

**GRAYS HARBOR COMMUNITY HOSPITAL  
BOARD OF DIRECTORS REGULAR MEETING  
September 22, 2020**

**COMMISSIONERS PRESENT**

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

**ABSENT**

Andy Bickar, District 4

**OTHERS PRESENT**

Niall Foley, CFO, GHCH  
Tom Jensen, CEO, GHCH  
Chris Majors, Director Public Relations, GHCH  
Brad Wallace, Director of Information Technology,  
GHCH  
Dr. Anne Marie Wong, CMO, GHCH  
Melanie Brandt, CNO, GHCH  
Cindy Reynolds, Exec. Asst., GHCH

Members of the Public

**EDUCATION**

Mr. Brad Wallace, Director of Information Technology provided presentation on the Information Technology Department's accomplishments since the 2019 ransomware attack. Included in the presentation was the history of the cyber event, Phase 1 Reaction, Phase 2 Cleanup, Phase 3 Rebuild and the future.

Commissioner Thomas inquired whether there are additional items that require recovery. Mr. Wallace responded the critical pieces have been completed and there remain some non-critical items that still require recovery.

Commissioner Csernotta inquired how Meditech was protected during the event. Mr. Wallace responded the Meditech system was protected because it is built on old technology thus protecting the EMR.

Commissioner Csernotta inquired if the Meditech system is on the most recent version. Mr. Wallace responded the system is certified however it is on an older version.

Commissioner Dilley inquired if there is a good plan in place to roadmap where we want to go with hardware, software, and the costs associated with it. Mr. Wallace responded yes, we are working with Administration and vendors to continually develop for the future.

Commissioner Dilley thanked Mr. Wallace and the IT Department for the hard work and diligence in bringing the system back up.

**CALL TO ORDER**

Chairman Bruce called the meeting to order at 6:02p. Due to the COVID Pandemic's ongoing restrictions, today's meeting was conducted via Zoom.

**CONSENT AGENDA**

Submitted under the Consent Agenda were the Hospital Board Draft Minutes of August 25, 2020.

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

**BOARD DISCUSSION AND ACTION**

**Medical Staff Credentialing**

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

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

## **CHAIRMAN / COMMITTEE REPORTS**

### **Chairman's Report**

Chairman Bruce expressed gratitude for Mr. Majors, Mr. Foley and Ms. Reynolds, for their diligence, hard work and service.

Various call-in times will be scheduled this week for Commissioners and Mr. Jensen to discuss a hospital business matter.

## **COMMITTEE REPORTS**

### **Board Quality Report**

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

- A positive indicator of the importance of the Board Quality Committee is there were 17 people in participation at this month's meeting, three of which were physicians.
- Every meeting is started with a patient story. This month a story was shared of a patient who contacted Commissioner Csernotta directly to relay an unresolved billing matter. The Patient Financial Services Department, under Mr. Foley's leadership, has been working diligently to rectify billing matters. Commissioners were reminded to take care in communicating with patients through social media.
- One Board strategic focus for 2020 was ED's Left Without Being Seen (LWBS). Ms. Malloque and Dr. Mendelson reported the national LWBS benchmark is 2% or less. For the month of August the ED measure was at 1.9%.
- Brief discussion was held on the Board's Adhoc HCAHPS work group. Commissioner Csernotta was appointed as the Commissioner Representative to the group. It was determined Commissioner Csernotta will meet with Ms. Brandt and Ms. Tully to determine participants in the work group which will work on patient safety and patient quality indicators.
- The organization's quality survey vendor will be adding ED patient surveys.
- No claims or legal notices were received in the month of August.
- Cardiac Cath Lab provided report. Behind the scenes work is being done within the department. Next steps will be to market referring providers in order to share services provided by the department.

### **Board Finance Report**

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

- Attorney Brad Berg provided insights into the difference between the District and Hospital Boards. Of note:
  - The PHD is a governmental entity with elected commissioners. There are two separate corporations. In order to bring the two corporations together, in 2014

the Articles of Incorporation of the hospital were revised to create the PHD as the sole member.

