

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

Board of Commissioners - Regular Meeting

January 27, 2021

REMOTE MEETING DUE TO COVID-19

Zoom Video/Audio

4:00 – 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 at 4:00 pm by the Board President, President Graville. President Graville started the meeting with a routine land acknowledgment, recognizing the Commissioners are meeting on the traditional land of the Coast Salish.

II. Public Comment

There was no request for public comment at this time.

III. Consent Agenda

The Consent Agenda contained Minutes from the December 16th Regular Board Meeting and the December 27th Special Board meeting. There were also two AP Voucher Reports dated December 28th in the amount of \$2,609.36, and January 10, 2021 in the amount of \$2,565.34.

MOVED by Commissioner Orcutt, seconded by Commissioner Greenstein to approve the Consent Agenda as presented. VOTE: 5:0:0. Motion Carried.

IV. Health Care Partner Updates

- a. **UW Medicine Lopez Island Clinic (UW)** – Mark Bresnick, UWNC Assistant Director North Region, was in attendance along with the Lopez Clinic Manager and the Clinic Chief. Bresnick shared UW’s vaccination plans, which have continued to change in response to an ongoing lack of vaccine. The entire UW system has put a pause on all appointment

scheduling for prime doses (1st dose) until they receive confirmation of an allocation from the State. This will ensure appointments don't have to be cancelled. Once available, UW plans to deliver vaccines in the Clinic every Tuesday. Pending supply, UW is tentatively targeting a start date of 2/9, and their plan is to deliver 30 prime doses per week. This will eventually increase as they begin both prime and booster doses (second dose delivered 28 days out). At that point the Clinic plans to schedule 30 prime and 30 booster doses every Tuesday.

Commissioner Berger asked how UW will go about scheduling appointments once they are ready to begin. Bresnick shared that UW will be managing all scheduling locally and not through the online system. To ensure equity, they will hold 25% of appointments for high-risk patients and patients without internet access. UW is beginning to look at their patient population, and will conduct targeted outreach for patients who meet the criteria for Phase 1b/Tier 1. There will also be messaging sent out via eCare for those who have signed up for that service. They will also come up with a plan to assist the Spanish speaking population.

Crystal Rovente, Clinic Manager, reported that the staff will begin outreach once it's confirmed vaccine is available. They have chosen not to maintain a waiting list. Outreach to the most vulnerable will be done one day prior to releasing the appointments more broadly. There will also be a phone system in place to take callers phone numbers, and people will be put into the vaccine cue in the order they call. This process will avoid overwhelming the front desk staff.

Discussion was held as to the timing of the vaccine events. Bresnick confirmed there will be a separate vaccine schedule that will likely run from 8 am – 1 pm for the first four weeks when only delivering prime doses. Once UW moves to both prime and booster, there will be 30 prime PLUS 30 booster vaccines. At that point it's likely the morning appointments will be used for prime, and the booster vaccinations will take place in the afternoon. The front desk staff will manage check in, and there will be a process to provide patient monitoring for the required 15 or 30 minutes following the vaccination. Rovente also confirmed on Tuesdays the Clinic has at least three Spanish speakers on site, and patients are also able to access UW's interpreter program. As such, there will be multiple ways to support the Spanish speaking patients.

Bresnick went on to provide a high-level overview of the Clinic financials. He reported that Q'1 was on track yet Q'2 visits were slightly lower than budget. Not surprising since Dr. Wilson was on medical leave towards the end of 2020. They are seeing visits beginning to recover and build up again. Overall, UW expects the Clinic's financials to be on track with the LIHD's Maximum Funding Cap.

Rovente shared that the Clinic is looking at how to code and bill for services being delivered by the RNs in order to capture revenue from all that they are doing. There are codes that can be used to document a visit with an RN that doesn't require seeing a

provider (e.g., stitch removal for a patient coming to the Clinic from an outside provider). In the first six months of tracking, UW identified \$30,000 in such billable revenue, and the Clinic received approximately \$9,000 as a result. Rovente and Bresnick will continue to look at ways to maximize what can be captured from services being delivered by the nursing staff and will provide a more detailed report in March. At that point they will be able to determine what is sustainable and can be realistically factored into the revenue projections for FY '22.

