th with no findings assessed. The Fire Marshall also cleared the hospital of all findings. Surveyors from CAP (College of American Pathologists) are on-site today.
- DOH Audit Report; Audits being conducted over the next six months encompass hand washing, PPE (personal protective equipment), two patient identifiers, Histories & Physicals (H&P's), and post anesthesia assessments.
- HCAHAPS; Press Ganey is being considered as a vendor for patient satisfaction in an effort to receive more real-time results. Quiet at Night initiatives are being further addressed, as patient rest is important.
- Nursing Outcomes Report; Pharmacists are now rounding on the units every few hours, in order to provide support and direction to staff. A Patient Ambassador program has started in which concurrent patient feedback is being solicited, with the goal of addressing identifiable issues during the patient's stay in the hospital. House Supervisors conduct audits on every patient with restraints.
- Immediate Use Steam Sterilization; A tremendous drop has been realized in instruments being flash sterilized. Weekly audits have been implemented. Additional urology instruments were purchased.
- Patient Advocate Report; Closures of grievances is not meeting the seven day compliance target due to changes in department directors, staff being redirected to focus on other quality initiatives, changes in medical staff committee review process, etc. An increase was noted in billing complaints due to issues with Patient Accounts billing tree not working as intended. Safety event trends were reviewed during the Committee meeting.
- A long-standing concern was brought forward related to the inability to utilize the medication scanners in the Family Birth Center due to WiFi issues that exist. Mr. Kahl indicated that he will follow-up on the issue.

Commissioner Torgerson shared that Patient Accounts staff provided good customer service to his mother by identifying a potentially inaccurate charge, researching the issue, and following-up with his mother.

- Core Measures; Fliers have been disseminated to nursing, in an effort to improve documentation related to protocol language regarding influenza immunizations for patients.
- Resuscitation Results; It is the goal that a *Rapid Response* will be called whenever a deterioration in a patient's condition occurs.
- Diagnosis Discrepancies; There have been no diagnostic discrepancies reported over the past year.

Board Finance Report

Commissioner Scroggs provided report on the October Board Finance Committee meeting, with information encompassing:

2017 Audit; Mathew Stopa of Moss Adams presented pre-communication of the 2017 Audit. Due to the embezzlement within HMG, Moss Adams will be conducting audit procedures around control processes, e.g. journal entries, approval processes, etc. Moss Adams will be back to perform year end fieldwork for the 2017 Audit on February 5, 2018, and will then return to Board Finance in April to provide the final presentation.

State Audit; The Hospital was notified that State Auditors would be conducting their annual accountability audit the end of October. However, after Mr. Vessey explained the Hospital's PHD/501c3 structure, the audit was canceled and will be rescheduled after auditors more fully understand the hospital's structure.

- September Financials

Total Revenue:	\$30,964,807
Net Operating Revenue:	\$ 8,017,851
Total Expenses:	\$ 8,519,322
Net Income:	(\$ 447,121)
Net Income YTD:	\$2.3M in the red vs. budget of \$2.5M in the positive
- Statistics; A full review of statistics was conducted. Some of the inpatient volumes have been higher comparably because last year the volumes were down due to lack of hospitalist coverage. Inpatient Surgical Cases are up 8%, primarily due to knee replacements.
- Agency continues to be challenging; at \$414,340.00.
- Cash continues to decline due to operating losses; however, A/R has been high. Patient Receivables last year were about \$20M and this year are about \$24M, which has an impact on cash.
- Bond Covenants; Debt Service Coverage Ratio and Excess Margin are both coming in better than targets. Cushion Ratio is below target. Days Cash on Hand is at 39, which is well below the required 60 days needed by year-end.
 - A significant amount of effort is underway to accelerate A/R, including the use of a contracted service to increase coding and billing.
 - Cash needed by year-end is \$5.5M. The hospital will receive \$1.2M from the property tax levy. The hospital also hopes to roll the loan forward another six months.
- Medical Group Mgt. Association (MGMA) is the gold standard in determining physician compensation, productivity standards, staffing structure, etc. The hospital is looking to possibly engage their services to conduct an assessment of HMG.
- The hospital continues to work with its insurance carrier regarding reimbursement of embezzlement loss.
- Mr. Jensen brought forward that a letter was received from the USDA indicating that they are not willing to provide funding until the hospital can demonstrate three years of consistent positive net income. Mr. Jensen indicated that he will work through the appeals process to gain more clarity on the decision.

