

CLALLAM COUNTY PUBLIC HOSPITAL DISTRICT NO. 1  
FORKS COMMUNITY HOSPITAL

Board of Commissioners Meeting Minutes  
July 28, 2020

Those present were Commissioners: Don Lawley, President; Patty Birch, Vice President; Sandy Schier, Secretary; and Janet Marion, Commissioner. Additional attendees included: Heidi Anderson, CEO; Paul Babcock, CFO; Andrea Perkins, CIO; and Dr. Cole, Chief of Staff attended via-telephone.

Guests: Tim Cournyer, Wes Thew, Heather Engeseth, Janet Schade, Kim Hull, and Deborah Dillon

The meeting was called to order at 5:00 p.m. by Commissioner Lawley.

**Addition or Changes to the Agenda**

Remove Foundation Agreement and REMVAC Agreement from the agenda. The items are not ready to be fully executed during the July 28, 2020 Board of Commissioners meeting.

**Public Comments**

There were no public comments.

**Community Communications**

Patty said she has heard phenomenal things about Dr. Osland within the community. People are happy with how well he cares for his patients and he has great bedside manner.

**WIPFLi 2019 Audit Report:**

Wes Thew, CPA, Healthcare Practice, Senior Manager of Wipfli, LLC reported on the 2019 Clallam County Public Hospital District No. 1 dba Forks Community Hospital audit:

WIPFLi performed the audit according to the planned scope and timing previously communicated in the engagement letter and related discussions with management. Their responsibility was to read other documents and consider whether such information is materially inconsistent with information, or the manner of presentation, appearing in the audited financial statements.

Wes explained they are required to accumulate all known and likely misstatements, other than those that are trivial, and communicate them to management. During the audit four adjustments were proposed by the District during the audit, with three being significant as follows:

- Estimated third party payer settlements, decreasing net position by \$151,000.
- Inventory was adjusted, decreasing net position by \$89,000.
- Patient accounts receivable allowances, increasing net position by \$823,000.

Wes stated there were no unadjusted differences for the current fiscal year.

We reported on other items of interest as follows:

- Overall cash and cash equivalents decreased as a result of a reduction in cash collection on accounts receivables.
- Gross patient accounts receivable increased by roughly \$2.7 million due to collection issues related to turnover in a key billing position and a change in the clearinghouse.
- Estimated third-party settlements decreased \$1.2 million, partly due to a reduction in the Medicare cost report settlement from a \$950k receivable in 2018 to a \$210k payable in 2019.
- Current and long-term portions of debt increased due to the newly-issued refunding bond.
- Accrued liabilities increased due to an increase in accrued vacation.
- The OPEB liability decreased and deferred inflows of resources increased in accordance with the actuarial valuation of the PEBB liability.
- Net position decreased from prior year.
- Net patient service revenue increased about \$2.2 million, partly due to increased revenues in the lab, RHC, acute care, and ER departments.
  - Salaries and wages increased by 13.3% and employee benefits increased by 5.0% due to increased FTEs and new high-salary providers.
  - Professional fees decreased as a result of hiring on certain providers that were previously contracted.

### **Departmental Report**

Heather Engeseth, Surgery Manager, updated the Board of Commissioners on the Surgery Department. Heather said she accepted the Surgery Manager position seven months ago and during that time there have been many changes. Heather said COVID has changed surgery's everyday tasks, which Heather briefly explained to the Board. Heather said Dr. Osland, Orthopedic Surgeon, started earlier in the year and patients are very happy with his services. Heather said in April there were no surgeries, due to Washington State being in phase 1, in May there were a handful of surgeries, June and July have been busy.

### **Medical Staff Meeting**

The June 10, 2020, Medical Staff meeting minutes were reviewed. Commissioner Schier made a motion to approve the meeting minutes; Commissioner Birch seconded, and the motion carried.

**ACTION:** It was moved, seconded, and passed to approve the Medical Staff meeting minutes from June 10, 2020, as presented.

### **Medical Staff Privileges**

The privileges for Jianming Song, MD, were reviewed. Commissioner Schier made a motion to approve the Medical Staff privileges; Commissioner Marion seconded, and the motion carried.