Discussion continued around how much expense is involved in generating the additional revenue. As has been discussed in the past, there is a loss for every clinic visit due to the fact the revenue per visit from the majority of payors (averaging \$125/visit for Medicare and Medicaid) is much less than the expense per visit (averaging over \$200/visit). That gap is what the LIHD makes up with its subsidy. While the Commissioners expressed appreciation for the efforts of the RNs in order to maximize revenue for all services delivered, there was consensus to further study how this effort will impact overall expenses.

Commissioner Campbell asked what was causing the non-provider benefits to be higher than budget while the non-provider compensation was below budget for the first quarter of the current fiscal year (July 1, 2020 through September 30, 2020). Bresnick agreed to follow-up on that item, as well as a few others that the Finance Committee had identified.

- b. **LIPT** – Peggy Means provided an update from the Lopez Island Physical Therapy practice. The practice experienced an operating loss of \$2,624 in December and is requesting the final \$542 in budgeted support for 2020 from the LIHD.

It was a very challenging year, with visits 28% below budget due to the pandemic and a temporary shutdown in the 2nd quarter. Although the practice was able to gradually increase the number of patients that could be seen in the office with required precautions, when the second wave commenced in November, the practice had to again reduce office visits and see more patients through telehealth.

Revenue for 2020 was 34% under budget. The practice experienced low net revenue/visit in Q'1 as a result of delayed reimbursement from Lifewise and Premera. Q'2 revenue was impacted by the temporary closure and shift to telehealth, which limited the types of services provided (e.g., inability to provide ultrasound or electrical stimulation services, etc.). Issues with the billing vendor were addressed in Q'3, and by Q'4 revenues were much improved, while still impacted by lower average revenue/visit due to restrictions on the number of patients and therapists who could be in office at the same time.

Expenses for staff were lower than budget by 16%. In order to receive forgiveness for the Small Business Administration PPP loan, staff wages and benefits were maintained

at normal levels for all of Q'2. This was extremely helpful in changing procedures to meet new state requirements for safety precautions, and adjusting charge codes to accommodate telehealth visits. Staff salaries and hours were reduced in Q'3 and increased in Q'4 as visit volumes increased. Other expenses were reduced as much as feasible, and CWMA covered lease and utility expenses from September through December. When combined with the LIHD subsidy, the PPP forgivable loan and a Medicare grant, the resulting net shortfall for 2020 was actually lower than what was originally budgeted. LIPT has requested forgiveness for the 2020 PPP loan and will apply for a 2nd PPP loan in January.

Finally, Means reported that the practice is in the process of transitioning to a new billing service and believes this will improve revenue/visit going forward. The practice also changed to a new accounting service at the end of 2020. The new bookkeeper, Joyce Stewart, is not a CPA yet is very experienced with managing the finances of small businesses.

Commissioner Berger expressed his appreciation for the practice's efforts. He noted that the expense/visit increased from \$95 to \$105/visit while the revenue was \$80/visit. He asked if Means felt the practice was sustainable. Means responded that the answer to that question isn't clear at this time. A lot of small PT practices are going out of business. Medicare was going to reduce revenue to PT by 9% and that was later changed to a 4% reduction. Means felt the practice could reach \$82/visit due to the payor mix, which is an issue nationally because so many patients seeking PT are covered by Medicare.

Means went on to report that it's somewhat possible to reduce cost/visit by the use of aides; however, it's hard to get aides to come to Lopez. In addition, most patients don't like the telehealth option. Overall, Means felt the practice was never able to reach maximum capacity in their new space so she will continue working with them to determine what's possible.

V. **Community Partner Updates**

- a. **CWMA** – Lauren Stephens reported that the CWMA Board voted to approve underwriting the cost of insurance for the voluntary RNs helping with the COVID vaccine effort on Lopez. She also shared they are working through a few ongoing issues related to the generator, as well as outstanding invoices with UW for equipment maintenance. There was discussion around a program OPALCO offers that provides notification of a power outage, and further research is needed to determine if that is still available as an option to the Clinic.
- b. **Lopez Fire & EMS** – Duane Bordvick provided a few updates from the last LIFE Board meeting. The LIFE Board adopted a Policy centered around political issues, following input and concern from the community over recent events. The Board also talked about the levy lift, and the possibility of considering an EMS levy versus increasing the fire levy. The new Chief continues to get settled in, and is out meeting members of the

community. Finally, he reported that there was a change in Board President, and Phil Paige will be taking on that role.

