



**Public Hospital District 3 of Pacific County
Ocean Beach Hospital and Medical Clinics
BOARD OF COMMISSIONERS MEETING
July 26, 2016**

AGENDA	DISUSSION / CONCLUSION	RECOMMENDATIONS / ACTION / FOLLOW-UP
CALL TO ORDER	<p>The Public Hospital District 3 of Pacific County Board of Commissioners Meeting was called to order July 26, 2016 at 4:00 pm</p> <p>Commissioners present: Nancy Gorshe, Chairperson Steven Linhart Ariel Smith Madeline Moore</p> <p>Also Present: Larry Cohen, Interim CEO Linda Kaino, CNO Beth Hash, Accountant Tammie Jefferies, Executive Assistant</p> <p>Not in Attendance: Suzanne Staples, Secretary</p>	
AGENDA	Nancy Gorshe requested approval for the agenda.	A motion to approve the agenda made by Steven Linhart; Madeline Moore seconded. The motion passed by unanimous vote.
MINUTES	Nancy Gorshe requested approval for the June minutes.	A motion to approve the minutes of the June board meeting was made by Steven Linhart; Madeline Moore seconded. The motion passed by unanimous vote.
Board Report	Madeline Moore reviewed the final chapter	

	Nancy shared now that they have reviewed all the chapters, she would like to continue this portion for community outreach / education. For each board member to think of someone in the community who could come talk or give a presentation of the organization they belong to.	
Resolution 2016-05	Resolution 2016-05 surplus personal property owned by the district Discussion on whether or not the district will need to open bidding for the vehicle. Recommended to look more into the process of when a public entity has property to dispose. There is a local person who has offered to purchase it if not the vehicle will go to the scrap yard.	A motion to approve Resolution 2016-05 was made by Steven Linhart; Madeline Moore seconded. The motion passed by unanimous vote w/ additional information needed and to follow through with protocol if required to bid the vehicle.
Resolution 2016-6	Resolution 2016-06 Appointment of Superintendent – Larry Cohen Introduced resolution by Nancy Gorshe	
Consent Agenda	Quality update – Linda Kaino gave a brief update. Leadership Communication: no discussion Employee engagement was handed out for board to review. Discussion will be at the next meeting.	A motion to approve the consent agenda was made by Steven Linhart; Madeline Moore seconded. The motion passed by unanimous vote.
Presentation by Eric Volk	Eric provided information to the board on provider based clinics versus RHC provider based clinics. Presentation attached.	
Approval of Vouchers June Financials	Vouchers – June Larry Cohen presented the June Financials. See attached. Financial Stewardship: 340B Update: <ul style="list-style-type: none"> ❖ Sentry/Hospital Contract Signed in late June, 2016 ❖ Sentry is very protective of their financial arrangement and technology ❖ Cardinal conversion effective 8/1/2016 (requirement for easier admin.) ❖ Pharmacy/OP income related to provider prescribing effective 	A motion to approve the June vouchers was made by Steven Linhart; Madeline Moore seconded. The motion passed by unanimous vote.

8/1/2016

- ❖ Hospital “income” retroactive to 7/1/2015 (fingers crossed)
- ❖ More providers = greater opportunity (e.g. Ortho Surgeon, NP, MD’s)
- ❖ Pharmacy/OP revenue to OBH should be \$300K to \$400K/yr (net of ~\$100K annual cost)
- ❖ Hospital purchases related revenue (Chemo, IP Meds ...) – TBD
- ❖ The Peninsula Pharmacy is an excellent and collaborative partner

WSHA Contract Highlights:

- ❖ 3% increase each of the contract’s 3 years (CMH just gave step 1 to 10 RN’s a

6% increase and 3% to RN’s at step 11 and above – the CMH 6% put OBH about 12% behind the starting wage before the 3% increase)

- ❖ No retro of the 3% for 2016 back to 4/1/2016 (savings of ~\$12,000)
- ❖ 2.5% decrease in benefits cost for OBH (savings of ~\$10,000/yr) - RN’s to pay

15% (vs. the current 12.5%) – savings go up as/if benefits cost rise

- ❖ OBH took off the table the request to be able to call off AM RN’s for 4 hours

and have them come in a 11:00AM to cover breaks and lunch (and volume)

