

**CHELAN COUNTY PUBLIC HOSPITAL DISTRICT No. 2
LAKE CHELAN COMMUNITY HOSPITAL
MEETING OF THE GOVERNING BOARD**

**Sept. 27, 2016 – LCCH BOARD ROOM
1:30 PM – 3:32 PM**

MEETING MINUTES

CALL TO ORDER

Mary Signorelli called the meeting to order at 1:30 P.M.

Members Present:

Mary Signorelli, Board Chair
Phyllis Gleasman, Vice Board Chair
Tom Warren, Secretary
Fred Miller, Commissioner
Mary Murphy, Commissioner

Others in Attendance:

Kevin Abel, CEO
Vickie Bodle, CFO
Carol Velasquez, CNO
Kaitlyn Hetterscheidt, Go Lake Chelan
Ty Witt, MD. CMO
Arlene Abbot, Foundation Executive
Celeste Thomas, Community Relations
Jane Jedwabny, Sanctuary
Karen Collins, Community Member
Elmira Forner, Community Member
Robert Thompson, Community Member

Virginia Murphy, Foundation
Mary Pat Scofield, Community Member
David Dickes, Community Member
Jim Wall, Community Member
Joe Kunkel, Health Collaborative Facility
Lee Tinsley, Utilization Review
Judy Steele, Foundation Member
Mike Steele, Foundation Member
Marianne Patton, Community Member
Ken Peters, Environmental Director
Barry Leahy, Community Member

REVIEW OF MISSION:

- Our Mission is to provide patient-centered, quality healthcare with compassion and respect.

OTHER BUSINESS:

- David Dickes, former LCCH Board Commissioner, read from a statement that word is circulating in the valley that is detrimental to the facility planning for the hospital. He refuted the statements by detailing specific operational accomplishments, the hospital strategic plan, public input on past elections, and work done by outside consultants and financial advisors supporting the board's facility decisions.
- Fred Miller - responded that we can afford a new hospital as long as there is a bond. Reimbursements from Medicare and Medicaid pays us back based on our ratio of Medicare and Medicaid patients.
- Elmira Forner, former State Representative– Need a long term plan for the bow wave of coming financial changes with a capital project.
- Marianne Patton – Thank you for the reports on the website, and thank you for all the community focus meetings.
- Lee Tinsley – Worked for LCCH for 30 years. The building is old and doesn't meet our needs. He asked the Board to further the vision of those that were leaders in the past.

CONSENT AGENDA:

It was m/s/c to approve the Consent Agenda as presented:

1. Board Minutes of Aug 23, 2016.
2. Financial & Business Office Report

3. Vouchers/Warrants; \$743,022.37, in payroll direct deposits; \$1,286,848.56. Write offs: \$162,573.13 bad debt, Charity Care: \$9,645.11 Bankruptcy: \$0.00, with combined total of \$172,218.24.

Consent Agenda Motion: M. Murphy / F. Miller & approved by Board of Commissioners

SPECIAL REPORTS:

– Health Collaborative Facility Master Plan Cost Report – Joe Kunkel

- Joe Kunkel presented a Healthcare Collaborative Group report on the cost difference between renovation and expansion as compared to replacement facilities. Healthcare Collaborative Group reviewed reports, conducted a site visit, engaged a civil engineering firm to review access to hospital site, and evaluated costs compared to other recent facility projects in the Northwest. They broke it down to five options.

1. Provides cosmetic for existing facility with no expansion of clinic \$14,244,362
 - a) Still have semi private rooms.
 - b) There would be a disruption to daily operation which extends construction.
 - c) No additional space planned.
2. Provides for expansion of existing hospital \$56,528,623
 - a) Increase sq. footage by 33,000
 - b) Private rooms
 - c) Increase capacity in Emergency Department
 - d) Need second access road
 - e) Need a parking garage or acquisition of land for surface parking.
3. Provides for new clinic at Apple Blossom Site \$ 6,529,403
 - a) Still would have to do Option 1 with the Hospital
4. Provides new hospital at Apple Blossom with clinic to join later. \$44,550,220
 - a) Design hospital to except clinic infrastructure.
 - b) Duplicate lab and radiology
5. Provides both hospital & clinic at Apple Blossom \$51,589,310
 - a) Shared lab and radiology

- Joe Kunkel’s recommendation:

1. New building would be more efficient, and you would have forty-year life for amortization. A remodel would have fewer years for amortization.
2. New building retains and increases providers.
3. Apple Blossom property allows for expansion for future growth.

– Board Self-Assessment – Phyllis Gleasman and Mary Signorelli

- Phyllis Gleasman, Mary Signorelli, and Kevin Abel reviewed several sample board self-assessment forms. The majority of them were taken from the American Hospital Association Website.
- The board was asked to do the self-assessment and board assessment by the next board meeting. The results will be discussed at the Board Retreat.

– DEXA – Kevin Abel

- The DEXA system has developed issues with the scanning arm freezing and emitting high pitched noise. A financial analysis indicated that the system is profitable and from the medical staffs’ perspective it is an important service for the community. Kevin requested replacing the Corepoint Interface Engine, a capital item at \$56,805, with the General Electric DEXA system at \$51,928.