- c. **Lopez Pharmacy** – Marge McCoy reported on the first COVID vaccine event held the prior Saturday. The Pharmacy and volunteer team delivered 100 vaccinations in just over two hours. There were rave reviews from everyone involved, including those who received vaccinations. The Board expressed its appreciation for this tremendous effort.
- d. **Lopez COVID Health Support Group** – Karen Gilbert provided a report from the volunteer group supporting the pharmacy and county’s vaccine events. This is a wonderful group of volunteers (primarily current and retired health care professionals) who came together last Spring to help the community get through the pandemic. The group’s initial efforts were focused on distributing masks and helping with messaging. More recently, they supported the island-wide flu vaccine clinics. As the COVID vaccine rollout started, they wanted to do whatever was possible to help the Lopez Pharmacy and SJC in the COVID vaccine effort on Lopez. The Board once again expressed its gratitude for the time and efforts of these volunteers. An exceptional effort all around.

Commissioner Berger asked if the Lopez Pharmacy was doing something similar to UW in holding back a percentage of online appointments for people without internet access. Marge McCoy confirmed their process is to hold 25-30% of spots for people who lack access to technology, as well as those with health or physical challenges. They are reaching out in advance to proactively schedule those groups before releasing the online appointments.

Commissioner Graville asked about those for whom English is a second language, and Marge confirmed there will be outreach specific to that population. The Pharmacy will be working with the Lopez Island Family Resource Center to determine how to best accommodate getting those with ESL scheduled.

Karen Gilbert shared that the RNs are operating under the County’s umbrella to perform as emergency volunteers. The group has posted information on Lopez Rocks.

- e. **Vaccine Policy Group** – Superintendent Presson also expressed her appreciation for the extraordinary efforts of the Lopez Pharmacy and Lopez volunteers. She shared that the entire Lopez vaccine effort has been an example for the rest of the County. Truly a wonderful representation of teamwork and caring for the community.

Since there has been a very limited supply being allocated to the County, Commissioner Berger asked if there was a sense that we were being de-prioritized for vaccine as a result of having done such a good job with social distancing, etc. Marge commented that the greatest percentage of vaccine does appear to be going to counties with the highest number of outbreaks.

VI. 2021 Elections and Assignments

The proposed slate of 2021 Board Officers, Committee Chairs and Ad Hoc Work Group Assignments was presented to the Board for action.

MOVED by Commissioner Campbell, seconded by Commissioner Berger to approve the 2021 Slate of Officers, Committee Chairs and Ad Hoc Work Group Assignments as proposed. VOTE: 5:0:0. Motion Carried.

VII. Committee Reports

- a. **Finance Committee** – much of what the Finance Committee was going to present specific to LIPT was covered in the earlier report by Peggy Means. There were no further questions and the Superintendent will be making the final subsidy payment for 2020.

In regard to UW, the overall picture for the first quarter of FY '21 is positive. Commissioner Berger reminded the Board that UW's fiscal year starts July 1st which means their Q'1 is for the period of July 1, 2020 through September 30, 2020. The good news is that actual net loss for the quarter was favorable to budget by 12.35%. This was a very good result considering the challenging times within which the Clinic is operating. The items identified earlier will be brought back to the February meeting with more details.

The other issue specific to UW has to do with the recently identified financial impact as a result of the integration between UW Neighborhood Clinics and UW Medicine, which was effective January 1, 2021. The particular item for discussion is around the impact of this change in the RN compensation – specifically that the RNs went from being paid salaried to hourly. They are also now part of the union, WSNA, and there are requirements for how overtime and shift differential is determined. The latter is mainly relevant for RNs who work in the hospital setting; however, these rules currently also apply to RNs in the clinic setting. As such, there is additional compensation triggered when an RN works until 5 pm. Bresnick provided the Board with a summary of the overall financial impact, as estimated based on hours tracked for January 2021. He anticipates the overall impact will be relatively minimal, yet he offered an option for the Board's consideration.

