

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

Board of Commissioners - Regular Meeting

September 22, 2021

REMOTE MEETING DUE TO COVID-19

Zoom Video/Audio

4:00 – 6:00 pm

Minutes

Commissioners Present

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

Staff

Superintendent Anne Presson

I. Call to Order

The meeting was called to order at 4:02 pm by President Graville. Graville started with an acknowledgment that LIHD is located on the ancestral lands of the Coast Salish peoples.

II. Public Comment

There was no request for public comment at this time.

III. Consent Agenda

The Consent Agenda contained Regular Board Meeting Minutes of 8/25, and an AP Voucher Report dated 8/29 in the amount of \$5,308.59.

MOVED by Commissioner Campbell, seconded by Commissioner Orcutt to approve the Consent Agenda as presented. VOTE: 3:0:0. Motion Carried.

IV. Health Care Partner Updates

a. **UW Medicine Lopez Island Clinic (UW)** – Present from UW Medicine were:

- Mark Bresnick, Assistant Director of Operations, North Region, UW Neighborhood Clinics
- Dr. Matt Jaffy, Associate Medical Director, North Region, UW Neighborhood Clinics
- Dr. Bob Wilson, UW Lopez, Clinic Medical Director
- Crystal Rovente, UW Lopez, Clinic Manager

Bresnick reported the latest report on Clinic visits, as of the third week in September, shows visits are a few visits over budget. He is pleased with the activity for FY'22 so far. UW continues to monitor WRVUs (worked relative value units – used for billing purposes) and that number is also on track. Bresnick will bring the full first quarter report for FY '22 (July through September) to the next Regular Board meeting.

Rovente shared some preliminary results from the most recent Patient Experience data (January through June 2021). There were 251 responses and the Lopez Clinic shows improvement in every category from the prior reporting period. Rovente was happy that the results indicate patients are feeling cared for and listened to.

Rovente was also happy to share that the open RN position has been filled, and the new team member will be joining the staff in early November. The individual has family ties on the island and has over eight years of experience.

Bresnick delivered another round of vaccine to the Clinic today, and they now able to provide both Pfizer and Moderna vaccines as well as Pfizer vaccine to individuals who qualify for a third dose. Moderna vaccine to individuals who qualify for a third dose. The Clinic is not providing third doses to the general public at this time. COVID testing is happening as often as needed, taking into account the shortage of one RN. Patients are advised to call the contact center and Press 2 to be connected directly to the Lopez Clinic for scheduling. Testing for symptomatic or pre-procedure patients is prioritized, and there are a limited number of spots for travel.

Jaffy provided an update on UW's provider recruitment process. He is hoping to finalize the job description and get it posted as soon as possible. In the interim, any known candidates should be connected to Jaffy.

- b. **Lopez Island Physical Therapy (LIPT)** – Terri Drahn provided a brief update from the LIPT practice. She doesn't expect much change in the FY '22 Draft budget shared at the last Board meeting. She continues to look for a .2 FTE (1 day/week), as well as closely monitor visits to see if they remain at the peak level. Current wait time for a new patient is 2 weeks, and they expect a drop in volume due to vacations taken in August. Overall, the summer rush has subsided and they will make every effort to accommodate anyone with an acute case.

V. **Community Partner Updates**

- a. **CWMA** – Barbara Nepom reported that CWMA is hoping to work with the partners to issue the HealthMatters 2.0 Newsletter in October to assist with their annual fund-raising drive.

b. **Lopez Fire & EMS (LIFE)** – There was no report from LIFE.

VI. Health Care Partners Comments – Erica Taylor, RN, UW Medicine Lopez Clinic, brought up the topic of promoting pre-registration. While patients can register at the Clinic, it does take time from the front desk staff and slows down the process of accessing care. It would be very helpful to have people register prior to needing care. Campbell indicated that she would be addressing that issue in the Communication Committee report.

