

LAKE CHELAN HEALTH

BOARD PACKET

Chelan County Public Hospital District No. 2

Regular Meeting of the Board of Commissioners

07/25/2023



Chelan County Public Hospital District No. 2
 Regular Meeting of the Board of Commissioners
 July 25, 2023, at 1:30pm via TEAMS
 Meeting ID: 263 126 243 784 Passcode: dkJHdr

Agenda

Mission- “To provide the highest quality healthcare with compassion and respect to the community we serve.”

FI – For Information; FD – For Discussion; FM – For Motion; FA – For Acceptance; FR-For Resolution

Time	Agenda Item	Facilitator	Topic/Action
1:30	• Call to Order	J. LaPorte	
1:32	• Public Comment	J. LaPorte	
1:35	• Chair’s Report	J. LaPorte	A. Commissioner’s Oath
1:40	• Consent Agenda	Commission	A. Regular Board Meeting Minutes 6/20/2023 (FA) B. Special Meeting Minutes 7/7/2023 (FA) C. Warrants & Vouchers (FM) D. Bad Debt & Charity Care (FM) E. Finance Committee Minutes 7/19/2023 (FA)
1:50	• Reports	B. Truman A. Edwards S. Ottley	A. Financial Committee Report (FA) B. CEO Report (FI) C. Strat Plan KPI Report (FI)
2:15	• Old Business	Commission A. Edwards/B. Truman A. Edwards/S. Ottley Commission A. Benegas/Commission A. Benegas/Commission	A. Master Facility Plan (FD) B. Wages/PTO (FM) C. Highland Campus Surplus (FD) a. Heritage Visit D. Board Self Evaluation (FD) E. 75 th Anniversary Update (FI) F. Community Forum (FD/FI)
3:30	• New Business	Commission Commission Commission Commission B. Truman/Commission	A. EMS Recognition (FI) B. Board Advocacy (FD) C. Board Orientation Commissioner Barbara Jensen (FD) D. WSHA Recap/WSHA Fall Meeting (FD) E. Budget Workshop Date (FD) a. Proposed date 10/18/2023 or 10/20/2023
3:50	• Roundtable /Action Items	Commission	
3:55	• Public Comment		
4:05	• Executive Session		A. To discuss with legal counsel representing the agency litigation or potential litigation. RCW 42.30.110 (1)(i) B. To consider information regarding staff privileges or quality improvement committees under RCW 70.41.205 and RCW 42.30.110(1)(o) C. Evaluate the performance of a public employee. RCW 42.30.110(1)(g) D. To consider the minimum price at which real estate will be offered for sale or lease RCW 42.30.110 (1)(c)
5:00	• Credentialing	T. Bradley/B. McCracken	A. Med Staff Report & Credentialing (FM)
5:15	• Adjournment		

Board Calendar Reminders:

7/7/2023	Facility Planning (JJCA)	Bragg Room	9 am - 12 pm
7/13/2023	Med Staff	Bragg Room/ TEAMS	7 am – 8 am
7/13/2023	Quality Committee	Bragg Room/ TEAMS	1 pm – 3 pm
7/20/23	Finance Committee	Bragg Room/ TEAMS	9 am – 10 am
7/25/2023	Regular Board Meeting	Bragg Room/ TEAMS	1:30 pm

8/2/2023	Compliance, Privacy, & Risk Committee	Bragg Room	11 am – 12 pm
8/9/2023	75 th LCH Anniversary Celebration	Dining Hall	11 am -1:30pm
8/10/2023	Med Staff	Bragg Room/ TEAMS	7:15 am – 9 am
8/10/2023	Quality Committee	Bragg Room/ TEAMS	1 pm – 3 pm
8/17/2023	Finance Committee	Bragg Room/ TEAMS	9 am – 10 am
8/22/2023	Regular Board Meeting	Bragg Room/ TEAMS	1:30 pm

9/6/2023	Compliance, Privacy, & Risk Committee	Bragg Room	11 am – 12 pm
9/14/2023	Med Staff	Bragg Room/ TEAMS	7:15 am – 9 am
9/14/2023	Quality Committee	Bragg Room/ TEAMS	1 pm – 3 pm
9/21/2023	Finance Committee	Bragg Room/ TEAMS	11 am – 12 pm
9/21/2023	Community Forum	To Be Announced	5:30 pm
9/26/2023	Regular Board Meeting	Bragg Room/ TEAMS	1:30 pm



Chelan County Public Hospital District No. 2
Regular Meeting of the Board of Commissioners
Meeting Minutes 6/20/2023 1:30 pm in person and via Microsoft TEAMS

Commission Attendance:

(not present present)

Mary Murphy, Secretary
 Jordana LaPorte, Chair

Doug Gibson
 Mary Signorelli

Lori Withrow, Vice Chair

Staff Participants: A. Edwards, B. Truman, S. Ottley, L. Sahlinger, B. McCracken, J. Phetteplace, A. Benegas, T. Bradley