Commissioner Welch requested clarification on Agency vs. Professional Fees in relation to staffing and providers. Mr. Vessey indicated that temporary staffing, such as nursing, is reflected in the Agency line item, and that providers are reflected within Professional Fees.

Chairman's Report

Community Health Needs Assessment

Previously provided during the last Board meeting, and resubmitted for approval, was the Community Health Needs Assessment (CHNA). The CHNA report is required by the IRS as part of being a non-profit entity.

Action: A motion was made by Commissioner Torgerson, seconded by Commissioner Scroggs, and unanimously carried to approve the Community Health Needs Assessment (CHNA) as submitted.

Rebranding

Submitted was a presentation slide deck of the Rebranding Efforts on behalf of the Rebranding Committee.

The Board of Commissioners is being asked to narrow three proposed names down to two names. Employees and providers of Grays Harbor Community Hospital will then make the final selection:

1. Harbor Regional Health
2. Harbor Health System
3. Gateway Health System

Commissioner Longenbaugh recommended that more comprehensive discussion be held after the November 14th Budget Hearing.

Ms. Long, PR/Marketing Director, clarified that no branding symbols or logos were included with the potential names, as this work will be undertaken after the naming options has been narrowed to two.

It was agreed that a Special Meeting will be convened to continue discussion specifically focused on branding.

WSHA Annual Mtg. & Governance Education

Along with Mr. Jensen, Commissioner Torgerson and Commissioner Welch attended both the WSHA Annual meeting and Governance Education. Commissioner Longenbaugh attended Governance Education. Commissioners brought forward information shared by presenters:

- Taking a more holistic approach (community care) to medical care by helping to address a variety of patient medical/social needs. Commissioner Welch inquired about allowable costs. Mr. Vessey indicated that Rural Health outlines that the care provided has to be deemed medically necessary. Commissioner Torgerson also brought forward the lack of housing or social service funding available within the community.
- Communication; Boards need to be better prepared to respond to events that might happen, which involves the hospital / district.

It was proposed that Board receive further education regarding this topic during its next Board Retreat, and that the speaker be invited to provide a presentation.

- Governance/Physicians and the Board - how the relationship works or doesn't work. The Board has municipal responsibility/fiduciary responsibility related to the medical staff and needs to practice this oversight collaboratively, rather than separately from providers.

Ms. Ramirez was asked to email the Medical Staff Bylaws to Board members.

- An author shared information about healthcare in the US, and spoke about how much money is being spent in the US vs. the results realized, compared against the rest of the nation.

ADMINISTRATION

Executive Suite Summary

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

Commissioner Longenbaugh solicited information regarding pediatrics, given the resignation of the pediatrician last year. Mr. Jensen shared that a pediatric candidate was interviewed last week and that recruiting efforts continue. Dr. Riley is now on board and two locums are helping to provide coverage. Dr. Goold has also accepted pediatric patients.

OLD BUSINESS

None

NEW BUSINESS

Cybersecurity was selected for the November Board education.

PUBLIC COMMENT – General

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

NEXT MEETING

Budget Hearing:	November 14 th	4:30p	Room C
Hospital Board Mtg:	November 28 th	6:00p	Room C

ADJOURNMENT

The meeting was adjourned at 2:34p.

APPROVED AND ADOPTED THIS 28th day of November, 2017.

ATTEST:


Teresa Ramirez
Recording Secretary


Bob Torgerson
Secretary

Grays Harbor Public Hospital District No. 2 Board of Commissioners

DISTRICT BOARD Meeting Agenda November 28, 2017 Conference Room C; West Campus

CALL TO ORDER

- I. Excused Absences
- II. Public Comment - Agenda Items (sign-in sheet at entrance; please limit comments to three minutes)

CONSENT AGENDA

- I. District Board Minutes; October 24, 2017
- II. Budget Hearing Minutes; November 14, 2017
- III. October Checks/Warrants; \$1,773.37

COMMITTEE / CHAIRMAN REPORTS

- I. Chairman's Report

OLD BUSINESS

NEW BUSINESS

- I. Good of the Order

PUBLIC COMMENT

Public Comment – General (sign-in sheet at entrance; please limit comments to three minutes)

NEXT MEETING

Thursday, December 21st Room C Following 1:00p Hospital Board Mtg.

