

San Juan County Public Hospital District #2: Lopez Island Hospital District
Board of Commissioners
Regular Board Meeting
April 26, 2018
Minutes

Commissioners Present

Commissioner Berger

Commissioner Orcutt

Commissioner Presley

Commissioners Absent

Commissioner Campbell

Commissioner Graville

Staff

Supt. Presson

Guests

Debra Gussin, UWPN

Darren Layman, UWPN

I. Call to Order

The meeting was called to order by Acting Chair, Commissioner Presley, at 4:00 pm.

II. Public Comment

Commissioner Presley asked the public attendees if anyone would like to participate in the Public Comment item. There was no formal request from the public.

III. Consent Agenda

Commissioner Presley noted that the Board wouldn't be able to take action on the March 22, 2018 minutes included in the Consent Agenda being that she was not present at that meeting. As a result, there aren't enough Board Members present to represent a quorum on that specific item. Action on the Consent Agenda will only apply to the monthly Vouchers for April. Superintendent Presson quickly reviewed the items contained in the Voucher report. **A motion was made by Commissioner Orcutt, seconded by Commissioner Presley and unanimously carried to approve the item on the Consent Agenda. The March 22, 2018 minutes will return for action in May.**

IV. Committee Reports

- a. **Finance Committee: UW Financial Reports** - Commissioner Berger updated the Board on the ongoing activities of the Committee to reach agreement with UWPN on the first set of Financial Reports. Over the past six weeks Superintendent Presson has continued to work closely with UW's Director of Finance, Karen Schiller, to reach mutual agreement on the accounting for the various Start-Up and Operational costs. Superintendent Presson expressed her appreciation to UW for the strong collaboration and their willingness to take the time necessary to enable us to arrive at a mutually acceptable final reporting. When asked, Superintendent Presson expressed her comfort level with the methodology and reporting of expense items. She also thanked Peggy Means for the support Peggy provided throughout this process. Now that the budgets are finalized UWPN will be able to issue invoices for Q'4 2017 and Q'1 2018.

Superintendent Presson also noted that she has been working with UW to draft next years' budget. **Based on the initial work, she feels comfortable with FY 2019 modifications and will bring the draft for first Board review in May with the goal of finalizing in June.**

Finance Committee: LIPT Q'1 2018 Financial Report – Superintendent Presson reminded the Board that the District's contract with LIPT provides for a quarterly subsidy payment to support the practice in the early stages of development. In turn, LIPT's obligation is to provide a financial summary at the end of every quarter. In support of that requirement, the financials for Q'1 2018 were included in the packet.

A couple of things to note. While Q'4 2017 revenue was self-pay only, the practice has started receiving some insurance reimbursement and that will continue to grow. Superintendent Presson sent a letter in support of LIPT to Kaiser and was able to connect LIPT with the appropriate contracting contact. LIPT is actively working to finalize a contract with Kaiser and other insurance companies. In the interim, they have done a good job of managing expenses by deferring salary until Medicare reimbursement is received and delaying some benefits costs. This has helped to keep Total Operating costs at about 80% of budget. The group also shared they are actively looking for a space. **A suggestion was made to share LIPT's progress with contracting on the District website to help spread the word as capacity to bill insurance companies increases.**

- b. **Quality Committee** – Due to scheduling challenges, the Quality Committee will be meeting with the LIPT group in early May. Commissioner Orcutt shared his goal to develop measures that are useful and easy to collect. He also expressed his appreciation to Ted Phillips who agreed to participate on the Quality Committee. **A template of the proposed Quality metrics will be brought to the May Board meeting.**
- c. **Communications Committee** – No report this month.

V. **Monthly Operations Report**

- a. **Monthly Financials** - Superintendent Presson presented the financial reports from San Juan County's financial management system as of March 31st. Revenue from Property Taxes for the month was \$88,861, and \$125,102 year to date. She was also able to obtain an updated number through April 20th which came in at just shy of \$300,000. Revenues have been sufficient to meet monthly expenses and there hasn't been a need to take a second draw on the General Obligation bond since the UW subsidy payment has been delayed. General Obligation bond revenue remains at \$50,000.

On the expense side, as we are a quarter of the way through the current fiscal year most expenses are trending right around 25% of annual budgeted amounts. A few exceptions are those that were front loaded or one time. Examples are: legal services associated with the bond and the office lease which is paid a quarter in advance. As noted in the

past, the District will receive reimbursement of the \$1,000 annual dues paid to AWAPHD as part of AWAPHD's participation in the State's Medicare Transformation project.