DEXA Motion: M. Murphy / P. Gleasman & approved by Board of Commissioners

– Board Retreat Facilitator – Kevin Abel

- We have two organizations interested in the facilitator position for the LCCHC board retreat, which will focus on our strategic plan. A community member recommended Colin Brine with Be Clearly from his work with the PUD and City of Chelan. Information on the Be Clearly is at <http://www.beclearly.com>. Jody Carona with Healthcare Facilities Planning and Development has

expressed interest as well. The Board chose Jody Carona with Healthcare Facilities Planning and Development.

Facilitator Motion: T. Warren / F. Miller & approved by Board of Commissioners

- **Facilities Public Meeting Agenda – Kevin Abel**
 - Enclosed in the packet was the Draft Agenda for the two community meetings which are planned for October 4th and 5th at the Manson Grange and the Chelan Senior Center. Health Facilities Planning & Development will facilitate the meetings and it has been recommended that we have small group breakout sessions.
- **Long Term Business Plan - Board**
 - Mary Murphy proposed that the commissioners do a long term business plan, at least 5 to 10 years, since a large capital project is being planned.
 - Kevin Abel, stated the LCCHC Strategic Plan is three (3) years, similar to many other hospitals.
 - Joe Kunkel, the consultant was asked and stated a financial projection longer than 3- 5 years should be done when planning a capital project.
 - The LCCHC Strategic Master Facility Plan goes to 2030 with Healthcare Facilities Planning and Development projections.
 - Mary stated that because of the proposed capital project and the changes in healthcare, it is even more important now to be sure that LCCHC priorities and financial business plan for longer than 3 to 5 years align with these changes.
 - The Long Term Business Plan has been deferred to the Board Retreat in November.

STATE OF THE HOSPITAL REPORTS

- **Outpatient – Kevin Abel, CEO for Brad Hankins, COO**
 - Dr. Bradley is returning from her maternity leave.
 - The Fun Run with Max in Mason drew over 100 kids and families.
- **Quality & Patient Safety – Carol Velasquez, CNO**
 - One patient from the Sanctuary fell on an outing.
 - There were four (4) patient or family concerns reported in August.
- **Patient Care Services –**
 - The Pharmacy is waiting the inspections by the Board of Pharmacy for the new sterile compounding system.
 - Radiology passed their Department of Health inspection.
 - Kristin Rainville, Emergency Department /Perioperative Services Manager has announced her retirement in December and Vernita Nolan Quality / Patient Safety Director has announced her retirement for March, 2017.
 - We have gone live with OBIX, and are now making refinements to documentation and work flow.
 - Swedish Neurology will provide education at Medical Staff regarding current practice in stroke and TIA management.
- **Chief Financial Officer – Vickie Bodle, CFO**
 - August financial statements closed with net income of \$142,624 for the month and \$240,730 for the year.
 - Combined AR for the hospital and clinic for the month was 61.4.
- **Chief Executive Officer –Kevin Abel, CEO**
 - **Mid Adopter Model** – The Chelan County Board of Commissioners sent a letter indicating that the county become a mid-adopter with the bidding for two Managed Care Organizations (MCO) to cover Medicaid clients in the region. If approved, this would begin the process of the integration of primary care and behavioral health. The North Central Washington Behavioral Health Organization would lose their funding and close by January 1, 2018 with the funding transferred to

the MCOs. Brad and Kevin are on a workgroup of providers in the region using the Transforming Primary Care Initiative as a model to prepare for this change.

- **Walk-In Clinic** – The LCC provider in the urgent care clinic is on an extended medical leave. We have brought in a locum provider at \$120 per hour to cover the months of September and October. We are hopeful the primary provider will be able to return to work in the near future.
- **Community Health Needs Assessment** – Brad and Agustin will attend the regional Community Health Needs Assessment regional meeting on October 6, 2016. This will be one of the final meetings required for LCCHC to complete our three-year update to the LCCHC Community Health Needs Assessment.
- **Emergency Generator Electrical System** – The Department of Health requested that we complete a technical assistance review with the construction review services staff prior to our meeting with L&I, the Fire Marshal’s Office and DOH. We have turned in the application and paid the \$500 fee. Janet Smoot from DOH is working with the engineer from Sazan on the issue and will give technical options prior to our meeting.

OLD & NEW BUSINESS

- **Action Items:** It was m/s/c to approve

A. Action Items:

1. Credentialing:

Kelly Bainbridge, PA-C

Cynthia Beecher, ARNP

Re-appointment

Locums

Family Medicine

Family Medicine

Action Items Motion P. Gleasman / T. Warren & approved by Board of Commissioners

BOARD EDUCATION: Washington State Innovations Project –

The Washington State Innovation Models Project End of Year Report focused on areas of supporting Accountable Communities of Health, building payment reform test models, practice transformation support hub, creating a plan for improving population health, workforce capacity and data analytics. The first year was focused on community health.

MEETING SUMMARY:

- Two public forums: Manson Grange, Oct 4th, and Chelan Senior Center, Oct. 5th at 5:30 P.M.
- Board Retreat will take place at Lakeside Lodge on Wednesday, Nov 9th at 9:30 – 3:30.

MEETING ADJOURNED:

- Meeting adjourned @ 3:32 P.M.

Submitted:



Board Secretary

10-25-16

Date

Attest:



Kevin Abel, CEO

10-25-2016

Date