

**CHELAN COUNTY PUBLIC HOSPITAL DISTRICT NO. 2
LAKE CHELAN COMMUNITY HOSPITAL & CLINICS
MEETING OF THE GOVERNING BOARD**

**OCTOBER 22 – LCCH BOARD ROOM
1:30 PM – 3:00 PM**

MEETING MINUTES

CALL TO ORDER:

Phyllis Gleasman called the meeting to order at 1:30 P.M.

Members Present:

Phyllis Gleasman, Chair
Mary Murphy, Vice Chair
Jordana LaPorte, Commissioner

Mary Signorelli, Commissioner
Fred Miller, Secretary

Others in Attendance:

Mike Ellis, CFO/Interim CEO
Courtney Wallace, CQO
Megan Guffey, MD, CMO

Jaime Minnock, Interim Co-CNO
Lisa Greenlee, Executive Assistant
List of attendees

REVIEW OF MISSION:

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

PUBLIC COMMENTS:

No comments

CHAIR'S REPORT:

No Chair's Report

CONSENT AGENDA:

- A. Regular Board Meeting Minutes, September 24, 2019
- B. Special Board Meeting Minutes, October 1, 2019
- C. Facilities Steering Committee Minutes, September 25, 2019
- D. Facilities Steering Committee Minutes, October 7, 2019
- E. Community Committee Minutes, October 2, 2019
- F. Vouchers / Warrants \$612,592.91; Payroll Direct Deposit \$927,056.78
- G. Write-Offs & Charity: Bad Debt-Hospital \$15,048.80; Bad Debt-Clinic \$6,332.49; Charity Care-Hospital \$60,292.75; Charity Care-Clinic \$0.00; Bankruptcy \$0.00; Total \$81,674.04
- H. Credentialing
 - Keri Bergeson, MD Temporary Reappointment
 - Jennifer Snyder, MD Temporary Reappointment
 - Elisabeth McAllister Medical Student -- Dr. Bergeson

A motion was made by F. Miller to approve the consent agenda, seconded by M. Signorelli, and approved by the Board of Commissioners.

OLD BUSINESS:

Construction Project Update – Mike Ellis, CFO/Interim CEO

M. Ellis presented the current schematic design, there were some minor adjustments made to the design shown at the last meeting. These changes reduced the square footage to 59,600 and construction costs are within budget. M. Ellis stated the Functional Plan will be completed by the end of the week.

A motion was made by M. Signorelli to accept the schematic design as presented, seconded by F. Miller, and approved by the Board of Commissioners.

P. Gleasman introduced the architect team on site this week: Keith Null, Grant Foust and Tessa Fox, all from CollinsWoerman.

Board Performance Improvement Plan Report

M. Murphy provided a quarterly report on the progress being made on the Boards Goals and measures of success.

- Board meeting includes educational topics: Red
- Administration posts Board Meeting agendas to LCCHC website and Facebook at least five days prior to meetings: Yellow
- Administration posts approved Board meeting minutes on website within two weeks of approval: Green
- Community Committee develops website link to background documents for Board meeting topics: Red
- Conduct at least two forum meetings per year: Green
- Administration distributes Committee meeting minutes to Board members as soon as possible after approved by Committee. All Committee meeting minutes are to be included in the monthly packet: Green
- Board receives Board meeting documents at least five days prior to regular Board meeting: Yellow
- Board receives agenda for special meetings at least 48 hours in advance: Green

CEO Incentive

F. Miller explained S. Patonai's contract provided incentives for accomplishing specific goals. M. Murphy and F. Miller reviewed the annual goals and achievements attained in the 9 months of employment under the incentive plan. Incentive pay will be adjusted due to Mr. Patonai being employed for only three-quarters of the year.

A motion was made by M. Murphy to approve the incentive pay based on the criteria as established, seconded by J. LaPorte, and approved by the Board of Commissioners.

NEW BUSINESS:

Finance Committee Report – Fred Miller & Mike Ellis, CFO

Mike Ellis reported financials are completed for September. Hospital volume is down MTD as well as YTD through September. The expenses are under budget but are not enough to offset the lack of revenue. Gross AR days are 106, Net AR days are 84. The goal is to have Net AR days at 60. Cash is locked up in AR and C. Hickman reviewed the changes being made to create a more effective receivables process.

M. Guffey asked about the quality changes that have occurred and the impact of a healthier community on revenues. M. Murphy discussed whole person care is a state focus but does not include compensation from the state.

M. Murphy suggested the Board have a mid-year strategic planning session once G. Rohrich arrives.

A motion was made by M. Murphy to accept the financials as presented, seconded by J. LaPorte, and approved by the Board of Commissioners.

Revised Resolution #608 – Line of Credit

M. Ellis stated he was advised the previously authorized Resolution #608 was not detailed enough. He presented a more comprehensive version of the resolution to the Board for their review and approval again. The resolution enables the hospital to obtain a \$500k line of credit.

A motion was made by M. Murphy to accept the revised Resolution #608 as presented, seconded by M. Signorelli, and approved by the Board of Commissioners.

