

**San Juan County Public Hospital District #2
Dba Lopez Island Hospital District (LIHD)**

Board of Commissioners - Regular Meeting

June 24, 2020

REMOTE MEETING DUE TO COVID-19

Zoom Video/Audio

4:30 – 6:30 pm

Minutes

Commissioners Present

Albert Berger, Board Secretary
Christa Campbell
Iris Graville, Board President
James Orcutt
Steven Greenstein

Staff

Superintendent Anne Presson

Commissioners Absent

None

I. Call to Order

The meeting was called to order by the Chair, President Graville, at 4:34 pm. Once again, President Graville summarized the online meeting protocols and restrictions that remain in place as a result of COVID-19 and the Governor's Proclamation that has been extended several times. While the limitations remain, one change in the Proclamation is that the Board no longer remains restricted to taking action only on items that are deemed "routine and necessary" or related to the COVID-19 outbreak.

II. Welcome New Commissioner and Oath of Office

The Commissioners welcomed a new member, Steven Greenstein. Steve was appointed to fill the vacancy following resignation of former Commissioner Rebecca Presley. As is protocol when elected or appointed, Jamie Stephens, County Council Member, was on hand to administer the Oath of Office as Commissioner Greenstein takes on his official duties.

III. Public Comment

County Council Member Stephens provided a brief report from the joint Board of Health and County Council meeting held earlier in the day. There was discussion around the County submitting a request to move to Phase 3, which starts with a letter from the County's Health Officer, which goes to the County Board of Health to discuss and eventually approve. The County Health Officer, Dr. James, provided a modified Phase 3 approach which required bars to remain closed and restaurants operate at 50% capacity rather than 75%. Gatherings of more than 50 people will be limited to outdoors only.

The revised proposal was approved by the Resolution of the Board of Health. Dr. James will continue to revisit the 50-person limit for indoor meetings. The next step in the process is to put together the application, which will be reviewed by the State DOH.

Commissioner Berger asked about the ferry schedule and whether the winter schedule will continue as we move into new Phases. Council Member Stephens reported that there are various challenges with the ferry system which will likely mean continuation of the more limited schedule. The ferry has several metrics they will need to meet before moving to a new schedule. These include delays in winter maintenance and crews not reporting to work as a result of COVID. Approximately 160 crew members fall into the vulnerable population for COVID, or have existing conditions that put them at higher risk.

IV. Consent Agenda

Included in the meeting materials were Minutes from the May 27, 2020 Regular Board meeting and an AP Voucher report dated May 26th in the amount of \$213.29.

MOVED by Commissioner Orcutt, seconded by Commissioner Berger to approve the Consent Agenda as presented. No further discussion. VOTE: 5:0:0. Motion Carried.

V. COVID-19 Updates

- a. **UW Medicine Lopez Island Clinic** - Mark Bresnick, Assistant Director of Operations for UW Neighborhood Clinics, provided an update on the FY '20 budget. UW continues to feel that the Clinic has done a great job managing Revenue and Expenses during COVID, and he expects the Clinic will come in on budget for the current fiscal year when combined with the Payroll Protection Program (PPP) funds that will be applied to the Lopez Clinic. This continues to be very good news since the majority of the UWNC Clinics are not in such good financial shape.

Patient visits are recovering and are at 82% of budget as of June 19th, as compared to the overall system which is at 74% of budget. Approximately 30% of visits are via telehealth, and patients are very comfortable with the Clinic's safety measures and are coming back into the Clinic.

In regard to furloughs, they will be limited to the Manger positions and higher. Those employees will be required to take 2 weeks on furlough between July 1st and October 31st. Other than the Clinic Manager, no additional staff is expected to be furloughed in FY'21. Commissioner Berger asked about how the PPP funds will be applied and what staff is covered. Mark confirmed that PPP doesn't cover providers but will cover all staff salaries to help make up for lost revenue.

Commissioner Campbell brought up a situation that she would like Mark and the Clinic Manager to research, and there was agreement that would be taken offline. Overall, Dr. Wilson reported feeling as though people are getting appointments in a timely fashion

and the Clinic is meeting the current demand for scheduled and urgent care. Both providers are in the Clinic now after each taking some time off, and he is confident demand is met.

- b. **Community Updates** – Commissioner Campbell reported on her involvement with Lopez Recovers, which is largely focused on helping businesses reopen. A lot of businesses haven't yet received Coronavirus Aid, Relief and Economic Security (CARES) funds, and the local organizations (e.g. Lopez Island Family Resource Center, Senior Center) are doing amazing work supporting people.

Superintendent Presson reported that the county will begin an asymptomatic testing program for employers. The county will be reaching out to see who would like to participate in this voluntary program, and will rotate between the three main islands, starting with San Juan and moving from Orcas to Lopez.