Bresnick reviewed how changing hours of Clinic operation to 7:30 a.m. to 4:30 p.m. could mitigate the financial impact by avoiding triggering of the shift differential. After continued discussion, the consensus of the Board in its first review is to leave hours unchanged and continue to monitor. Based on the low cost, the Board felt it was more important to leave the Clinic open until 5 pm.

In addition, Bresnick reported the union will be going through negotiations this summer and the issue of shift differential for non-hospital-based RNs is on the table to discuss.

It's possible that will be changed and not be a long-term issue. Bresnick and Rovente agreed to closely monitor the situation and provide updates to the Board.

- b. There was no report from the Quality Committee
- c. There was no report from the Communications Committee
- d. **SJC Community-Based Long-Term Care (LTC) Network** – Commissioner Orcutt reported that things were going well. Superintendent Presson was doing a good job organizing the process and meetings. After the last Core Group meeting, Commissioner Orcutt left feeling there will be equal focus for all islands, and solutions that come will likely be different on each island. There is recognition that a one size fits all approach won't work, and he was happy to hear that from the group.

Superintendent Presson shared that a Work Group has been formed around Workforce Development. Becky Smith and Robin VanHyning from Lopez were both invited to lend their expertise and be a part of that group which is holding their first meeting in early February.

VIII. Old Business

Commissioners were reminded to review the latest draft of the Policy on Communicating Sensitive Information. A final draft will be brought to the February Regular meeting for action.

IX. New Business

- a. **MOU for SJC Community-Based LTC Network** – Superintendent Presson presented a draft Memorandum of Understanding (MOU), which she explained was taken from the Letter of Intent the LIHD provided in the grant application. The MOU basically stipulates the LIHD's intent to be a Network Partner, and is supportive of the work to assess the viability of creating a formal Network structure. It goes on to say that District will dedicate the time and resources to support the effort. Presson asked the Board to review the document and send her any questions so that action can be taken at the February Board meeting.
- b. **Proposal for Strategic Planning** – Superintendent Presson shared a proposal to support the LIHD's strategic planning process. The proposal is from the Consultant who is supporting the grant work, Jody Carona from Health Facilities Planning and Development. Carona has worked in the County for over 20 years, as well as worked on projects for the Association of WA Public Hospital Districts. She is very well versed on the challenges faced by rural areas. As a result of her work on the LTC strategic plan, which will be taking place over the same time period, she has offered a 20% discount to her normal fee for this type of project. The proposal will be brought back to the February meeting for action.

X. Operations Report

- a. **2021 Board Calendar** – Superintendent Presson continues to finalize key dates and shared an updated 2021 Board Calendar.
- b. **2021 Regular Board Meetings Schedule**– Superintendent Presson asked for final feedback on the proposed meetings calendar for 2021. There was consensus to amend the proposed December date as it was scheduled on the same week as Christmas. The meeting will be moved ahead one week, to be held on 12/15/21.

MOVED by Commissioner Greenstein, seconded by Commissioner Berger to approve the 2021 LIHD Regular Board Meetings Calendar as amended. VOTE: 5:0:0. Motion Carried.

XI. Public Comment

There was no request for public comment at this time.

XII. Commissioner Comments

Commissioner Orcutt comment on the earlier discussion around UW financials. Having been a part of the University, he explained how the Specialty Practices pay a tax to fund the primary care clinics since they all lose money. It was always a point of contention yet it's through referrals to the Specialists that helps the overall system.

Commissioner Campbell expressed her appreciation for all of the work the Library, Family Resource Center, and Schools are doing to support the community through the ongoing pandemic. She is seeing truly wonderful and innovative things through her work on the Recovery Network.

The Commissioners and Superintendent expressed gratitude to be in the Lopez community, which has been kept largely safe from the worst effects of COVID that are being experienced in most places.

XIII. Upcoming Meetings

The next Regular Meeting of the LIHD is scheduled for February 24, 2021 at 4 pm.

XIV. Adjourn

MOVED by Commissioner Campbell, seconded by Commissioner Orcutt to adjourn the Regular meeting at 6:23 pm. VOTE: 5:0:0. Motion Carried.