ADJOURNMENT

Grays Harbor Public Hospital District No. 2 does not discriminate against or exclude anyone from participation in public meetings. Requests for assistance should be made by contacting Administration at 360-537-5117, 48 hours in advance of the meeting. Thank you.

NOTE: This is an "open" agenda. The Commissioners or Recording Secretary of the Board may elect to add, delete, or change items prior to or at the meetings. This does not include legally advertised public hearings.

Our Mission

*Heal, Comfort and Serve
Our Community with Compassion.*

Our Vision

*To provide each patient superior service
and safety, exceptional by any standard.*

Our Values

Respect • Integrity • Compassion • Excellence

Our Standards

*Communication • Accountability • Professionalism •
Teamwork • Ownership • Safety • Service*

Our Desired Future State

*“We will be an integrated regional healthcare network,
partnering in our communities to provide exceptional care
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HOSPITAL BOARD

Meeting Agenda

November 28, 2017

6:00 pm

Conference Room C, West Campus

BOARD EDUCATION

Cybersecurity – Brad Wallace, IT Director

CALL TO ORDER

- I. Excused Absences
- II. Public Comment - Agenda Items (sign-in sheet at entrance; please limit comments to three minutes)

CONSENT AGENDA

- I. Hospital Board Minutes; October 24, 2017
- II. Hospital Board Special Meeting Minutes; November 14, 2017
- III. Board Quality Minutes; October 17, 2017
- IV. Board Finance Minutes; October 19, 2017

BOARD DISCUSSION AND ACTION

- I. Position 2 Board Candidate Recommendation – Commissioner Torgerson
- II. Medical Staff Credentialing Report

COMMITTEE / CHAIRMAN REPORTS

- I. Board Quality November Report – Committee Chair
- II. Board Finance November Report – Committee Chair
- III. Chairman's Report
 - A. Revised Medical Staff Bylaws/Rules & Regulations
 - B. Medical Staff / Board Holiday Social; Dec. 1st, 6:30p, Aberdeen Mansion
 - C. December Employee Forums:

4 th 10:00a	East Campus	6 th 1:30p	West Campus
5 th 3:00p	East Campus	7 th 7:30a	West Campus

ADMINISTRATION

- I. Executive Suite Summary Report – Tom Jensen, CEO

OLD BUSINESS

NEW BUSINESS

- I. December Education
 - GHCH Communication Policy / Process
 - Crisis Intervention Prevention Training
- II. Good of the Order

PUBLIC COMMENT

Public Comment – General (sign-in sheet at entrance; please limit comments to three minutes)

NEXT MEETING

Hospital Board Mtg: **Thursday, December 21st 1:00p Room C**

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**GRAYS HARBOR PUBLIC HOSPITAL DISTRICT NO. 2
BOARD OF COMMISSIONERS REGULAR MEETING
November 28, 2017**

COMMISSIONERS PRESENT

Andrew Bickar, District 4
Michael Bruce, District 2
Miles Longenbaugh, District 3
Pete Scroggs, At Large
Robert Torgerson, At Large 1
Becky Walsh, District 5
Maryann Welch, District 1

OTHERS PRESENT

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

CALL TO ORDER

President Welch called the meeting to order at 6:00p.

Public Comment – Agenda Topics

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

CONSENT AGENDA

- Minutes of October 24, 2017 Board of Commissioners meeting.
- Minutes of November 14, 2017 Budget Hearing.
- Checks/Warrants for October 2017 in the amount of \$1,773.37.

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

COMMITTEE / CHAIRMAN REPORT

Board Candidacy

Commissioner Torgerson brought forward that the Adhoc Recruiting Committee received three applicant Resume's; however, one candidate withdrew just prior to interviews held. Commissioners Torgerson, Scroggs, and Walsh interviewed candidates Michael Bruce and Brook Maples Priest on December 17th. Both candidates are very capable individuals; however, Mr. Bruce has more experience with the public sector and has a solid Resume all the way around.

It is the recommendation of the Adhoc Recruiting Committee that Mr. Michael Bruce fill the vacant Position 2 seat on the Board of Commissioners.