Community Members: none

Recorder: Wendy Kenck

Agenda Item	Topic/Action
1. Call to Order	<ul style="list-style-type: none"> J. LaPorte called the meeting to order at 1:00 pm and recited the mission statement.
2. Public Comment	<ul style="list-style-type: none"> Aaron read a Thank You note received to the LCH staff and EMT for great service to a family member.
3. Chair's Report	<ul style="list-style-type: none"> Appreciate everyone's participation regarding the TIF with the city council. J. LaPorte appreciates Med Staff and the support it receives.
4. Consent Agenda	<ul style="list-style-type: none"> Edits to the 5/23/23 Minutes to correct the date and add the call to order time to 1:30pm M. Murphy motioned to approve the Consent Agenda with the above edits, seconded, motion approved.
5. Reports	<ul style="list-style-type: none"> B. Truman presented May's unaudited Finance Report <ul style="list-style-type: none"> M. Murphy motioned to accept the Finance Report, seconded, motion approved. B. Truman presented a Surgery Comparison PowerPoint 2 new ambulances on order for awhile, pushed again to August of 2024 <ul style="list-style-type: none"> Possibly order a transport bus with payment from a Grant. A. Edwards discussed the pros and cons of moving forward with the purchase. MRI down over the weekend, researching if it is a power issue which would require Bouten involvement. S. Ottley presented the monthly Board of Commissioners KPI Dashboard
6. Old Business	<ul style="list-style-type: none"> M. Murphy motioned to approve the PTO Donation Policy with the additional statement added "Donor balance cannot be less than 80 hours", seconded, motion approved. Facilities Committee is waiting for the state rules for the 11M Grant, to be sent and analyzed. Steel building has been presented at reasonable cost which would allow EMS to transition to the Apple Blossom Campus sooner. JJCA stated the building can be built to meet city code and it would fit into the existing design build out plan
7. New Business	<ul style="list-style-type: none"> Applications for open Board position are due to Wendy by June 30, 2023. Community Forum scheduled for Thurs Sept 21 at 5 PM. Location to be confirmed by administration. Board approved new assignments for committees. Quality Director will clarify required items for Board orientation with Board Chair. DEI Committee planning has begun in house. D. Gibson & M. Murphy to represent the Board in the committee.

	<ul style="list-style-type: none"> • D. Gibson to attend 6/29 Compliance, Privacy, & Risk Committee meeting as a Board representative and M. Murphy will attend the 8/2 meeting. • Ongoing discussion regarding the CEO Decision Matrix. CEO to recommend revisions. Each Board member to complete the Board Self Evaluation and email to W. Kenck by June 30. • Bouten was unable to attend this month's Board meeting to discuss the Seismic Certification COP 16. Copy of Board approved LCH Change Order Policy provided to CEO.
8. Roundtable/Action Items	<ul style="list-style-type: none"> • L. Withrow expressed her thanks to Agustin and Ray for their efforts and time to help with and promote the Only Seven Seconds event. • M. Murphy to research information as to where LCH is within the city of Chelan as an economical contributor to the local area. (Information could be used in the Community Forum) • L. Sahlinger to research Relias requirements for the Board and compile a list to be sent to J. LaPorte • Planned recognition for former commissioners M. Signorelli and J. Jaech at the Community Forum on 9/21 • W. Kenck to follow up on the request for the Sr. Center reservation on 9/21 • W. Kenck to send LCH Media Policy to K. Schrier office. • M. Murphy to attend the City Council meeting on 6/27 for the TIF report out. • W. Kenck to email interactive Self Evaluation form to Board Members, and completed forms to J. LaPorte to compile. • A. Edwards and staff to send CEO Decision Matrix recommendations to the Board for review.
9. Public Comment	<ul style="list-style-type: none"> • No public comment
10. Executive Session	<ul style="list-style-type: none"> • J. LaPorte announced Executive Session 4:55 for 40 minutes to consider information regarding staff privileges or quality improvement committees under RCW 70.41.205 and RCW 42.30.110(1)(o), Consider the selection of a site or the acquisition of real estate by lease or purchase RCW 42.30.110 (1)(b), Evaluate the qualifications of a candidate for appointment to elective office. RCW 42.30.110(1)(h), Evaluate the performance of a public employee. RCW 42.30.110(1)(g) • L. Withrow extended the Executive Session 5 minutes • L. Withrow extended the Executive Session 5 minutes • J. LaPorte ended the executive session at 5:45pm and the Board returned to the open meeting
11. Credentialing	<ul style="list-style-type: none"> • M. Murphy verified all credential files are complete for the proposed list of providers and motioned to approve the full list of provisional status to full membership, reappointments, and removal as presented by B. McCracken, seconded, motion passed. • L. Withrow motioned the Board to authorize CEO to negotiate and purchase a steel structure up to \$75,000, seconded, motion carried. • L. Withrow motioned to add spouse and dependent medical, dental and vision benefits to the CEO compensation package beginning July 1, 2023, seconded, motion carried.
12. Adjournment	<ul style="list-style-type: none"> • J. LaPorte adjourned the meeting at 5:51 pm.

Attest:

M. Murphy, Board Secretary

Aaron Edwards, CEO

W. Kenck, Executive Assistant



Chelan County Public Hospital District No. 2
Special Meeting of the Board of Commissioners
Meeting Minutes 7/7/2023 9:00am in person and via Microsoft TEAMS

Commission Attendance:

(not present present)

<input checked="" type="checkbox"/> Mary Murphy, Secretary	<input checked="" type="checkbox"/> Doug Gibson	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/> Jordana LaPorte, Chair	<input checked="" type="checkbox"/> Lori Withrow, Vice Chair	