- b. **Superintendent Highlights** - Superintendent Presson presented operational highlights from the month of March. As reported on the April Vouchers, the District's insurance policy has been renewed for the 2018-19 policy period. Superintendent Presson also shared a revised proposal received from V2V consulting following initial review at the March meeting. The proposal now breaks out the cost for the two sessions which include one to finalize the District Development work that was started a year ago and a second to engage in a 2019 Strategic Planning session. After sharing feedback from Commissioner Campbell, and further discussion with the Board, there was agreement to take a wait and see approach to determine if there continues to be a need. The Board will therefore revisit the proposal in 2019 once there is a clearer picture of need.

Superintendent Presson shared that collaboration with the Clinic has been going very well. Together with Darren Layman from UWPN, the team was able to quickly address an issue associated with new lab draw policy and assist a resident who had been experiencing difficulties. Superintendent Presson will be meeting on a monthly basis with the Clinic Manager and will start to include her updates on this report. Superintendent Presson has also been very engaged with the State Auditors office, feeling very prepared for both the Annual Financial Report due in May and the Accountability Audit scheduled for early June. On the community engagement side, the District's presence continues to grow. Each week there are a few new followers to either the LIHD website or Facebook page and Superintendent Presson makes sure to post regularly on each. She is excited to share that the new ARNP from the Clinic, Wen Murphy, is going to create a monthly health column and it will become a regular feature on the LIHD website. Finally, all regular business requirements associated with quarterly filings and reports were completed, and the District is scheduled to make its loan repayment to San Juan County on May 1st once the accrued interest is known. The draft letter instructing the County Treasurer to execute the funds transfer was included in the packet.

- c. **UWPN Highlights** – Debra Gussin and Darren Laymen from UWPN answered questions from the Board and guests. Overall, they are feeling good about the relationship with the LIHD and proud of the Clinic staff. The Clinic participated in UW's annual employee engagement survey process and the Lopez Island Clinic received the second highest score of any Clinic across all of the UW Neighborhood Clinics. Debra also shared that she hopes to have enough data by May or June to begin reporting on Quality metrics. This will include items such as patients getting required screenings and chronic disease management. UW is continuing to look at the cost/benefit of purchasing additional lab equipment to reduce the number of items that are flown off. Debra also let the Board know that Dr. Velasquez has been contracted to remain in the islands until the end of summer. All good news as we enter into a busier summer season and there's a sense that her activity could end up covering the cost to have her as an additional resource.

There was discussion around telehealth services and the hope that nutrition services will be forthcoming. Commissioner Orcutt asked about diabetic retinal imaging, which has been pushed back to late summer. This will eliminate the need for diabetics to travel to the mainland for eye exams. Instead, a picture is taken and sent to Seattle for review. This also brought up the eConsult services that the Clinic providers have access to at UW. Currently, there are 13 specialties available through the eConsult program. Peggy Means mentioned a group on the island made up of residents with Parkinson's disease. They recently lost their physician in Anacortes who retired so it could be that a telehealth option would be of tremendous benefit. **Perhaps we can work with UW to pilot a program with this group. The Superintendent will find out when the group meets to explore ideas to deliver care via eConsult to improve care and patient experience.**

Another program that delivers value to islanders is UW's Virtual Clinic. It used to be that Medicare not only wouldn't cover the service but wouldn't even let a Medicare beneficiary participate at their own cost. Thanks to a recent policy change, those on Medicare can now pay the \$35 and use the Virtual Clinic 24/7. **Commissioner Berger asked if a Medicare Supplement plan will reimburse the \$35 and that is something that needs further research. Finally, Debra mentioned a lost opportunity for the Clinic to have been open during the Tour de Lopez. We will add a calendar of Community Events to the UW activity log so that we can be proactive in having the Clinic participate and support the community.**

VI. Old Business

Nothing reported

VII. New Business

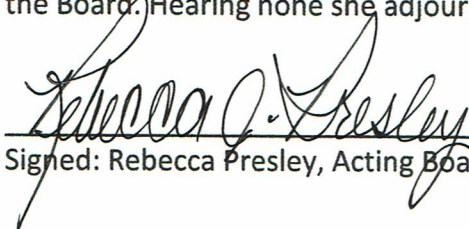
Nothing reported

VIII. Commissioner Comments

Commissioner Berger provided a short overview from the Fire Commission meeting he attended on Tuesday. Once again, he came away from the meeting feeling that interactions are going well between the Fire Department and the Clinic. Chief Havner was in attendance and shared that he also felt the interaction with UW was positive and everyone was working towards the same goal. As always, the Board expressed their appreciation to Commissioner Berger for his participation and reports.

IX. Adjourn

Commissioner Presley asked if there was any further business to discuss, comments or questions from the Board. Hearing none she adjourned the meeting at 5:20 pm.



Signed: Rebecca Presley, Acting Board Chair for April 26, 2018 meeting