Action: A motion was made by Commissioner Torgerson, seconded by Commissioner Walsh.

It was clarified that the term will expire the end of 2019.

The motion and second were unanimously carried to approve the appointment of Mr. Michael Bruce to fill the Position 2 vacancy on the Hospital and District Board.

Oath of Office

Mr. Michael Bruce was sworn into office, thanked the Board for their vote of confidence, and took his seat at the Board.

OLD BUSINESS

None

NEW BUSINESS

PUBLIC COMMENT – General

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

NEXT MEETING


District Board Mtg: December 21st Room C Following 1:00p Hospital Board Mtg.

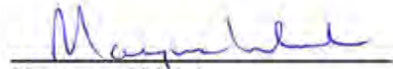
ADJOURNMENT

The meeting adjourned at 6:05p.

APPROVED AND ADOPTED THIS 21st day of December, 2017.

ATTEST:


Teresa Ramirez
Recording Secretary


Maryann Welch
President

**GRAYS HARBOR COMMUNITY HOSPITAL
BOARD OF DIRECTORS REGULAR MEETING
November 28, 2017**

COMMISSIONERS PRESENT

Andrew Bickar, District 4
Michael Bruce, District 2
Miles Longenbaugh, District 3
Pete Scroggs, At Large
Robert Torgerson, At Large 1
Becky Walsh, District 5
Maryann Welch, District 1

OTHERS PRESENT

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

BOARD EDUCATION

Education was provided by Brad Wallace, IT Director, on Cybersecurity (see presentation slide deck for details).

CALL TO ORDER

President Welch called the meeting to order at 6:26p.

Public Comment – Agenda Topics

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

CONSENT AGENDA

Minutes

- Minutes of October 24, 2017 Hospital Board meeting.
- Minutes of November 14 Special Board meeting.
- Minutes of October 17, 2017 Board Quality Committee meeting.
- Minutes of October 19, 2017 Board Finance Committee meeting.

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

BOARD DISCUSSION AND ACTION

Medical Staff Credentialing

Submitted was the Medical Staff Credentialing Report.

ACTION: A motion was made by Commissioner Bickar, seconded by Commissioner Walsh, and unanimously carried to approve reappointment of David Freidenberg, MD, as Active Staff for a period of two years in the Specialty of Emergency Medicine.

ACTION: A motion was made by Commissioner Scroggs, seconded by Commissioner Bickar, and unanimously carried to approve appointment of Anthony Guynes, MD, as Provisional Staff for a period of one year in the Specialty of Emergency Medicine.

ACTION: A motion was made by Commissioner Walsh, seconded by Commissioner Torgerson, and unanimously carried to approve appointment of Ryder Olson, MD, as Provisional Staff for a period of one years in the Specialty of

Emergency Medicine.

ACTION: A motion was made by Commissioner Torgerson, seconded by Commissioner Walsh, and unanimously carried to approve reappointment of David Newman, 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 Bickar, seconded by Commissioner Scroggs, and unanimously carried to approve reappointment of Christopher Roberts, 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 Torgerson, seconded by Commissioner Walsh, and unanimously carried to approve appointment of Tonya Grissam, MD, from Locums to Provisional for a period of one year in the Specialty of Pediatrics.

ACTION: A motion was made by Commissioner Scroggs, seconded by Commissioner Torgerson, and unanimously carried to approve reappointment of Daniel Byrd, MD, as Consulting Staff for a period of two years in the Specialty of Medical Oncology.

ACTION: A motion was made by Commissioner Torgerson, seconded by Commissioner Walsh, and unanimously carried to approve reappointment of Timothy Troeh, MD, as Active Staff for a period of two years in the Specialty of Internal Medicine.

ACTION: A motion was made by Commissioner Bickar, seconded by Commissioner Scroggs, and unanimously carried to approve reappointment of John Eiland, DO, as Active Staff for a period of two years in the Specialty of OB/GYN.

ACTION: A motion was made by Commissioner Torgerson, seconded by Commissioner Bickar, and unanimously carried to approve reappointment of Elizabeth Miller, RNFA, as an Allied Health Professional for a period of two years in the Specialty of Surgery.

A multitude of resignations were noted for Emergency Medicine, Teleradiology, and Urology. The Teleradiology resignations were due to a change in vendor from NightShift to OnRad. Of special note was the retirement of Stephen, Reznicek, MD.

