**CASCADE MEDICAL**
PARTNERS IN YOUR HEALTH

Minutes of the Board of Commissioners Meeting
Cascade Medical Center – Arleen Blackburn Conference Room
Public Hospital District No. 1 – October 23, 2018

**Present**: Bruce Williams, President; Mall Boyd, Vice-President; Mary Helen Mayhew, Commissioner; Helen Rayfield, Commissioner; Tom Baranouskas, Commissioner; Diane Blake, CEO; Jim Hopkins, Chief Financial Officer; Shawn Ottley, Chief Clinical Officer; Jill Barich, Executive Assistant.

**Guests**: Rachel Hansen, PR Coordinator; Sara Leighton, RN; Brian Pulse, EMS Director; Lester Stoltz, EMT; Bob Jennings, CM Foundation

| Topics | Actions/Discussions |
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| **CALL TO ORDER** | ▪ Vice President Mall Boyd called the meeting to order at 9:00 AM, following a board education session which recapped the WSHA Annual Meeting and Governance Day. Mall and Tom Baranouskas also discussed the Coverys Risk Management workshop they attended with Shawn Ottley in Moses Lake. |
| **PLEDGE OF ALLEGIANCE** | ▪ Pledge of Allegiance was recited. |
| **CONSENT AGENDA** | ▪ Mall moved to remove the agenda from the Consent Agenda and to approve the remaining items listed in the consent agenda.<br>▪ The agenda needs to be revised to move the finance report to follow Finance Committee Report.<br>▪ Mary Helen seconded the motion.<br>▪ Motion was approved.<br>▪ Mary Helen moved to approve the revised agenda for the meeting.<br>▪ Tom seconded the motion.<br>▪ Motion was approved. |
| **COMMUNITY INPUT** | ▪ None. |
| **FOUNDATION REPORT** | ▪ Bob Jennings reported on recent events for the Foundation. The Home and Garden Tour raised $7,800. The Benevolent Night at the Wild Flower raised $1,000, and the Think Pink Campaign brought in $2,000.<br>▪ The Foundation has pledged $100,000 toward the new mammography unit in 2019.<br>▪ The Fall Campaign will kick off in a couple weeks. |
| **VALUES** | ▪ Diane shared a story from the New York Times about Community. |
| **Provider Check-in: Kelly Boeing, PA-C** | ▪ The clinic now has 3 support staff for each pod of 2 providers.<br>▪ Kelly came from a clinic that had a team-based approach and is sharing her knowledge of how that worked with our staff.<br>▪ Clinic providers are working on an opioid policy to make subscribing of opioids consistent throughout the clinic unless the patient is on a pain contract.<br>▪ Kelly has enjoyed getting to meet so many people in our community and feels like a part of the community. |
| **QI Presentations** | ▪ Sara Leighton presented her QI project for 2018 on ED charge capture. |
| **PR Update** | ▪ Rachel reported we are offering free mammograms for uninsured or under insured women. Mammography reports they have been busy this month.<br>▪ November 3rd Lester Stoltz will be teaching a CPR class. Looking at doing another class in January.<br>▪ PT brought in an expert on mountain biking to teach the therapists how to adjust the bikes for optimal rider performance.<br>▪ The second staff "Ted Talk" with Dr. Moholy will be next week on October 30th.<br>▪ Announcing new staff on the website.<br>▪ Part Time resident advisory council meeting is November 3rd and we will be talking about the upcoming EMS Levy.<br>▪ Editing a brochure on Behavioral Health that explains the service so patients can take the information and decide if they want to participate. |
| **COMMITTEE REPORTS** | |
| a. Finance Committee | ▪ Second reading of the budget will be reviewed today. The committee recommends approval.<br>▪ Financial education follow-up – we need to turn history into data for the board. How do we use that data to focus on the future and help the board take a 3-5 year look at where to focus? We hope to have this information to use for our strategic planning in 2019. |