VII. Committee Reports

a. **Finance Committee** –

- i. **Draft 5-year Cash Flow Analysis** – Presson provided the report in the absence of Commissioner Berger. She reviewed the Summary of Significant Forecast Assumptions as of September 2021. A few highlights included:
1. Continuing to allocate \$150,000 into the Reserve Fund
 2. Establish a General Fund Ending Cash Target equal to approximately 42% of expenses. This excludes subsidy payments that align with the receipt of Property Tax Revenue, which are the UW subsidy and 50% of LIPT subsidy.
 3. Property Tax Revenue will be spread over the year, based on the average of how funds have been paid over the past two calendar years. This will help the LIHD have a good idea of actual cash flow needs.
 4. FICA (6.2%) will be replaced by PERS (10.45%) for the Superintendent only, not Commissioners who receive their stipend.
 5. Estimate for the costs associated with the Provider recruitment and hiring are included; however, there is no detail from UW as to what those might be and what the LIHD will be asked to cover.
 6. An ongoing 6% increase to the annual UW subsidy is assumed through 2026.
 7. No estimates for any other provider subsidy beyond UW and LIPT.

Presson reviewed the 2020-2026 Reports prepared by the accounting firm. Of particular focus was the “Cash and Cash Equivalents” for each year, which represents the Ending Cash for each year. As discussed in the Assumptions, there is a goal set for the Ending Cash, which become in jeopardy as of 12/31/25 and goes into the red as of 12/31/26.

When reviewing the Revenue and Expense details for each year, Campbell asked questions about expenses that have continued to remain stagnant in the budget, and if those should be increased to some degree or if they are simply never used. Presson noted the latter for most, and clarified that the LIHD set the amount paid for benefits and Presson covers the balance, which is why that expense is

not showing as increasing over the 6-year period while the premiums most certainly are increasing.

- ii. **LIHD FY '22 Budget** - Presson walked the Board through the budget document detail. The current year's Forecast has been updated through August 31st, and the information in the Forecast column tracks back to the LIHD Monthly Financial report through August. As discussed in the last meeting, the Revenue figure is now reflecting what the Districts expects to collect in FY '21, which is just under an additional \$53,000 over budget. That figure is the basis for calculating Revenue for FY '22.

Moving to Expenses, Presson noted a few items that have either changed or ones she would like the Board to think about. One of those is the \$10,000 for Independent Consultant, which might need to be doubled. She would like the Board to consider what the cost could be should the LIHD ever have to contemplate a change in the Clinic model at any point. Knowing that cost could help inform the appropriate Reserve target. She will also separate out the PERS contribution for Superintendent and the ongoing Social Security tax for Commissioner compensation. Graville asked if the budget is meant to accommodate the scenario should all five Commissioners take the meeting stipend. Presson confirmed that the current calculation assumes five Commissioners and 24 meetings per year. This year there were additional Board meetings, which is why the Commissioner compensation is over budget. Presson will revisit the general meetings calendar to see if the number should be modified in 2022.

Continuing with Expenses, Presson noted she kept the travel and conference budget assuming the annual Association of WA Public Hospital Districts conference takes place in 2022.

Finally, as discussed last month, the budget assumes there will be a continued \$150,000 allocation to the Reserve Fund in 2022, leading to a balance of \$600,000 by the end of next year. Making that allocation leaves a balance in the General Fund of just under \$113,000. This is in line with the discussion around establishing a target for Ending Case equal to 5/12ths of Expenses, not including the UW subsidy or 50% of the quarterly LIPT subsidy.

Campbell asked about the process of looking at the District Operational Expenses and coming up with a target to not exceed. Presson directed Commissioners to the last page of the budget, which does track various items as a percentage of Revenue, and District overhead is right at 10%. That's what a lot of entities use and Presson indicated it might be a good idea to revisit the Financial Management Policy to see if this should be formally addressed.