Staff Participants: A. Edwards, B. Truman, S. Ottley, A. Benegas

Guest: David Johnson

Community Members: M. Kayser, L. England

Recorder: Wendy Kenck

Agenda Item	Topic/Action
1. Call to Order	<ul style="list-style-type: none"> J. LaPorte called the meeting to order at 9:00 am and recited the mission statement.
2. Facility Planning	<ul style="list-style-type: none"> D. Johnson presented a Master Facility Plan presentation to the Board to utilize the current property with short term and long-term possible needs. David recommends the Board adopt an intent regarding the general concept of the Master Facility Plan.
3. Executive Sessions	<ul style="list-style-type: none"> J. LaPorte announced executive session at 11:15 am for 30 minutes. <ul style="list-style-type: none"> Evaluate the qualifications of a candidate for appointment to elective office. RCW 42.30.110(1)(h), To consider the minimum price at which real estate will be offered for sale or lease when public knowledge regarding such consideration would cause a likelihood of decreased price RCW 42.30.110 (1)(c), Consider the selection of a site or the acquisition of real estate by lease or purchase RCW 42.30.110 (1)(b), Evaluate the performance of a public employee. RCW 42.30.110(1)(g) L. Withrow extended the Executive Session by 15 minutes. L. Withrow extended the Executive Session by 5 minutes.
4. Open Meeting	<ul style="list-style-type: none"> Board returned to the open meeting at 12:05 pm M. Murphy motioned to approve Resolution 2023-002, seconded, motion approved. D. Gibson & L. LaPorte to support the real estate ventures in an Advisory Role. J. LaPorte thanked those community members who put their hat into the ring for the open Board Commissioner position. D. Gibson motioned to appoint Barb Jenson to fill the open Commissioner #4 Board Position to the end of the term, seconded, motion carries L. Withrow motioned for Aaron to execute the commercial lease agreement, seconded, motion approved.
5. Tasks	<ul style="list-style-type: none"> Board to send questions regarding the Master Facility Plan to W. Kenck by July 14th, and forwarded to J. LaPorte J. LaPorte will reach out to Barbara Jensen regarding the Board appointment. M. Murphy to attend the Compliance, Privacy, and Risk meeting in place of D. Gibson on 7/11.

	W. Kenck to forward meeting invite. <ul style="list-style-type: none">• D. Gibson to attend the Credentialing Meeting on 7/19, B. McCracken to forward meeting invite.
6. Adjournment	<ul style="list-style-type: none">• J. LaPorte adjourned the meeting at 12:30 pm.

Attest:

M. Murphy, Board Secretary

Aaron Edwards, CEO

W. Kenck, Executive Assistant

DRAFT

DATE June 2023

TOTAL BAD DEBTS - HOSPITAL \$56,449.30
TOTAL MEDICARE BAD DEBTS \$2,099.14
TOTAL BANKRUPTCY \$0.00
TOTAL CHARITY CARE – HOSPITAL \$10,886.60
TOTAL MEDICARE CHARITY CARE - \$5,811.67

TOTAL ATTESTATION \$75,246.71

I, The undersigned, do hereby certify that the accounts, as described on the attached “bad debt list”, have been duly examined and have been duly processed in accordance with the hospital credit/collection policies. It is hereby submitted and recommended to the Governing Board that the said accounts be turned over to outside professional collector (s) as indicated on the attached list.

BOARD DESIGNATED AUDITOR _____ DATE: _____

BOARD APPROVAL

DATE: _____

CHAIR _____

VICE CHAIR _____

SECRETARY _____

MEMBER _____

MEMBER _____

ATTEST. ADMINISTRATOR _____



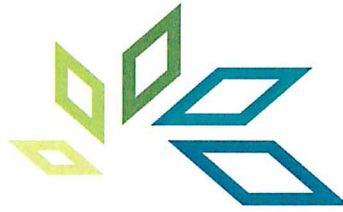
MINUTES

Group: Finance Committee 07/19/2023 at 9:00 AM in person and via Teams		
Facilitator: Jordana LaPorte		Recorder: Wendy Kenck
Member Attendance:		
<input checked="" type="checkbox"/> Lori Withrow, BOC	<input checked="" type="checkbox"/> Shawn Ottley, COO/CNO	<input checked="" type="checkbox"/> Aaron Edwards, CEO
<input checked="" type="checkbox"/> Jordana Laporte, BOC	<input checked="" type="checkbox"/> Brant Truman, CFO	
Participants: Sam Nau, Vickie Bodle, Ray Eickmeyer		

FI – For Information; FD – For Discussion; FR – For Recommendation

<i>Agenda Item</i>	<i>Topic/Action</i>
1. Call to Order	J LaPorte called the meeting to order at 10:02 am
2. New Business	<ul style="list-style-type: none"> • R. Eickmeyer presented a Capital Budget request for ambulances. <ul style="list-style-type: none"> ○ LCH has an opportunity to order a larger ambulance, with a delivery date of less than 6 months at a reduced cost, to replace the 1994 Ford ambulance in Manson. ○ With the Equity Grant that has been received, the purchase of a Transit Van is possible which would allow LCH to expand their transit service line. • B. Truman presented a PTO power point proposal recommending moving all PTO, Sick, & Holiday into one bucket of PTO. <ul style="list-style-type: none"> ○ Possible additions: <ul style="list-style-type: none"> ▪ Verbiage to offer PTO hours for use on paying hospital medical bills. • B. Truman proposed a percentage wage adjustment for employees who did not receive an adjustment this year. • USDA requires a no interest letter from Wheaton Bank regarding the \$2.25M loan. • North Cascade Bank requesting official Board Meeting Minutes with the motion to remove and add signatories. • 501c3 update: B. Truman in contact with the tax agency and in process of sending requested documentation. • B. Truman presented a Bonus proposal power point with a submittal plan
3. Old Business	<ul style="list-style-type: none"> • EMS Cost Based Reimbursement Update: a letter has been sent certified mail and are waiting for acceptance of letter.
4. Reports	<ul style="list-style-type: none"> • V. Bodle presented May’s Financial Statement (unaudited) and the AR Aging Report • S. Nau provided an update on the current Rev Cycle data. <ul style="list-style-type: none"> ○ Increase in coding w/ a balance approx. \$1M in outstanding balance ○ \$8.5M outstanding for receivables.