COMMITTEE REPORTS

Board Quality Report

Commissioner Longenbaugh provided report on the November Board Quality Committee meeting, with information encompassing:

- The Patient Advocate brought forward a patient compliment. There have been no future complaints on noise at night. An increase has been noted in complaints regarding the ED throughput process.
- Ethics Committee Four Box methodology was explained. The methodology is a way to approach decision-making for ethics and applying it across the board with departments.

- ED Report; The majority of metrics has seen a positive decrease. Door to Doc time is down to a little over 31 minutes. There has been an increase in D-Diff patients, which has impacted housekeeping and linen service. A Patient Ambassador is now rounding on the Medical Floor to solicit patient feedback on HCAHPS questions in order to see if there are issues that can be addressed real-time while patients are in the hospital.
- Sepsis came in at 55% above the national benchmark of 40%. Early recognition and follow-up is critical in order to meet the bundle requirements. A Sepsis Committee has been formed that includes nurses from all the units, of which some are becoming sepsis experts in order to communicate with other staff on the floors. Melanie explained how working with Kimberly is working with GH College in order to provide sepsis education, and would like to eventually educate at SNF facilities.
- Quality Report; DOH resurvey on October 12th was completed with no deficiencies identified.
- DOH Audit Report; In October there were 878 hand washing observations conducted, with staff at 93% compliance.
- Nursing Outcomes Report; The number of falls continues to be low, and falls with injury are extremely low.
- Immediate Use Steam Sterilization; Outcomes have been good; however, intermittent spikes have been due to the main sterilizer being down.
- Infection Control Report; Surgical Site Infections continue to be below the national benchmark. There have been no Catheter Associated UTI's or Central Line Blood Stream infections to date this year. Public Relations worked with the Foundation who paid for coffee coupons ("shot for a shot"), which improved the influenza vaccine compliance from 88% last year to 99% this year.
- Utilization Review Report; There were 9 of 19 patients between July and the present that didn't meet criteria according to Medicare, and therefore the hospital was denied reimbursement; however, McKesson criteria used by the hospital indicates that the patients did meet criteria.
- Hr report; Employment is being provided to 661 employees. GHCH Turnover Rate continues to meet or be lower than the general industry over the past three years. The unusually high number of terminations has been driven by the Housekeeping positions, as it is a physically demanding job. Starting January 1st the hospital's Payroll Department will be processing payroll for HMG. The number of L&I claims attributed to interactions with combative patients has increased six-fold since 2015.
- Diagnostic Imaging Report; Dr. Stengel provided review of the new report being submitted to the Committee. Have a really good and thorough peer review process, with studies reviewed by multiple sets of providers.

Commissioner Walsh added that the patient satisfaction vendor is being changed from PRC to Press Ganey, whose surveys are provided through the mail.

Board Finance Report

Commissioner Scroggs provided report on the November Board Finance Committee meeting, with information encompassing:

- Total Revenue came in at \$34M; Deductions from Revenue was \$26.7M; Operating Revenue came in at \$7.6M; Expenses were \$9.5M; Net Income came in at loss of \$1.672M.
- Operating Revenue came in at \$1.4M short of the budget; ED visits continue to be down from budget; Inpatient Volumes were strong, however, HarborCrest had a dip in volume;

Agency continues to be a challenge financially – initiatives are in place to reduce the expense; Outpatient Surgery has been below budget for much of the year.

- Days Cash on Hand are down. One impact is that Accounts Receivable is increasing, however, the team is working hard to address various issues.
- Bond Covenants; Debt Service Ratio is declining, however, above target; Excess Margin is above target; Cushion Ratio and Liquidity Ratio went down and is well below target.
- New statement was presented to the Committee related to cash flow.
- 49-Bed Project; A few licensing issues are being addressed related to HarborCrest. Some of the practitioners and physician assistants will have to be reclassified and employed by the hospital vs. HMG.
- Productivity; A great deal of conversations are being held on productivity. MGMA will be conducting an efficiency benchmarking assessment of HMG. Several issues are being addressed within the Coding Department. Truven data is being utilized by departments to meet benchmarks. If all departments were operating at the 50th percentile, it would have had a \$5M positive impact on hospital financials.