**ACTION:** It was moved, seconded, and passed to approve the appointment of privileges for Jianming Song, MD.

### **Performance Improvement Committee**

The June 15, 2020, Performance Improvement Committee meeting minutes were reviewed. Commissioner Birch made a motion to approve the meeting minutes; Commissioner Schier seconded, and the motion carried.

**ACTION:** It was moved, seconded, and passed to approve the Performance Improvement Committee meeting minutes from June 15, 2020, as presented.

### **Board of Commissioners Meeting**

The Board of Commissioners meeting minutes from June 23, 2020, were reviewed. Commissioner Birch made a motion to approve the Board of Commissioners meeting minutes; Commissioner Marion seconded, and the motion carried.

**ACTION:** It was moved, seconded, and passed to approve the Board of Commissioners meeting minutes from June 23, 2020.

### **Vouchers**

The June 2020 vouchers were reviewed. Commissioner Birch made a motion to approve the vouchers; Commissioner Schier seconded, and the motion carried.

**ACTION:** It was moved, seconded, and passed to approve the June General A/P vouchers numbered 107656 to 108001 in the amount of \$1,303,383.21 and the General P/R vouchers numbered 549195 to 549297 in the amount of \$85,550.20.

### **Write-Offs**

The June 2020 write-offs were reviewed. Commissioner Birch made a motion to approve the write-offs; Commissioner Schier seconded, and the motion carried.

**ACTION:** It was moved, seconded, and passed to approve the June 2020 write-offs totaling \$114,999.10.

### **FCH Old Business**

*Lab at Clinic*

The Laboratory Clinic is still being reviewed. Heidi will report to the Board when she has more information.

*UFCW – Tech Contract*

The Tech Contract was ratified last week. Jennifer Roberts, HR Generalist, was able to get all the increases submitted. Heidi said Jennifer went above and beyond to get all the increases submitted on time, which prevented the hospital having to pay retro to employees.

*Executed Interlocal Agreement with Clallam County Fire Protection District No. 5*

The Interlocal Agreement with Clallam County Fire Protection District No. 5 has been fully executed.

*Resources for Surgery*

Heidi said finding a resource for surgery is still being researched and Heidi said she may reach out to the Collaborative to see what resources they have.

*New Ambulance*

The new Ambulance has been ordered and it should be delivered by the end of the year.

**FCH New Business**

*Capital Equipment Request – Trane Chiller Repair*

The 1993 chiller needs to be repaired due to a leak. The repairs will extend the life of the chiller. Commissioner Schier made a motion to approve the repair of the Trane Chiller Repair, Commissioner Marion seconded, and the motion carried.

**ACTION:** It was moved, seconded, and passed to approve the Capital Purchase Request of the *Trane Chiller Repair*, not to exceed \$14,000.

*Capital Equipment Request – Carefusion Pyxis- Lease Replacement for Omnicell*

Our current automated medication dispensing machines will no longer be supported after October 2020. After research, it was determined the best option would be to lease the automated medication dispensing machines rather than purchasing. Commissioner Birch made a motion to approve the Carefusion Pyxis lease, Commissioner Marion seconded, and the motion carried.

**ACTION:** It was moved, seconded, and passed to approve the Capital Purchase Request of the Carefusion Pyxis- Lease Replacement for Omnicell, not to exceed \$333,000.

*Capital Equipment Request – DePuy Synthes- Screw Tray Set/Instruments*

Surgery would like to purchase a screw and instrument tray set to offer additional Orthopedic surgeries. Commissioner Marion made a motion to approve the purchase of the DePuy Synthes- Screw Tray Set/Instruments, Commissioner Schier seconded, and the motion carried.

**ACTION:** It was moved, seconded, and passed to approve the Capital Purchase Request of the DePuy Synthes- Screw Tray Set/Instruments, not to exceed \$32,000.

*Capital Equipment Request –Vyaire- Upgrade PFT System*

The PFT system in Cardiopulmonary is no longer supported. The system currently uses Windows- 7 and needs to be upgraded to Windows-10 to allow Dr. Shima to continue doing reads. Commissioner Birch made a motion to approve the purchase of the PFT System Upgrade, Commissioner Schier seconded, and the motion carried.

**ACTION:** It was moved, seconded, and passed to approve the Capital Purchase Request of the PFT System, not to exceed \$8,200.

*Capital Equipment Request - Octopus Repeater Replacement*

The emergency communications repeater on Octopus mountain needs to be replaced. Commissioner Marion made a motion to approve the replacement of the Octopus Repeater, Commissioner Schier seconded, and the motion carried.