5. Tasks	<ul style="list-style-type: none"> • The committee recommends: <ul style="list-style-type: none"> ○ Presenting the ambulance options to the Board for approval. ○ Motion to remove Fred Miller & Mary Murphy from the Glacier/ North Cascade depository account. ○ Motion to remove Mary Murphy and add Shawn Ottley as a CPSI signatory. ○ Presenting the PTO proposal to the Board for approval.
5. Adjournment	J. LaPorte adjourned the meeting at 12:32pm



LAKE CHELAN HEALTH

Unaudited Financial Statements

for

For the month ended June 30, 2023

TABLE OF CONTENTS

Balance Sheet	1
Statement of Operations - Current Month	2
Statement of Operations - Year-to-Date	3
Statistics	4
Statistics - Actual vs Budget	5
Notes to Income Statement #1 - #7	6
Cash Flow	7

Balance Sheet
Lake Chelan Health

	Current Month 6/30/2023 <u>unaudited</u>	Prior Year 12/31/2022 <u>Unaudited</u>	Prior Year 6/30/2022 <u>Unaudited</u>
ASSETS:			
CASH	208,456	\$ 443,682	\$ 362,697
PATIENT RECEIVABLES	8,373,173	7,739,790	\$ 6,409,727
LESS: RESERVES FOR ALLOWANCES	<u>(4,471,237)</u>	<u>(4,019,725)</u>	<u>\$ (3,442,309)</u>
NET PATIENT ACCOUNTS RECEIVABLES	3,901,936	3,720,065	2,967,418
ESTIMATED THIRD-PARTY PAYOR SETTLEMENTS	46,898	(30,129)	(1,226,275)
OTHER RECEIVABLES	(140,491)	363,128	12,647,720
INVENTORIES	230,373	230,102	214,538
PREPAID EXPENSES	<u>290,290</u>	<u>231,742</u>	<u>304,932</u>
TOTAL CURRENT ASSETS	<u>\$ 4,537,462</u>	<u>\$ 4,958,589</u>	<u>\$ 15,271,030</u>
GENERAL RESERVES	\$ 1,188,644	1,157,151	\$ 1,692,322
Unrestricted Reserves	\$ 3,692,435	4,007,377	\$ 1,639,326
Internally Restricted Reserves	\$ 4,139,524	4,139,524	\$ 4,139,524
2018 BONDS	0	30	\$ -
USDA 2023 / SBA Payroll Protection 2022 - Restricted	136,800	0	\$ 2,002,605
CMS Advanced Payments	<u>0</u>	<u>0</u>	<u>\$ 73,611</u>
TOTAL LIMITED USE ASSETS	<u>\$ 9,157,404</u>	<u>\$ 9,304,083</u>	<u>\$ 9,547,388</u>
LAND	\$ 4,787,901	4,787,901	\$ 4,787,901
LAND IMPROVEMENTS	5,543,846	5,543,846	\$ 5,141,340
BUILDINGS & IMPROVEMENTS	986,252	986,252	\$ 986,252
EQUIPMENT	9,749,837	9,707,341	\$ 7,286,691
SOFTWARE	2,159,033	2,159,033	\$ 2,139,204
CONSTRUCTION-IN-PROGRESS - NEW HOSPITAL	43,878,287	43,901,861	\$ 30,609,008
CONSTRUCTION-IN-PROGRESS - HOSPITAL	<u>32,490</u>	<u>18,290</u>	<u>\$ 444,081</u>
GROSS PROPERTY, PLANT, & EQUIPMENT	67,137,646	67,104,525	51,394,478
LESS: ACCUMULATED DEPRECIATION	<u>(15,955,615)</u>	<u>(14,911,507)</u>	<u>\$ (14,007,518)</u>
NET PROPERTY, PLANT, & EQUIPMENT	\$ 51,182,031	\$ 52,193,018	\$ 37,386,960
DEFERRED ITEMS	2,490,430	2,500,062	\$ 1,472,986
TOTAL ASSETS	<u>\$ 67,367,326</u>	<u>\$ 68,955,752</u>	<u>\$ 63,678,363</u>
LIABILITIES:			
ACCOUNTS PAYABLE	\$ 524,233	1,912,962	3,445,263
ACCRUED PAYROLL	507,741	544,965	361,890
ACCRUED VACATION/HOLIDAY/SICK PAY	481,183	506,864	480,387
PAYROLL TAXES PAYABLE	41,310	44,673	29,425
ESTIMATED THIRD-PARTY PAYOR SETTLEMENTS	-	0	0
OTHER CURRENT LIABILITIES	1,018,581	942,998	238,516
INTEREST PAYABLE	94,546	95,395	439,853
CURRENT PORTION OF LTD (BONDS/MORTGAGES)	1,001,831	1,001,831	570,000
LINE OF CREDIT	0	0	0
SBA Payroll Protection	0	0	0
CMS Advanced Payments	0	0	73,611
CMS Stimulus	<u>0</u>	<u>0</u>	<u>1,514,370</u>
TOTAL CURRENT LIABILITIES	<u>\$ 3,669,425</u>	<u>\$ 5,049,688</u>	<u>\$ 7,153,316</u>
CAPITALIZED LEASES	\$ -	\$ -	\$ -
2018 BONDS	\$ 19,021,822	19,026,399	19,296,145
2013 BONDS	5,020,701	5,018,123	5,370,115
USDA LOANS	18,343,857	18,548,916	19,776,000
LEASES	1,827,965	1,827,965	536,033
PAID LEAVE - LT PORTION	<u>304,376</u>	<u>304,376</u>	<u>299,828</u>
TOTAL LONG TERM LIABILITIES	<u>\$ 44,518,721</u>	<u>\$ 44,725,778</u>	<u>\$ 45,278,121</u>
DEFERRED ITEMS	\$ 3,922,975	3,922,975	2,306,332
TOTAL LIABILITIES	<u>\$ 52,111,122</u>	<u>\$ 53,698,441</u>	<u>\$ 54,737,768</u>
FUND BALANCE:			
UNRESTRICTED FUND BALANCE	\$ 15,257,310	10,904,602	9,499,423
TEMPORARY RESTRICTED FUND BALANCE	\$ -	0	0
YTD Net Revenue/(Expenses)	<u>(1,105)</u>	<u>4,352,709</u>	<u>(558,828)</u>
TOTAL NET ASSETS	<u>\$ 15,256,205</u>	<u>\$ 15,257,311</u>	<u>\$ 8,940,595</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 67,367,326</u>	<u>\$ 68,955,752</u>	<u>\$ 63,678,363</u>