Mr. Vessey brought forward that after the Hospital did not meet Bond Covenants the end of 2014, Key Bank required the hospital to conduct an operational assessment and to implement initiatives that would improve financials. In 2015, much of the focus was on acquiring the Sole Community Hospital and PHD status, and Key Bank consultants were satisfied with these tactics. The overarching challenge in healthcare is that the county's major payor is Medicaid and Medicare, which will typically only provide a 1% or 1.2% increase year-over-year; however, costs are increasing at a greater rate than the 1% or \$1.2 reimbursement. During the time of the assessment, the hospital did not have an established benchmark to set departmental productivity, and the bank required the hospital to engage with a firm to conduct a productivity assessment and to develop tools to monitor productivity on an ongoing basis. Truven is a widely used product with data that includes over 750 hospitals. GHCH is compared against a peer group of like-size hospitals based on units of service. The current target of the 50th percentile is the median/average in which all departments' productivity is being measured against.

Commissioner Bickar inquired about the incentive being offered if Accounts Payable is able to collect \$25M by year end, in order to improve cash. Mr. Vessey indicated that \$8M in collections is typical per month, and a vendor was engaged to assist the department in accelerating cash flow. At this point in time the department is not on target to meet the goal.

Mr. Vessey also brought forward that over the summer, 835 technology was implemented in order to augment a process of hand-keying reams of insurance remittances that was still in place. Bugs continue to be worked out of the system.

Chairman's Report

Medical Staff Bylaws/Rules & Regulations

Submitted were revised Medical Staff Bylaws/Rules & Regulations for Board approval. Earlier in the year a mock survey was conducted and after a review of the Bylaws, some recommendations were made in order to bring language into compliance with CMS and Joint Commission standards. Revisions reflect the recommendations, most of which address regulatory issues vs. impact on processes.

Action: A motion was made by Commissioner Torgerson, seconded by Commissioner Longenbaugh, and unanimously carried to approve the revised Medical Staff Bylaws/Rules & Regulations.

Holiday Social

The Medical Staff and Board Holiday Social is scheduled this Friday at 6:30p at the Aberdeen Mansion.

Employee Forums

The December Employee Forums are scheduled as follows:

4 th	10:00a	East Campus	6 th	1:30p	West Campus
5 th	3:00p	East Campus	7 th	7:30a	West Campus

ADMINISTRATION

Executive Suite Summary

Submitted for review was the Executive Suite Summary Report. It was noted that Healogics Contract Management has recruited a new Director for Wound Healing, as Keith Ounsted, previous Director, took a position with HMG. The internal candidate will be announced in the near future.

OLD BUSINESS

None

NEW BUSINESS

Commissioner Torgerson brought forward a conversation he had with a young lady who shared about her recent ED visit, where it was discovered she had pneumonia and was septic. Her early treatment was very successful and she recovered very quickly.

PUBLIC COMMENT – General

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

NEXT MEETING

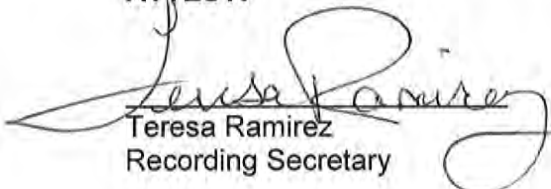
December 21st 1:00p Room C

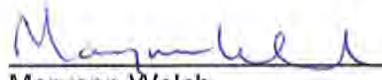
ADJOURNMENT

The meeting adjourned at 7:17p.

APPROVED AND ADOPTED THIS 21st day of December, 2017.

ATTEST:


Teresa Ramirez
Recording Secretary


Maryann Welch
President



FINANCIAL STATEMENTS

November 2017

GHCH Consolidating Balance Sheet—Assets

11/30/17



	Total 11/30/17
CURRENT ASSETS:	
Cash	4,496,782
Temporarily Restricted Cash-Peds	0
Patient Receivables:	
Gross Patient Receivables	63,951,593
Less Allowance for Uncollectibles	(42,390,284)
Net Patient Receivables	21,561,309
Other Receivables	1,518,464
Third Party Receivables	0
Inventories	1,933,760
Prepaid Expense	530,911
Temporarily Restricted Curr Assets	989,841
Other Current Assets	1,305,077
Total Current Assets	32,336,146
Board Designated Assets	3,773,387
Property, Plant & Equipment	
Land & Land Improvements	2,185,947
Building & Improvements	68,082,971
Medical Office Building	1,317,699
Equipment	38,355,533
CIP	309,228
Total Fixed Assets	110,251,378
Accumulated Depreciation	(72,796,261)
Net Property, Plant & Equipment	37,455,117
Other Assets:	
Reserve Fund	2,147,453
Phys Loans/Guarantees (after 2001)	-55
Other Non current Assets	2,833,126
Intangible--Pension	371,613
Investments	275,659
Deferred Pension Outflows	1,805,163
Permanently restricted Assets	6,324,782
Total Other Assets	13,757,741
TOTAL ASSETS	87,322,390

GHCH Consolidating Balance Sheet—Liabilities 11/30/17



	<u>Total 11/30/17</u>
CURRENT LIABILITIES	
Short Term Notes Payable	3,000,000
Accounts Payable	10,277,588
Due to Third Parties	638,149
Payroll & Related	3,438,410
Other Current Liabilities	1,958,678
Current Portion -LT Debt	<u>2,114,911</u>
Total Current Liabilities	21,427,736
Long Term Liabilities	<u>2,833,126</u>
Total Long Term Liabilities	2,833,126
LONG TERM DEBT	
Notes Payable	1,849,597
Bonds Payable	<u>26,347,267</u>
Total Long Term Debt	28,196,864
Total Liabilities	<u>52,457,726</u>
EQUITY	
Fund Equity	36,092,805
Equity--Prior Year	(3,024,720)
Permanently Restricted Assets	6,324,782
Reserve for Pension/Other	1,497,903
Net Income(Loss)--Current Year	<u>(6,026,104)</u>
Total Equity	34,864,665
TOTAL LIAB & FUND EQUITY	<u><u>87,322,390</u></u>

**Grays Harbor Community Hospital
Consolidated Income Statement
11/30/2017**



	Month	Month Budget	Variance	% Variance
Revenues				
Inpatient Revenue	9,107,105	9,159,030	(51,925)	-0.57%
Outpatient Revenue	13,749,933	14,373,176	(623,243)	-4.34%
ER Revenue	5,951,652	7,906,751	(1,955,099)	-24.73%
Physician Revenue	1,261,143	1,604,895	(343,752)	-21.42%
Total Revenue	30,069,832	33,043,852	(2,974,019)	-9.00%
Revenue Deductions				
Bad Debt	495,106	493,066	2,040	0.41%
Charity	53,659	112,657	(58,998)	-52.37%
Other Deductions	23,327,175	24,200,125	(872,950)	-3.61%
Total Revenue Deductio	23,875,941	24,805,848	(929,908)	-3.75%
Net Patient Revenue	6,193,892	8,238,004	(2,044,111)	-24.81%
Other Revenue	272,464	288,123	(15,659)	-5.43%
Net Operating Revenue	6,466,356	8,526,125	(2,059,769)	-24.16%
Expenses				
Salaries	3,558,369	3,445,206	113,163	3.28%
Benefits	1,245,257	1,201,994	43,263	3.60%
Professional Fees	997,506	1,166,417	(168,911)	-14.48%
Supplies	998,134	930,305	67,829	7.29%
Utilities	79,503	86,249	(6,746)	-7.82%
Purchased Services	751,614	876,177	(124,563)	-14.22%
Agency	204,375	68,703	135,672	197.48%
Depreciation	294,162	320,960	(26,798)	-8.35%
Rent/Lease	161,539	95,598	65,941	68.98%
Other	247,600	303,699	(56,099)	-18.47%
Insurance	46,934	83,334	(36,400)	-43.68%
Interest	120,656	146,250	(25,594)	-17.50%
Total Expenses	8,705,650	8,724,890	(19,241)	-0.22%
Net Operating Income	(2,239,294)	(198,765)	(2,040,528)	1026.60%
Operating Margin %	-34.63%	-2.33%		
Non-Operating	203,967	25,436	178,531	701.88%
Net Income	(2,035,328)	(173,329)	(1,861,999)	1074.26%
Net Income Margin %	-31.48%	-2.03%		