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| | ▪ Reviewed bond compliance covenants – all reports have been submitted.<br>▪ The Finance committee recommends staying with DZA as our auditor for next year. |
| **2019 Budget Hearing** | ▪ Mostly minor adjustments have been made to the first draft of the budget.<br>▪ Significant changes – making sure we used the most current volume projections, checking revenue per unit for all departments. Also incorporated the results of the Interim Medicare cost report. The projected margin without increases should be $409,000. One of the schedules had a wrong number of $395,000. The margin is 2.1% at $409,000.<br>▪ Some FTE adjustments were made from the first draft. The 2018 column already includes several adds that were not included in the 2018 budget, such as the addition of Dr. Fosnaugh. There is some movement in admitting staff and the ED Admitting desk will be staffed with an ED Tech during the week-days so they will have a dual role. Removed part of an FTE in Rehab, but they still have some increase.<br>▪ Cash flow for the year, the starting number is anticipating we will be paying back the Medicaid EHR incentive. The schedule for the purchase of capital equipment is unknown. The mammography unit will be purchased early in the year. Tax revenues come in April and October. Cash flow is expected to be ($78,000) less than the beginning of the year, but we have over $1,000,000 budgeted for capital equipment.<br>▪ Wage increase options – three options are presented to the board for consideration. The finance committee reviewed the wage increase options and recommends the option of a 2.5% increase for management and providers and a 1% increase for non-union staff. Non-union staff also receive a 1.5% Step increase on their anniversary date. Commissioners are reminded that we have $334,000 in OPEB expense, which is a non-cash expense that must be booked each year.<br>▪ Capital budget addition of 2 defibrillators that must be replaced due to not being able to obtain batteries for our current units.<br>▪ The budget includes $60,000 Foundation donation, but they have committed to $100,000 toward the new mammography equipment. |
| **DISCUSSION / REPORT: OLD BUSINESS** | |
| a. EMS Levy Presentation | ▪ The current EMS Levy expires at the end of 2019. The proposal is to run the levy in February 2019, which would allow for the levy to be run again if it would fail. It requires a 50% + 1 approval to pass.<br>▪ Reviewed the top 10 diagnoses and who we serve.<br>▪ Our hospital district is very large at 1200 square miles, including two mountain passes.<br>▪ Reviewed average response times for Leavenworth, Peshastin and Plain/Lake Wenatchee<br>▪ EMS staff is visible in the community in a variety of ways teaching CPR classes, Arrival Alive for high school students, education for all Cascade School District 4th graders, and other community events.<br>▪ EMS Funding is supplemented by the hospital district by $400,000 - $500,000 a year.<br>▪ We will be contacting several service clubs to schedule time to present this information to their members. |
| **ACTION ITEMS: NEW BUSINESS** | |
| a. Resolution 2018-05 – 2019 Budget Approval | ▪ The finance committee recommends approval of the 2019 budget with a 2.5% increase for Managers and providers and a 1% annual increase for non-union staff.<br>▪ Tom moved to approve Resolution 2018-05, 2019 Budget, with the above stated increases for staff.<br>▪ Mary Helen seconded the motion.<br>▪ Motion approved. |
| b. Resolution 2018-06 – M&O Tax Levy Approval | ▪ Tom moved to approve Resolution 2018-06, M&O Tax Levy Approval.<br>▪ Mall seconded the motion<br>▪ Motion was approved |
| c. Resolution 2018-07 – EMS Tax Levy Approval | ▪ Mall moved to approve Resolution 2018-07, EMS Tax Levy Approval.<br>▪ Tom seconded the motion.<br>▪ Motion was approved |
| d. Credentialing Approvals | ▪ Mall moved to approve Dr. Gentles Active privileges effective October 28, 2018 – October 31,2020<br>▪ Mary Helen seconded the motion.<br>▪ Motion was approved |
| **DISCUSSION / REPORT: NEW BUSINESS** | |
| a. Q3 Dashboard | ▪ Reviewed the Q3 Dashboard. There are several areas that are showing behind plan, but a lot of good work is happening to move these measures forward. |

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| **September Financials** | ▪ We posted a negative margin in September, but are still ahead YTD.<br>▪ Revenues were very close to budget, however, we had higher contractual allowances due to additional reserve for a correction on the interim Medicare Cost Report. We have new interim rates for the remainder of 2018 and we increased the contractual allowance. Medicare patient days have been higher and we now have a payable of $477,000.<br>▪ Expenses were over budget, partly due to the OPEB line item, professional fees are high due to registry nursing; supplies - Lab had higher expenses than budgeted and some pharmaceutical expenses were high.<br>▪ Statistics – Most departments were either down or holding steady in September.<br>▪ Cash receipts – collections were ahead of budget. We are ahead $1.3 million YTD<br>▪ AR days are up about 2.5 days, but still below 60 and higher revenue makes the days grow. The percent of accounts over 90 days, excluding installment accounts, is at 20.2%. |
| **Administrator Report** | ▪ Opioid challenges – WHSA and WSMA are working on initiatives to reduce the use of opioids. There is now a provider registry for providers to compare prescribing habits with others across the state and in their specialty, etc. Our providers signed up to participate a few months ago. WSHA reported that less than 20% of organizations have signed up to participate in this initiative.<br>▪ Working on screening interviews for COO candidates. We hope to finish these by next week. There are some good candidates for this position and are looking for someone who is a good fit for our organization.<br>▪ ED Director and physician recruitment is slower. There is a physician with the Wenatchee ED physician group who is interested in some part time work, but is not interested in the ED Medical Director position. Dr. Jerome and Kathleen are working on in-patient coverage for during the week, which may shift the ED schedule and may open up some hours for the individual interested in part time work.<br>▪ Final stages of finalizing the contract with a podiatrist who will be here a couple times a month. He will do his own billing and will bring his support staff. He will lease space from us and it will make it more convenient for our patients to see a podiatrist.<br>▪ WRHAP group challenges – there is growing dissent with this group with the State. There is pressure being put on the group to break from the HCA on healthcare reform. |
| **Executive Session –**<br>Performance of a Public Employee (RCW: 42.30.110(1)(g) | ▪ The Board moved to Executive Session at 11:30 AM for 45 minutes, to review the performance of a public employee.<br>▪ The board extended the Executive session at 12:15 PM for an additional 15 minutes<br>▪ The board returned to Open session at 12:30 PM. |
| **BOARD ACTION ITEMS** | ▪ The Part-Time Resident Advisory Council Meeting is November 3rd.<br>▪ The QI meeting for November 8th needs to be rescheduled.<br>▪ Mary Helen and Tom are trading dates for Open Forums.<br>▪ Helen and Mary Helen will be at the Foundation Retreat tomorrow, October 24th. |
| **COMMISSIONER COMMENTS** | ▪ Lots of good information presented today. |
| **ADJOURNMENT** | ▪ There being no further business, Tom moved to adjourn the meeting.<br>▪ Mary Helen seconded the motion.<br>▪ The meeting was adjourned at 12:37 PM. |

Bruce Williams, President

Helen Rayfield, Secretary