Statement of Revenue and Expense

Lake Chelan Health

For the month ended June 30, 2023

	CURRENT MONTH				Prior Year 06/30/22
	Actual 06/30/23	Budget 06/30/23	Positive (Negative) Variance		
GROSS PATIENT SERVICE REVENUES					
INPATIENT	\$ 544,823	\$ 788,428	(243,605)	-31%	\$ 768,326
OUTPATIENT	4,052,195	3,833,824	218,371	6%	3,157,867
TOTAL PATIENT SERVICE REVENUES	<u>4,597,019</u>	<u>4,622,252</u>	<u>(25,233)</u>	-1%	<u>3,926,194</u>
DEDUCTIONS FROM REVENUE					
CONTRACTUAL ALLOWANCES	(1,849,607)	(1,841,910)	(7,697)	0%	(1,663,246)
BAD DEBT	(58,548)	0	(58,548)	0.00%	0
CHARITY	(16,698)	0	(16,698)	0.00%	0
TOTAL DEDUCTIONS FROM REVENUES	<u>(1,924,854)</u>	<u>(1,841,910)</u>	<u>(82,944)</u>	-5%	<u>(1,663,246)</u>
	41.9%	39.8%			42.4%
NET PATIENT SERVICE REVENUES	<u>2,672,165</u>	<u>2,780,342</u>	<u>(108,177)</u>	-4%	<u>2,262,948</u>
OTHER OPERATING REVENUES	<u>31,804</u>	<u>19,402</u>	<u>12,402</u>	64%	<u>23,740</u>
TOTAL OPERATING REVENUES	2,703,970	2,799,744	(95,774)		2,286,687
OPERATING EXPENSES					
SALARIES/WAGES	1,316,637	1,311,023	(5,614)	0%	1,229,063
EMPLOYEE BENEFITS	294,561	290,241	(4,320)	-1%	248,811
PROFESSIONAL SERVICES	103,274	77,758	(25,516)	-33%	134,260
FOOD SUPPLIES	17,284	14,349	(2,935)	-20%	15,213
MINOR EQUIPMENT	15,657	11,760	(3,897)	-33%	2,982
SUPPLIES	177,202	177,158	(44)	0%	112,925
PLANT UTILITIES	32,545	43,253	10,708	25%	15,564
PURCHASED SERVICES	322,055	253,707	(68,348)	-27%	286,218
REPAIR/MAINTENANCE	68,009	76,892	8,883	12%	71,101
PUBLIC RELATIONS/RECRUITM	9,941	7,770	(2,171)	-28%	4,711
RENT/LEASES	68,522	28,616	(39,906)	-139%	37,469
INSURANCE	30,164	34,003	3,839	11%	10,103
LICENSES/TAXES	19,627	14,684	(4,943)	-34%	15,249
DUES/SUBSCRIPTIONS/OTHER	36,979	38,350	1,371	4%	35,434
TRAVEL/TRAINING	3,022	15,567	12,545	81%	6,994
DEPRECIATION	230,531	240,569	10,038	4%	55,358
TOTAL OPERATING EXPENSES	<u>2,746,009</u>	<u>2,635,700</u>	<u>(110,309)</u>	-4.2%	<u>2,281,454</u>
NET OPERATING SURPLUS (LOSS)	(42,040)	164,044	(206,084)		5,233
NON-OPERATING REVENUES	199,239	169,292	29,947		241,725
GIFTS & GRANTS	(295,809)		(295,809)		0
PANDEMIC GRANTS PPP LOAN FORGIVENESS	0	0	0		0
NET INCOME	<u>(138,610)</u>	<u>333,336</u>	<u>(471,946)</u>		<u>246,958</u>
margin	-5.1%	11.9%			10.8%
TOTAL NET INCOME (LOSS)	\$ (138,610)	\$ 333,336	(471,946)		\$ 246,958