- It is not possible as a legal matter to merge a governmental entity with a non-profit corp. The only way to eliminate the non-profit would be to transfer all the assets, licenses, liability, etc. owned by the non-profit to the PHD. At the time, and because of the complexity, costs, and regulatory requirements associated with this transaction, the decision was made to leave the non-profit in place with the PHD serving as the sole member having complete control over the non-profit and having overlapping Board members/Commissioners.
  - The PHD can levy properties. The non-profit cannot.
  - Commissioner Dilley brought forward one concern expressed to him from constituents is having two separate board meetings. It is cumbersome and the community does not understand the difference between the two boards. Can we reduce to holding a monthly meeting of the PHD where much of the business would be conducted and then hold an annual or semi-annual meeting for the non-profit?
  - Mr. Berg reported there is not a requirement for both boards to meet every month. Facilitating the meetings in this manner could work except that it would be the hospital board with the primary tasks and the lesser meetings for the PHD because the hospital business activity occurs at the non-profit corporation level.
- 2021 Budget Assumptions; Mr. Foley presented the 2021 Budget Assumptions. Of note:
    - Mr. Foley reported the difficulties in preparing the assumptions given the unknowns. We are learning from the COVID environment and will be able to recover more quickly because of the experience.
    - The main focus is expanding Primary Care and Prompt Care services.
      - We may be able to add low income dental care and psychiatric services.
    - Telemedicine was allowed for RHC's due to COVID which we may be able to continue.
    - Capital Assumptions; will focus on IT Infrastructure expansion and improvements, security, and break/fix.

#### Highlights for August 2020:

- (-) COVID-19 Impact
  - 36% reduction in MTD total OP volumes compared to same period 2019; 45% reduction YTD
- (+/-) Surgical Volumes
  - IP Surgical cases 3% below target MTD, 9% below YTD
  - OP Surgical cases 3% below target, 10% below YTD
- (-) IP Acute Volumes
  - Acute admits 2% below target MTD, 6% below YTD
  - Patient Days 7% below target MTD, 9% below YTD

#### Consolidated Financial Summary:

Net Operating Revenue:	\$ 6,579,923
Total EBIDA Expenses:	\$ 7,259,934

EBIDA Gain (Loss)	\$ (680,011)
Net Operating Gain (Loss):	\$ (1,102,895)
Net Income Gain (Loss):	\$ (836,122)

Financials / Statistics:

- COVID-19 continues to have an impact on volumes and operating costs. People continue to stay home and are choosing to delay their healthcare. The steps taken by the community to slow the spread of COVID has also reduced the spread of other viruses and infections. It is important to note these trends and impacts are global.
- Some of the challenges with COVID-19 is the additional services being provided that were not required prior to the pandemic such as additional staff for screening and infection control measures and an increase in PPE. Supply chains around the world have been impacted by the pandemic thus increasing supply costs.
- We continue to work on contract renewal with Amerigroup.
- OP registration is down 21% for the month, down 23% YTD. The provision of drive through COVID testing is boosting OP registrations hiding the significant impact of COVID-19 on OP volumes.
- Strong cash on hand due to federal emergency funds and PPP loan. \$14.5M of the \$32M cash on hand is the Medicare advance loan that remains anticipated to be returned.
- The balance sheet overall is looking better as we continue to drive AR and AP down as we recover.
- Days revenue in AR; the Patient Financial Services team continues to work hard to improve AR which is manageable at this point. We will continue until the goal of 55-65 days is reached.
- FTEs were higher than desired based on volumes and budget.

Board Finance Committee will be recommending to the District Board approval of Resolution 2020\_04; Interlocal Agreement with GH Fire Protection District No. 2.

**GHCH Board Foundation Report**

The Board Foundation meeting is not scheduled until September 28. Report out will be provided at the next Hospital Board meeting. Commissioner Walsh will be speaking with the Foundation Chair regarding Committee membership opportunities.

**Executive Suite Summary Report**

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

- Mr. Jensen expressed gratitude and thanks to the Executive Team and Commissioners for their continued dedication throughout this difficult pandemic. We are not yet at a stabilization point with COVID and the county continues to increase in positive cases.
- Ms. Tschimperle has done tremendous work in provider recruitment which remains a key focus. Chairman Bruce echoed Mr. Jensen's sentiments.

**OLD BUSINESS**

None.

**NEW BUSINESS**

Board Education

The October Board Education selected will be an overview of the 2020 CHNA report with CEO Jensen providing review/report.

**GOOD OF THE ORDER**

Chairman Bruce reminded Commissioners to turn in September time cards on September 30 and to return their completed flu vaccine forms to Ms. Reynolds. Once the vaccines are received, Ms. Reynolds will make arrangements with Commissioners to obtain their flu vaccines from the Infection Control Director.

Chairman Bruce also reminded Commissioners of the Cyber Security Webinar that is being provided this week by the Washington State Hospital Association.

**PUBLIC COMMENT** – General Topics

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

**ADJOURNMENT**

Chairman Bruce called for meeting adjournment. All Board members were in unanimous agreement to adjourn the meeting.

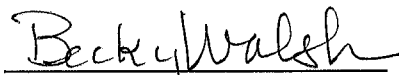
The meeting adjourned at 7:03 pm.

**MINUTES AND ATTACHMENTS APPROVED AND ADOPTED THIS 27<sup>th</sup> day of October, 2020.**

**ATTEST:**



Cindy Reynolds  
Executive Assistant



Commissioner Walsh  
Board Secretary