Finally, Commissioner Graville reported on the work of the Lopez COVID Health Support Group, which continues to be largely focused on Personal Protective Equipment (PPE), particularly cloth masks.

VI. Special Report – Lopez Transportation Group

Curt VanHyning, Board Chair of San Juan Islands Shuttle System (SJISS) a 501(c) (3) non-profit, presented information on the services the organization provides. This includes daily transportation to low-income seniors and disabled residents who do not drive. Recent surveys indicate as many as 100 Lopez households may have no vehicle or choose not to drive. These individuals must now stay home or rely on neighbors, friends or family to do shopping, get to medical appointments or fill prescriptions. SJISS is interested in expanding their affordable, or free, transportation service to Lopez Island.

Curt also shared statistics from SJI, whereby the shuttle averaged 14.25 trips per day for a total of 5,335 in 2019. Until this year's pandemic, ride volume has risen every year to surpass the 25,000 mark since the program launched 7 years ago. About half of the trips are for medical or physical therapy appointments. PeaceHealth reimburses the non-profit \$5/ride for people delivered to PIMC. The program has been supported by other donations and fundraising efforts. After moving to Lopez from SJI four years ago, Curt saw the need and is hoping to bring this valuable service to Lopez.

Commissioner Berger asked if the PHD on SJI contributed to the non-profit, and Curt responded it had not to-date. The largest donor has been PeaceHealth and the grocery stores. Commissioner Orcutt asked if this service would duplicate what is delivered through the Senior Center, and if what is provided was taken into account when determining the need. Curt was very familiar with their services, and felt that SJISS will complement existing services. Their focus is on transporting people 7 days a week to local providers, the pharmacy, and other appointments or services.

At this point, Curt indicated that all SJISS is looking for is a letter of support from LIHD. When asked by Commissioner Berger, Curt clarified this is not meant to represent a financial commitment. Rather, the

SJISS feels that having the District's endorsement for the need for this type of service on Lopez will assist in the non-profit's fundraising efforts within the Lopez community.

MOVED by Commissioner Campbell, seconded by Commissioner Greenstein to approve the District write a letter of support for the transportation service. Superintendent Presson and the Board Officers were authorized to draft the letter. VOTE: 5:0:0. Motion Carried.

VII. Committee Reports

a. Finance Committee – Commissioner Berger provided an update on four key items.

First, the Committee received UW's Pro Forma that covers the Maximum Funding for the renewal period that runs July 1, 2020 through June 30, 2023. The Committee just received the revised Clinical Services Agreement (CSA) for the same period that was reviewed earlier in the year yet delayed due to COVID-19. As far as the financial side, UW is being cautious on visit volume and is not projecting any increase over the three-year period. This has an impact of keeping Revenue flat while expenses are increasing; thus, increasing the District's subsidy.

There was a discussion around how much is reimbursed for telehealth visits. Mark reported that during COVID-19 reimbursement was equal; however, providers can't handle the complex cases via telehealth. Questions remain as to the impact of the UWNC integration into UW Medicine, specifically as staff become unionized.

As far as the CSA document, it appears the way in which caps were applied in the initial Agreement no longer applies in the renewal. Rather, the annual budget process will serve to set the Annual Maximum Funding cap. Clarification is needed since there were a few other discrepancies between the CSA and Pro Forma.

Commissioners were asked to review the documents and send questions to Superintendent Presson by July 3rd. She will aggregate these and address them on the next call with UW and the Board Officers.

As was discussed at the last Board meeting, the Committee received a Letter of Engagement from our Accountants and would like to have them update our cash flow projections now that UW has provided the Pro Forma.

Next discussed was revisiting the existing General Obligation Bond, which was secured in 2017 for District operations in advance of receiving property tax revenue in April 2018. The GO Bond currently has a balance of approximately \$341,000 at an interest rate of 4.35%. The original term was 20 years, leaving 17 years remaining.

There appears to be an opportunity to either reduce the interest rate and/or length of payment. Commissioner Berger spoke with a representative from WAFed It sounds like the interest rate on a 15-year GO bond could be in the range of 2.5%. The costs associated with a new bond need to be determined, as it's likely the District will need to engage the Bond Attorney to draw up a new Resolution. Commissioner Berger also hopes to get a response from Islanders Bank as to their willingness to refinance the existing bond at a lower rate. He spoke with our contact, Mike Taylor, who agreed to take the request to the bank President.

This item will be brought back to the July meeting for further discussion.

In the interest of time, there was a quick review of the other two Committees since their work is largely on hold.

- b. **Quality Committee** – There was no report from the Quality Committee. Superintendent Presson shared that UW Medicine was changing the way they capture and report on Quality measures – moving from a visit-based to a panel-based approach. As such, they don't expect to have data from the new reporting format until the end of the year.
- c. **Communications Committee** – There was no report from the Communications Committee as activities are on hold.