Statement of Revenue and Expense

Lake Chelan Health

For the month ended June 30, 2023

	YEAR-TO-DATE				Prior Year 06/30/22
	Actual 06/30/23	Budget 06/30/23	Positive (Negative) Variance		
GROSS PATIENT SERVICE REVENUES					
INPATIENT	\$ 3,575,012	\$ 3,655,183	(80,171)	-2%	\$ 3,685,774
OUTPATIENT	20,813,181	17,773,758	3,039,423	17%	14,516,209
TOTAL PATIENT SERVICE REVENUES	24,388,193	21,428,941	2,959,252	14%	18,201,983
DEDUCTIONS FROM REVENUE					
TOTAL DEDUCTIONS FROM REVENUES	(9,234,211)	(8,539,166)	(695,045)	8%	(8,521,020)
BAD DEBT	(442,072)	0	(442,072)	0.00%	0
CHARITY	(153,443)	0	(153,443)	0.00%	0
TOTAL DEDUCTIONS FROM REVENUES	(9,829,726)	(8,539,166)	(1,290,560)	-15%	(8,521,020)
	40.3%	39.8%			46.8%
NET PATIENT SERVICE REVENUES	14,558,467	12,889,775	1,668,692	13%	9,680,963
OTHER OPERATING REVENUES	122,667	116,412	6,255	5%	181,754
TOTAL OPERATING REVENUES	14,681,134	13,006,187	1,674,947	13%	9,862,717
OPERATING EXPENSES					
SALARIES/WAGES	7,956,338	7,909,840	(46,498)	-1%	7,353,673
EMPLOYEE BENEFITS	1,747,522	1,751,122	3,600	0%	1,544,645
PROFESSIONAL SERVICES	554,333	466,548	(87,785)	-19%	548,309
FOOD SUPPLIES	88,238	86,094	(2,144)	-2%	80,953
MINOR EQUIPMENT	46,984	70,560	23,576	33%	20,843
SUPPLIES	1,023,909	821,311	(202,598)	-25%	729,378
PLANT UTILITIES	199,122	259,518	60,396	23%	106,779
PURCHASED SERVICES	1,764,183	1,522,242	(241,941)	-16%	1,589,317
REPAIR/MAINTENANCE	446,549	461,352	14,803	3%	407,245
PUBLIC RELATIONS/RECRUITMENT	60,969	46,620	(14,349)	-31%	206,519
RENT/LEASES	296,428	171,696	(124,732)	-73%	236,002
INSURANCE	169,816	204,018	34,202	17%	171,410
LICENSES/TAXES	97,472	88,104	(9,368)	-11%	58,931
DUES/SUBSCRIPTIONS/OTHER	207,934	230,100	22,166	10%	219,414
TRAVEL/TRAINING	31,089	93,402	62,313	67%	48,890
DEPRECIATION	1,383,444	1,443,414	59,970	4%	347,694
TOTAL OPERATING EXPENSES	16,074,329	15,625,941	(448,388)	-2.9%	13,670,002
NET OPERATING SURPLUS (LOSS)	(1,393,195)	(2,619,754)	1,226,559		(3,807,285)
NON-OPERATING REVENUES	1,194,109	1,015,752	178,357		1,495,415
GIFTS & GRANTS	197,979		197,979		0
PANDEMIC GRANTS PPP LOAN FORGIVENESS	0	0	0		2,000,000
NET INCOME margin	(1,106) 0.0%	(1,604,002) -12.3%	1,602,896		(311,870) -3.2%
TOTAL NET INCOME (LOSS)	\$ (1,106)	\$ (1,604,002)	\$ 1,602,896		\$ (311,870)

unaudited

Patient Statistics
Lake Chelan Health

For the month ended June 30, 2023

<u>06/30/23</u>	YTD		<u>06/30/22</u>	YTD
		Restricted Days Cash-on-Hand (USDA requirement)		
2				
53		Internally Restricted	56	
63		Unrestricted Days Cash-on-Hand	78	
48		Net AR Days	50	
1.04	1.7	Debt Coverage Ratio	0.64	
182.2		Payroll FTEs	174.0	
Current Month			Year-To-Date	
Actual	Prior Year		Actual	Prior Year
06/30/23	06/30/22	STATISTICS	06/30/23	06/30/22
		-		
10	21	medical	99	113
0	0	surgical	0	0
8	11	OB	50	48
18	32	Acute	149	161
6	11	Swing Bed	46	40
8	11	Total Deliveries	51	49
		Patient Days		
28	47	medical	268	357
0	0	surgical	0	0
12	19	OB	97	90
40	66	Acute	365	447
69	108	Swing Bed	416	390
10	14	Total Newborn Days	69	74
		Average Length of Stay		
2.2	2.1	Total Inpatient	2.4	2.8
11.5	9.8	Swing Bed	9.0	9.8
		Avg Daily Census - Hospital		
1.3	2.2	Total Inpatient	2.0	2.5
<u>2.3</u>	<u>3.6</u>	Swing Bed	<u>2.3</u>	<u>2.2</u>
3.6	5.8	total	4.3	4.6
668	565	ED Visits	3,169	2,512
42	42	Surgeries	275	267
1,022	994	Imaging Procedures	6,368	5,162
3,250	3,342	Lab Tests	17,588	17,693
663	621	Rehab Visits	3,342	2,879
166	138	EMS Runs	721	657
884	594	Clinic Visits	4,412	2,863
116	44	specialty	381	668
146		primary care	765	
622	550	express clinic	3,266	2,195
22	22	working days	129	127

**Patient Statistics
Lake Chelan Health**

For the month ended June 30, 2023

Current Month			STATISTICS	Year-To-Date		
Actual 06/30/23	BUDGET	Prior Year 06/30/22		Actual 06/30/23	BUDGET	Prior Year 06/30/22
Admissions/Patients						
10		21	medical	99		113
0		0	surgical	0		0
8		11	OB	50		48
18		32	Acute	149		161
6		11	Swing Bed	46		40
8		11	Total Deliveries	51		49
Patient Days						
28	70	47	medical	268	325	357
0	0	0	surgical	0	0	0
12	16	19	OB	97	74	90
40	86	66	Acute	365	399	447
69	97	108	Swing Bed	416	351	390
10	13	14	Total Newborn Days	69	62	74
119	196 total			850	812 total	
Average Length of Stay						
2.2		2.1	Total Inpatient	2.4		2.8
11.5		9.8	Swing Bed	9.0		9.8
Avg Daily Census - Hospital						
1.3		2.2	Total Inpatient	2.0		2.5
<u>2.3</u>		<u>3.6</u>	Swing Bed	<u>2.3</u>		<u>2.2</u>
3.6		5.8	total	4.3		4.6
668	622	565	ED Visits	3,169	2,882	2,512
42	69	42	Surgeries	275	318	267
1,022	1,174	994	Imaging Procedures	6,368	5,445	5,162
3,250	3,594	3,342	Lab Tests	17,588	16,664	17,693
663	522	621	Rehab Visits	3,342	2,418	2,879
166	155	138	EMS Runs	721	716	657
884		594	Clinic Visits	4,412		2,863
22		22	working days	129		127

Note #1 Contractuals

Contractuals do not include reimbursement that will happen when cost report is filed. AR increased by \$658k from May To June.