FINANCIAL STATEMENTS

November 2017

GHCH Consolidating Balance Sheet—Assets

11/30/17



	Total 11/30/17
CURRENT ASSETS:	
Cash	4,496,782
Temporarily Restricted Cash-Peds	0
Patient Receivables:	
Gross Patient Receivables	63,951,593
Less Allowance for Uncollectibles	(42,390,284)
Net Patient Receivables	21,561,309
Other Receivables	1,518,464
Third Party Receivables	0
Inventories	1,933,760
Prepaid Expense	530,911
Temporarily Restricted Curr Assets	989,841
Other Current Assets	1,305,077
Total Current Assets	32,336,146
Board Designated Assets	3,773,387
Property, Plant & Equipment	
Land & Land Improvements	2,185,947
Building & Improvements	68,082,971
Medical Office Building	1,317,699
Equipment	38,355,533
CIP	309,228
Total Fixed Assets	110,251,378
Accumulated Depreciation	(72,796,261)
Net Property, Plant & Equipment	37,455,117
Other Assets:	
Reserve Fund	2,147,453
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Grays Harbor Public Hospital District No. 2 Board of Commissioners

DISTRICT BOARD
Meeting Agenda
December 21, 2017
Conference Room C; West Campus

CALL TO ORDER

- I. Excused Absences
- II. Public Comment - Agenda Items (sign-in sheet at entrance; please limit comments to three minutes)

CONSENT AGENDA

- I. District Board Minutes; November 28, 2017
- II. November Checks/Warrants; \$1,512.91

COMMITTEE / CHAIRMAN REPORTS

- I. Board Finance Committee Report
 - A. District Resolutions 2017-05 Bank of Pacific Loan Amendment
- II. Chairman's Report

OLD BUSINESS

NEW BUSINESS

- I. Nomination of 2018 Officers
- II. 2018 Annual Calendar

PUBLIC COMMENT

Public Comment – General (sign-in sheet at entrance; please limit comments to three minutes)

NEXT MEETING

Tuesday, January 23rd Room C Following 1:00p Hospital Board Mtg.

ADJOURNMENT

Grays Harbor Public Hospital District No. 2 does not discriminate against or exclude anyone from participation in public meetings. Requests for assistance should be made by contacting Administration at 360-537-5117, 48 hours in advance of the meeting. Thank you.

NOTE: This is an "open" agenda. The Commissioners or Recording Secretary of the Board may elect to add, delete, or change items prior to or at the meetings. This does not include legally advertised public hearings.

Our Mission

*Heal, Comfort and Serve
Our Community with Compassion.*

Our Vision

*To provide each patient superior service
and safety, exceptional by any standard.*

Our Values

Respect • Integrity • Compassion • Excellence

Our Standards

*Communication • Accountability • Professionalism •
Teamwork • Ownership • Safety • Service*

Our Desired Future State

*“We will be an integrated regional healthcare network,
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BOARD EDUCATION

Workplace Harassment – Julie Feller, Executive Director Human Resources

- Presentation Slides
- HR000 Nondiscrimination Policy
- HR001 Harassment in Employment Prohibited

CALL TO ORDER

- I. Excused Absences
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CONSENT AGENDA

- I. Hospital Board Minutes; November 28, 2017
- II. Board Quality Minutes; November 21, 2017
- III. Board Finance Minutes; November 16, 2017

BOARD DISCUSSION AND ACTION

- I. Medical Staff Credentialing Report (no report this month)

COMMITTEE / CHAIRMAN REPORTS

- I. Board Quality December Report – Committee Chair
- II. Board Finance December Report – Committee Chair
 - A. Charity Care Policy
- III. Honoring Commissioner Pete Scroggs; June, 2007 – December 2017

ADMINISTRATION

- I. Executive Suite Summary Report – Tom Jensen, CEO
 - A. HMG Recruiting Report (no updates)
 - B. Employee Forum Slides

OLD BUSINESS

NEW BUSINESS

- I. Nomination of 2018 Officers
- II. January Education
 - HIPAA & Privacy – recommended by Board Quality
 - GHCH Communication Policy / Process
 - Crisis Intervention Prevention Training
- III. Good of the Order

PUBLIC COMMENT

Public Comment – General (sign-in sheet at entrance; please limit comments to three minutes)

NEXT MEETING

Hospital Board Mtg: Tuesday, January 23rd 6:00p Room C

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