**ACTION:** It was moved, seconded, and passed to approve the Capital Purchase Request of replacement of the Octopus Repeater, not to exceed \$11,500.

*Capital Equipment Request – Biofire Panels*

The Laboratory has requested two additional testing modules for the Biofire machine. The Lab is currently processing around 100 COVID tests a week and a large delay is due to having to wait for a module to open up. Adding more modules will allow the turnaround time for results to decrease. Commissioner Birch made a motion to approve the purchase two more Biofire modules, Commissioner Marion seconded, and the motion carried.

**ACTION:** It was moved, seconded, and passed to approve the Capital Purchase Request of the Biofire Panels, not to exceed \$46,000.

*Capital Equipment Request – Ultrasound Table*

The ultrasound exam table needs replaced as the electrical mechanism is broken and cannot be repaired. The department is limited on providing quality imaging until the ultrasound exam table is replaced. Commissioner Birch made a motion to approve the purchase of the ultrasound table, Commissioner Schier seconded, and the motion carried.

**ACTION:** It was moved, seconded, and passed to approve the Capital Purchase Request of the ultrasound table, not to exceed \$9,000.

### *Meeting with OMC*

Heidi and Kelly met with Olympic Medical Center Leadership last Friday. Heidi said the meeting went well and COVID was a large topic of discussion. There was also a brief EHR discussion and Heidi notified them when we upgrade we will not be going with Epic. Heidi also discussed our hospital prices verses OMC. Heidi said we are similar to other hospitals prices, but higher than OMC. Heidi asked the interim CEO, Darryl Wolfe, about the price difference. Darryl responded that their prices are so much lower due to the government dollars they receive. They can only increase their prices 2% a year.

### *Other*

There was no other business discussed.

### **LTC Old Business**

There was no LTC old business discussed.

### **LTC New Business**

### *Staffing*

The LTC unit is very low with staff being out. Due to COVID, we cannot have an NAC class, but we are looking at ways to hire staff and then work on their NAC certification.

### **Heidi Anderson, CEO, reported:**

### *Credentialing Successes*

Carie Micheau took over credentialing insurances last year. Carie was given a great review from Medicare for her success. Heidi said Carie has done a phenomenal job. The Board asked Heidi to give thanks to Carie for her great work.

### *FFMC Staff Update*

Sasha Jensen, ARNP, will be back from maternity leave in August. Dr. Gregory went out on maternity leave earlier than expected. Jonas Merrill, Dr. Yelland, and Dr. Lyndes, have all worked extra days at FFMC to cover days there are no providers.

### *Strategic Planning Update*

Heidi discussed the district's current strategic plan with the Board. Heidi discussed goals 1, 2, and 4 and where we are with the goals.

### *Other*

Heidi said since last week, there have been thirteen more positives reported from testing at our facility.

### **Finance**

Paul Babcock, CFO, presented the June date financial report, which was reviewed and discussed.

- Gross patient revenue for June was \$4,369,420.
- Net patient revenue for June was \$2,492,340.
- Net A/R days are 61.4.
- Days cash on hand is 188.
- Days cash on hand (non-COVID) is 105.
- There were 1,515 Clinic visits, 23 surgeries, 310 emergency room visits, and 2 births in June.
- Total operating expenses for June was \$2,651,447.
- The total non-operating income for June was \$41,757.
- Net income for the month was \$56,919.
- Net income for the month (Non- COVID) was (75,105).
- Total cash on hand is \$16,307,724.
- Total cash on hand (non COVID) is \$9,124,838.
- Acute average daily census is 1.1.
- LTC average daily census is 19.4.

### **New Patients Per Provider**

The Board of Commissioners reviewed June 2020 new patients per provider.

### **Ambulance**

The Board reviewed the June 2020 Ray Ellis Memorial Volunteer Ambulance Corps incidents, transports, mutual aid, overlapping calls, average response time, average turnout time, and average on-scene time.

There being no further business to discuss, the meeting was adjourned at 6: 45 pm.

The Board of Commissioners' next meeting is scheduled for August 25, 2020, at 5:00 pm in the Lee Merrick Conference Room.

Minutes recorded by Laci Johnson, Executive Assistant.

---

Sandra Schier, Secretary