Revenues are 14% higher than budgeted

Note #2 SALARIES AND WAGES

Nursing wage increases happened in April.

Dietary - two positions that were not in the budget

Community Health Workers and Support Services have grant related positions that were not budgeted - we received reimbursement through a grant (will show other non-operating)

Note #3 PROFESSIONAL SERVICES

UW Residency Jan - June \$110k not budgeted

Radiology Pro Fees \$234,990 budget \$187,500

Other Departments are under budget

Note #4 SUPPLIES

Dietary \$35,285 budget \$12,090

PT \$23,304 budget \$6,715

Materials Tagged Supplies \$234,729 budget \$124,863 (volumes up)

ED \$48,266 budget \$24,627

Lab - \$241,569 expense, budget \$237,315

Note #5 PURCHASED SERVICES

Lab - \$357,296 expense, budget \$175,000 traveler's expense (as of July expense will reduce-hired MLT)

IT \$285,266 budget \$75,000 Scaled Data Contract

Anesthesia and Walk In are a total of \$160k below budget

Note #6 RECRUITMENT

Clinic - Recruitment of Mid Level \$15k

Note #7 RENT/LEASES

Building rent costs are evenly spread over 12 months. The plans to move the clinic to the hospital changed and this expense will be over budget

Clinic \$96,223 budget \$49,080

Radiology- \$75,316 expense, budget \$1,140 - rent expense for old CT Scan removed in February- expense had to be paid through April, new MRI rent started in May

NON OP

RECLASSIFIED CDBG \$291K GRANT BACK TO 2022.

June Non Op was (\$95k)

Statement of Cash Flows
Lake Chelan Health

For the month ended June 30, 2023

Cash flows from operating activities:	
Net Operating Surplus (Loss)	(42,040)
Provided by Operating Activities:	
Depreciation	230,531
(Increase)/Decrease in Net Patient Accounts Receivable	(360,752)
(Increase)/Decrease in Other Receivables	(8,406)
(Increase)/Decrease in Inventories	(146)
(Increase)/Decrease in Prepays	(29,693)
(Increase)/Decrease in Third Party Receivables	(1,687)
Increase/(Decrease) in Accounts Payable	14,487
Increase/(Decrease) in Accrued Payroll and Benefits	50,476
Increase/(Decrease) in Third Party Liabilities	0
Increase/(Decrease) in Other Current Liabilities	49,137
Increase/(Decrease) Paid Leave	0
	(98,094)
 Cash flows from noncapital financing activities:	
Property Tax	23,219
Grants	
CDHD monies received in excess of receivables	
Transfers Out - USDA loan payment	(88,992)
Other - transfers from reserve	
Other Bond Payment	(110,978)
	(244,799)
	(421,550)
 Cash flows for capital and related financing activities	
Increase/(Decrease) in Debt	(33,562)
Interest Expense	(29,060)
Purchase of Property, Plant and Equipment	(5,190)
Construction in Progress - New Hospital	(66,333)
Construction in Progress - Hospital	(23,200)
New Hospital, Net	0
	(157,346)
 Net Increase/(Decrease) in Cash	
	(676,989)
Cash, Beginning of Month	10,042,849
Cash, End of Month	9,365,860



CEO Board Report (as of 7/20/2023)

People:

- Staff are working hard to not have intermittent closures at Express Care. An unexpected medical emergency has created the need for locum staffing for an unknown period.
- Looking forward to Dr. Douglass, Dr. Decker, Dr. Hillman, and Michelle Nguyen starting here in the next 30-45days.
- The lab is making progress finding permanent staffing, still will have some contract work help for the foreseeable future.
- We are having extreme challenges OB nurse staffing, creating divert situations (and frustration from our CVCH partners). We have contracts out at rates higher than any of your C-Suite members and are still struggling. This will compound already steep losses in L&D.
- Working with a group of our ED providers to streamline and improve our ED schedule and coverage.
- C-suite will be meeting Monday for an all-day work planning session.
- Will be brining a proposal to board this month to improve our PTO program for staff.

Community:

- Shawn presented a potential fundraiser for building towards a cardiac rehab program at Guild B which was well received.
- Continue to try to work through understanding what might be required of us to get water to the new EMS build (among other projects). HOA/Development owner has not given us a dollar figure of what they are hoping for to give us some of their water rights.
- Ray will be brining a proposal for a new ambulance at this months meeting

Quality:


- Working on ISO 6.0 (planning) around “actions to address risks and opportunities” with admin and quality staff.
- I must concede that Brant Truman defeated both Shawn and I in the new “unicorn” awards during this month’s QI by leading his team improving on policy and contract reviews.