- ❖ Parties agreed to a pilot to allow Head Nurses to create the Nursing Schedule
- ❖ Deal sets OBH up well for the Teamsters negotiations

Proposal for an Executive team Incentive program

- ❖ Reward senior leadership for the completion of organizational goals
- ❖ Validate the legality of the program with Lee Kuo (initial review supports idea)
- ❖ Second hurdle before any payout is meeting the “County” budget inclusive of

the payout amount (\$ goal trigger pretty much an industry standard)

- ❖ Link payout to the CEO goals to encourage/support goal alignment
- ❖ TBD – a) set eligibility criteria; b) set pool %; c) validate legality; d) timing; more discussion to be done by the Finance Committee

Hospital Billing Outsource Arrangement Change

- ❖ Change from a “cradle to grave per bill amount” to a % of collections
- ❖ Adding payment posting, account adjustments, set up of bad debt accounts to

CBO (Spokane, WA)

	<ul style="list-style-type: none"> ❖ Enhances CBO's motivation to work the accounts & collect all that is due OBH ❖ OBH negotiated a rate of 2.4% on insurance and 7% on self-pay (great job, Beth!) – on insurance CBO asked for 4% - Summit is paying 3.2% ❖ Cost will be about \$50,000 per year higher – offsets to this expense will be explored for a net zero additional \$ cost ❖ CBO arrangement allows for an exit ramp if OBH changes billing systems – e.g. EPIC <p>Larry reviewed the layout of the Ocean Park Clinic. Things are still moving ahead for the building and offices. It is in its final design; no cost yet (at \$20 sf the cost would be \$6,800 per month plus CAM) It looks like it could be completed by the second quarter of 2017. We are currently recruiting for providers to work at the OP clinic. Larry will continue to update as things progress.</p>	
OBH Foundation	<p>Foundation Meeting – the Foundation has been postponed another month for meeting. Due to the President needing to be out of town. The current board members have recruited a few new board members and they will be invited to the next board meeting.</p>	
Strategic Planning Committee	<p>Larry reviewed the strategic planning grid. It was reminded for Larry to send it in the board packets prior to the board meetings.</p> <p>On July 25th there was a F2F meeting with Providence, PH & OBH. Some things that are in currently being discussed are: Cardiologist / Caridac Ultrasound / EKG's Oncology EPIC Provisioning – completed initial assessment Health eXpress - \$39 visit offer OBH lab/rad GPO – conversion to Vizient – effective 8/1/2016</p> <p>Some projects that are pending: Insurance Borkerage Services PH/Providence Provider Recruitment Proposal Quorum – National Advisory Firm Providence engaged with Market share data refresh</p>	

	<p>Clinic Coach proposals Tele – Speech / Tele Hospitalist / Tele Psych, Tele Pulmonolgy</p>	
CEO report by Larry Cohen	<p>Provider Recruitment: Nikki Lee Hartley-Jonason, FNP Orthopedic Surgeon recruitment – Eugene Pontecorvo</p> <p>Parker Smith Feek: Insurance Annual Renewal increase of \$48,222 (primarily in Property Liability and Umbrella coverages plus another \$8,219 for Cyber-insurance)</p> <p>Evaluating Provider recruitment support option: PH / Providence proposal due this week Medicus Fidelies Merritt-Hawkins pending Using outside recruiters could cost up to \$35,000 per provider</p> <p>Human Resources: Jay Steiner – Facilities / EVS Manager began July 25, 2016 Clinic Manager Recruitment underway (Valrie is covering day to day)</p>	
Medical Staff	<p><i>Appointments/Reappointments ...</i></p> <ul style="list-style-type: none"> • <i>Edward Peipmeier, MD – Emergency Medicine Provisional 6 mo.</i> • <i>Zachariah Kramer, MD – Tele Radiology Provisional 6 mo.</i> 	Steven Linhart made a motion; Madeline Moore seconded; all in favor.
PUBLIC PARTICIPATION	Nancy Gorshe opened it for public participation.	No action required.
Adjournment	The meeting adjourned at 5:37p.m. w/ no further discussion.	