Presson will discuss the Commissioner's feedback from this meeting with Berger,

and the Finance Committee will bring back a final budget draft to the 10/13 Board meeting. Presson will also review the current Financial Management Policy with Berger to see what updates might need to be made, and she will target a review of that Policy by the Board at the December meeting.

- b. **Quality Committee** – Orcutt shared that the Committee had very productive in-person meeting earlier in the day. Since two Commissioners are absent, he planned to provide a detailed report from the Committee at the October 27th Regular Board meeting. Overall, all results were positive.
- c. **Communications Committee** – Campbell provided a few updates. The Committee supports publishing the next issue of HealthMatters 2.0 the last week of October. Campbell also addressed the question around promoting pre-registration. As Chair of the Communication Committee, Campbell had responded to UW’s suggestion that the LIHD write this article. Campbell felt it was important for the District to leave operational issues to UW. While the LIHD is supportive of the article and will heavily promote it, the recommendation was that it come from UW leadership.

After continued discussion, there was consensus among the three Commissioners present that the LIHD needs to focus on sustainability and governance, and not confuse the community by taking the lead on operational issues. That said, everyone was supportive of endorsing and reinforcing the message that UW drafts. There was a suggestion of including this information in the next issue of Health Matters 2.0 and a question of whether the Lopez page on UW Medicine’s website could add something about pre-registration. Presson will follow-up and inquire.

VIII. Old Business – none to report.

IX. New Business – Presson reviewed the meetings schedule for the balance of 2021. When the schedule was created, these Strategic Planning Board meetings only went through September. Since the Strategic Planning process is extending through the end of the year, she suggested adding a second meeting on October 13th.

There was consensus of the Commissioners present to extend the Strategic Planning Board meetings through the end of the year. Since there are already two meetings in November, as a result of the Budget Hearing, and December is likely to be a light business month, the only adjustment to the current Board Calendar is to add Wednesday, 10/13, from 3 – 5 pm. Presson will adjust the schedule accordingly and determine if the meeting needs to be deemed a “Special Meeting” since it wasn’t on the original schedule.

X. Operations Report

- a. **Community Survey** – the survey went live at the start of the week and there were already over 80 completed online.

- b. **2019-2020 Accountability Audit** – Presson reported that the audit is still underway. The process isn't as smooth as usual due to not having the auditor on site. That said, there is no time sensitivity and all is going well.
- c. **Provider-Based Rural Health Clinic** – Presson continues to work with our Senators and Representative Larsen to ensure the favorable reimbursement afforded in certain situations in rural areas is preserved should the Clinic ever need to pursue alternative financial models.
- d. **Sensitive Items Update** – No items reported.

XI. Public Comment

Pixie Eslinger wanted to thank everyone for doing a great job overall. She shared that when calling the Clinic to schedule a COVID test she was directed to another number for COVID information. It is not the local clinic, and offers testing at the UW mainland sites. This is definitely confusing to callers.

Discussion was held as to whether the message could be modified if the caller was from Lopez. Presson was relatively confident UW wouldn't be able to accommodate that as they have thousands of callers to that call center. She will discuss with Shelly how recent communication around COVID might be modified to help direct people to select Option 2 when calling the contact center and not follow the recorded directions. Campbell reinforced to UW how important it is to continue to repeat the message that patients should select Option 2 for any COVID related questions or support. Hopefully keeping that front and center will avoid any confusion or frustration.

XII. Commissioner Comments

No Commissioner comments.

XIII. Upcoming Meetings

The next Regular Meeting of the LIHD is scheduled for October 13th at 3 pm. This will be the Board's seventh Strategic Planning meeting. The Finance Committee will also present a final draft of LIHD's FY '22 LIHD and 6-year financial analysis. The second Board meeting in October is scheduled for the 27th at 4 pm and will be the regular Agenda format.

XIV. Adjourn

Noting no further business, Graville called the meeting adjourned at 5:37 pm.