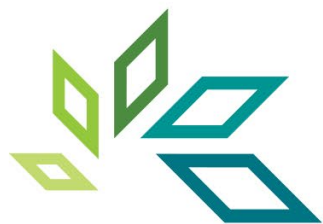
Financial:

- Gross revenue for June was \$4.6M vs \$3.9M last year. Overall, the net loss for June was **-\$138,610** (in large part due to a reclassifying some non-operating revenue into '22).
- Hospital year to date total loss is at **-\$1,160** compared to **-\$311,870** in '22.
- ED visits continue to spike up over last year’s volume. Also notable is our Rehab, Express and Imaging volume.

Building for the Future:

- Bouten continues to work on refining the HVAC system (struggles with the kitchen and humidity in the OR at times). Have made significant progress with landscaping.
- Preparing to go out for RFQ on the EMS build, The Business Center spaces for staff and future specialty care, and a design of the steel building for temporary a temporary EMS location.

	2023 Board of Commissioners KPI DASHBOARD								
	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
**KPI-5. By July 2023 50% of all wages will be within +/- 15% of the standard pay rage defined in the Wage Plan.									
**KPI-8. 100% of all Leader's Meetings and All Staff Meetings will include a Values focus.	100%	100%	100%						
**KPI-9. 100% of all new employee orientation will include a presentation related to LCH values.	100%	100%	100%						
**KPI-10. Employee Satisfaction survey will include a question related to values knowledge (establish baseline).									
** KPI-45. Aggregate Quality Score >90%		86.6%	85.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
**KPI-47. Service line development / improvement metrics will be executed at => 77%		36%	27%	0%	0%	0%	0%	0%	0%
**KPI-68. Facility Master Plan complete by July 2023. Track to KPI-72 - KPI 76									
**KPI-77. Meet 100% of the 5 key HFMA indicators		N/A	N/A	N/A					
**KPI-88. Complete 2 Community Forums 2023.									
**KPI-92. Quarterly rounding / staff meeting attendance, by Administrative Staff.			YES						



LAKE CHELAN HEALTH

2024 PTO

July 6, 2023

Cascade and Confluence PTO Schedule

Cascade PTO schedule

<u>Completed Years of Service</u>	<u>Paid Leave Hours</u>	<u>8 hr Shift Computer Factor</u>	<u>12 hr Shift Computer Factor</u>	<u>Vacation/ Sick Hours</u>	<u>Holiday Hours</u>
1-3 yrs.	200	.09615	.10685	92	108
4-5 yrs.	240	.11540	.12820	132	108
6-7 yrs.	248	.11923	.13250	140	108
8-9 yrs.	256	.12310	.13675	148	108
10-11 yrs.	272	.13076	.14530	164	108
12-13 yrs.	288	.13846	.15384	180	108
14-15 yrs.	304	.14615	.16240	196	108
16 or more yrs.	320	.15384	.17094	212	108

Confluence PTO schedule

<u>Years of Full- Time Service</u>	<u>Paid Leave Days</u>	<u>Paid Leave Hours</u>	<u>Computer Factor General</u>	<u>Computer Factor FT 12 hour</u>
0-2 years	24	192	.09231	.10256
3-4 years	27	216	.10385	.11538

U - CWH CBA 2022-2025

5-6 years	29	232	.11154	.12393
7-8 years	30	240	.11538	.12821
9-10 years	31	248	.11923	.13248
11-12 years	32	256	.12308	.13675
13-14 years	33	264	.12693	.14103
15-19 years	34	272	.13077	.14530
20-24 years	36	284	.13654	.15171
25 years and over	37	296	.14231	.15812



Current Status Accrual Rates

Accrual excludes Holiday hours.

Current Status				
Years	Hourly Accrual	Annual Accrual	Max	Biweekly
0-3 Years	0.046153846	96	400	3.692308
4-6 Years	0.057692308	120	400	4.615385
7-9 Years	0.065384615	136	400	5.230769
10-12 Years	0.076923077	160	400	6.153846
13-15 Years	0.088461538	184	400	7.076923
16+ Years	0.096153846	200	400	7.692308

Illness Bank				
Years	Hourly Accrual	Annual Accrual	Max	Biweekly
0-40+ years	0.019230769	40	200	1.538462



Proposal

- ***Illness Bank, PTO and Holiday time off included into one bank for both exempt and nonexempt employees.***
- Change would allow us to compare/compete with Confluence and Cascade
- Change would happen at the start of 2024

Proposed PTO Plan						
Years	Hourly Accrual	Annual Accrual Hours	8 Hour Days	12 Hour Days	Max	Biweekly
0-3 Years	0.123077	256	32	21	400	3.692308
4-6 Years	0.134615	280	35	23	400	4.615385
7-9 Years	0.142308	296	37	25	400	5.230769
10-12 Year	0.153846	320	40	27	400	6.153846
13-15 Year	0.165385	344	43	29	400	7.076923
16+ Years	0.173077	360	45	30	400	7.692308



Misc.

- All current sick leave will continue to be in a bank and employees that have it will be able to continue to use it until gone.
- Max accrual will continue to be 400 hours a year to encourage employees to take time off.



Numbers

- Average accrued PTO hours 159 per employee, estimated increase in accrual rate with increase PTO

% Increase	Average Hours Accrued	Difference	\$ Increase
0%	159	0	
10%	175	16	\$ 794
20%	191	32	\$ 1,588
30%	206	48	\$ 2,381

- Balance Sheet Liability Increase

<i>New PTO Rate Estimated increased Balance Sheet Liability</i>			
0% Used	25% Used	50% Used	75% Used
\$ 922,490	\$ 691,867	\$ 461,245	\$ 230,622

- Estimated Increase in Payout
 - Currently average 10 payouts a year @ \$4800 per payout. \$48,000
 - With increase PTO estimated payouts between \$5594 to \$7181. With total increase between \$7,940 to \$23,800