VIII. Community Partner Updates – this item was moved up on the Agenda since the meeting was running long.

- a. **LIFE** – Commissioner Paige was present and provided a short update from the last LIFE Board meeting. EMS calls are up while Fire calls are down from the same period a year ago. Their actuals are in line with budgeted numbers, which is a relief since they decided to hold off on the levy lift for now. That will be something to address in the future.

The Board did decide to move forward in the search for a new Chief, and the interim Chief's contract has been extended through October. They hope to start their strategic planning process once a new Chief is on board.

- b. **CWMA** – Lauren Stephens reported that they are finishing the work on the new lab for the Clinic.
- c. **LIPT** – Terri Drahn reported on visits and billing delays. The practice hadn't received any reimbursement from patients with Premera's MedicareAdvantage plan and was owed about \$5,000. Funds from the PPP helped the practice survive during COVID-19, including a Medicare grant of \$6,000. They anticipate a shortfall of approximately \$11,000 for Q'2.

They are trying to increase visit volume as much as possible within the parameters of what they can safely accommodate. President Graville asked about contingency plans should a surge of cases happen, as predicted, in the fall. Ms. Drahn said they are looking at contingency plans, and the good news is they've become better equipped for telehealth and can bill for those services. They are also applying for loans and considering possible furloughs of staff. President Graville felt it was important for LIPT to keep the District updated on how things are going, as it's important to support PT on the island as opposed to having people have to travel to the mainland. Peggy Means added that any surge in the fall could also impact surgeons' ability to perform surgeries, which in turn impacts PT demand. Finally, Commissioner Campbell shared a contact for someone helping businesses get SBA loans in preparation for any surge, as interest rates are extremely low. She will share the contract information with Ms. Means.

- d. **Lopez Pharmacy** – Rick McCoy provided an update from the Pharmacy, and how payments work with insurance companies and Pharmacy Benefit Managers (PBMs). He reported the pharmacy actually gets reimbursed less than their cost on some prescriptions. In addition, PBMs try to steer their members to mail order pharmacies that they own and operate. All of this makes it very difficult to sustain a community pharmacy. In fact, the Lopez Pharmacy has been for sale since 2011, and while there have been a few nibbles, it's been hard for anyone to make the math work.

Like other health care entities, the Pharmacy did get PPP funds. The McCoy's gave all of those funds to their employees, who have been working hard to serve the community throughout the pandemic. Since dispensing restrictions were lifted during COVID-19, the pharmacy started giving people multiple months of prescriptions and doing curbside pick-up. That required them to tap into their line of credit for about \$55,000 to have enough supply to dispense larger doses. Those 3-month supplies are running out and people are coming back for renewals now.

Pharmacist McCoy went on to share how much the pharmacy appreciates being able to administer vaccines. As a small pharmacy, they do more than anyone in the County, and this adds to their bottom line. He expressed his appreciation for the support from the Clinic. The one area where UW has a shortcoming is in not providing coverage when a provider is gone. In the former model, a Locum was brought in when a provider was on vacation or out for an extended period, so there were always two providers practicing. When this isn't the case there are fewer prescriptions, and that impacts the pharmacy.

IX. Old Business

President Graville shared the draft Letter of Appreciation to be sent to health care partners who have contributed significantly to maintain health care support on Lopez during the pandemic. There was consensus to have Superintendent Presson and President Graville finalize the letter and send to the Board for signatures. Once finalized, it will be posted in the online and print media, as well as distributed to the community partners.

X. New Business

There was continued discussion of the Annual Performance Review document that was used in 2019 and modifications needed for the 2020 process. Commissioners were asked to review and provide Superintendent Presson with feedback on or before July 10th. She will work with Commissioner Greenstein to improve the format itself. An updated document will be brought to the July meeting for action, and feedback solicited in time for discussion at the August Board meeting.

XI. Operations Report

Due to time constraints, Superintendent Presson kept her update short. She reported nothing unusual on the monthly financial reports through the month of May 31, 2020. She also provided a brief overview on the transition to NW Technology and status of the website migration.

XII. Public Comments

A second period for public comment following Board discussion was added to the Agenda format. Erica Taylor from the UW Medicine Lopez Clinic expressed concern over some recent communication from the County Department of Health related to the former asymptomatic testing program. She also expressed HIPAA concerns with the level of patient detail requested by the County for every COVID-19 test.

XIII. Commissioner Comments

There were no additional comments from Commissioners.

XIV. Upcoming Meetings

The next Regular Meeting of the LIHD is scheduled for July 22, 2020. It's assumed meetings will continue to be held via Zoom.

XV. Adjourn

MOVED by Commissioner Campbell, seconded by Commissioner Berger to adjourn the meeting at 6:59 pm. VOTE: 5:0:0. Motion Carried.