Capital Budget

M. Ellis presented the Board with a list of capital equipment items for 2019, 2020 and 2021. The list indicates some of these items have already been purchased, some have been changed or removed and others added. M. Ellis explained that when any item is due to be purchased it will be brought before the Board for approval. This Capital Budget is required to develop the annual budget. This does not include equipment planned for the new hospital.

A motion was made by F. Miller to approve the Capital Budget plan as presented, seconded by M. Murphy, and approved by the Board of Commissioners.

Business Plan Progress Report – Mike Ellis, CFO/Interim CEO

- Growth/Innovation Pillar Goals
 - Achieve 2019 Physician Recruitment goals: Yellow
 - Explore Affiliation/Partnership opportunities: Green
 - Complete new Hospital construction project by 2Q2021: Yellow
- Finance Pillar
 - Achieve/Exceed 2019 budgeted Income from Operations: Red
 - Implement the DPRS: Red
 - Implement RVU-based compensation model in clinic: Yellow
 - Conduct comprehensive Revenue Cycle analysis: Green
 - Conduct in-depth review of all contracts and terms: Yellow
 - Establish a formalized Contracts Management system: Green

The Board members discussed physician recruitment and what kind of specialties are being recruited. M. Ellis specified that the emphasis in recruitment is for Family Practice/OB.

M. Murphy stated the 2019 goals overall were ambitious and that she was appreciative on the work to improve on all these items. P. Gleasman spoke about contract management and the importance of knowing which contracts auto-renew.

Review of 2020 Pillars

M. Ellis requested the Board review draft 2020 Pillars. He explained the adjustments to the Finance and Community Pillars as well as introduced the Quality Model. J. LaPorte pointed out the Finance policy requires 50 days of cash on-hand. He asked the Board members to approve the Pillars Vision and Goal in order to continue to flush out the specific measurements for 2020. M. Murphy stated that these would be acceptable for a handout at the Community Forum in November.

A motion was made by M. Murphy to approve the 2020 Pillars of Excellence, seconded by F. Miller, and approved by the Board of Commissioners.

Community Committee – Charter Update

LaPorte apprised the Board of the changes made to the Community Charter. Members of the committee are now determined by job title. J. LaPorte explained that employees are part of the community this committee serves.

A motion was made by M. Signorelli to approve the updated Community Committee Charter, seconded by F. Miller, and approved by the Board of Commissioners.

Forum Agenda

M. Signorelli discussed the agenda for the November Community Forum. The meeting will be called the Community Forum for the Hospital and Clinics. The Board members each indicated which topic they were interested in presenting to the community as follows:

- Staffing – P. Gleasman
- Finances – J. LaPorte
- Goals – P. Gleasman
- New Hospital – M. Signorelli
- Services & Quality – M. Murphy
- Strategic Plan – F. Miller

A motion was made by M. Murphy to approve the Community Forum agenda and format as presented, seconded by J. LaPorte, and approved by the Board of Commissioners.

Temporary Organizational Structure

M. Ellis presented the Board with a revised organizational chart to reflect the changes made on a temporary basis. Jane Jedwabny and Jaime Minnock were introduced as co-Interim CNOs. The Board anticipates the organizational chart will be updated again once G. Rohrich arrives.

A motion was made by M. Murphy to approve the organizational chart as presented, seconded by M. Signorelli, and approved by the Board of Commissioners.

STATE OF THE HOSPITAL REPORTS

ACH Visit –Courtney Wallace, CQO

A third-party audit was conducted for a focused review of the ACH. C. Wallace explained the audit was about how ACH is using funds to help support the hospital. We received positive reviews of our work and the organization.

Nursing Report – Jaime Minnock, Interim CNO.

J. Minnock informed the Board the hospital is holding a nursing forum the first week of November. This will include all nursing staff.

Interim CEO Report – Mike Ellis, CFO/Interim CEO

There were four All Staff Meetings in October. M. Ellis stated the topics were new hospital information, Tiny Pulse, staffing, turnover, and open communications. Total attendance was approximately 150 out of ~250 employees. M. Ellis indicated he is sending a weekly email to staff on Fridays.

The new 3D mammography machine is installed, and the first appointment will be October 23. Today is the ribbon cutting ceremony and reception directly after the Board meeting. Chelan Chase was well attended even in the rain!

OTHER BUSINESS:

J. LaPorte commented that January is the time to review the Board Committees. She asked the Board members to think about if there should be a Strategic Planning Committee and a second Facilities Committee. The current Facilities Steering Committee has its hands full with the new hospital and the current facilities also have needs to be addressed. M. Murphy agreed it is a good opportunity to rethink the committees and the members on each committee. J. LaPorte suggested she would like to see community members on committees as well.

PUBLIC COMMENTS:

No public comments

MEETING ADJOURNED:

Meeting adjourned at 3:13 P.M.

Submitted:

Fred Miller
Board Secretary

11/19/19
Date

Attest:

Michael Ellis
Interim CEO

11/19/19
Date