

**San Juan County Public Hospital District #3**  
**DbA: Orcas Island Health Care District**  
**Board of Commissioners - REGULAR Meeting Minutes**  
**Orcas Island Fire & Rescue – Eastsound Firehall**

Tuesday, December 4, 2018  
4:00 – 6:00 pm

**Commissioners Present:**

Art Lange  
Diane Boteler  
Patricia Miller  
Pegi Groundwater  
Richard Fralick

**Staff:**

Superintendent Anne Presson

**Commissioners Absent:**

None

**I. Call to Order**

President Fralick called the meeting to order at 4:07 pm.

**II. Public Comment**

President Fralick asked for a show of hands as to how many guests were interested in presenting a public comment. At this point there were no hands raised. President Fralick added a discussion item to the Committee Reports specific to the Communications Committee. He would like to have a short discussion on looking ahead to 2019 and ways the District will engage with the community. Aaimee, OFHC Clinic Manager, indicated that she would need to leave the meeting at 5 pm in the event the Board would like to ensure she is present during the discussion around the OFHC refrigerator and freezer. President Fralick indicated they would move New Business ahead of the Committee Reports.

**III. Consent Agenda**

President Fralick asked if there were any changes to the 11/13 Regular Board Minutes included in the Consent Agenda, or the two AP Voucher reports dated 10/29 and 11/14.

**MOVED by Commissioner Groundwater, seconded by Commissioner Boteler to approve the 11/13 Regular Meeting Minutes and AP Voucher Reports dated 10/29 and 11/14 that were included in the Consent Agenda. VOTE 5:0:0. MOTION CARRIED.**

Commissioner Miller presented two recently completed AP Voucher reports, dated 12/3. The first is in the amount of \$82,500 and represented the first grant payment to OFHC for the period 10/1/18 through 12/31/18. The second is in the amount of \$7,318.12 and represents the following five items: reimbursement to the Superintendent for purchases of an office chair and docking station, the December lease payment for the District office, the December premium reimbursement to LIHD for the PEBB health insurance premium, and the annual premium for the recently placed property insurance with Liberty Mutual.

**MOVED by Commissioner Miller, seconded by Commissioner Boteler to approve the 12/3 AP Voucher Reports for \$82,500 and \$7,318.12. VOTE 5:0:0. MOTION CARRIED.**

#### IV. New Business

This item was moved up on the Agenda to allow the OFHC Clinic Manager to participate in the discussion. Superintendent Presson provided a brief overview of the situation that the Board had been alerted to specific to the inability of OFHC to administer childhood immunizations as a result of their refrigerator not being CDC compliant.

There were discussions with both OFHC and UW to determine if it was feasible to share the refrigerator that was purchased for UW several months ago. Both sides felt it wasn't advisable to do so based on possible liability related to inventory management. There were also patient concerns and the challenges sending children to alternate providers. Aimee explained that the states gives OFHC the immunizations and they are required to log the inventory on the state website. There is also temperature monitoring and reporting requirements that would present problems if OFHC's immunizations were housed in another location. Finally, there are specific protocols for shipping that would also create concerns if shipped to someplace other than the clinic.

Commissioner Boteler asked for clarification as to whether the clinic was administering adult vaccines. Aimee confirmed they are yet they are being stored within a refrigerator that was recently determined to not be VOC compliant because it doesn't lock. Aimee also confirmed the clinic administers approximately 200 individual vaccines per year not including flu or varicella. The latter hasn't been carried because they didn't have proper storage. The clinic will also need reapply to be a vaccine supplier for children as they let the certification lapse when they didn't have the proper equipment. She didn't think the online process to get re-certified would take very long to complete. Aimee indicated that Ellen Wilcox from the SJ County Dept of Health would likely be willing to help expedite.

Commissioner Lange said the reasons to purchase the additional equipment for OFHC was compelling; however, it further illustrated the value of consolidating the practices. The question was asked if there was a secondary market should that happen at some point down the road and the combined clinics ended up with two refrigerators. Based on Aimee's research there didn't appear to be a good resale source.

There was continued discussion about the quality of the manufacturer and the features of the units. The capacity of the refrigerator was slightly less than the UW unit, while the freezer was about half the size. The warranties were also slightly shorter with the OFHC proposal. Aimee said that she confirmed capacity with the supplier and the amount of vaccines OFHC administers in a year could be accommodated in the 2.5 cu feet freezer. Aimee shared that the units met the requirements specific to the temperature port, lockability, storage capacity. The only concern would be to fall out of temperature range, which is what they are experiencing with the current unit. Since the machines are both CDC and VFC compliant, which requires to stay in temperature range, that isn't an issue. In her research, freezer units with auto defrost were having excursion issues and the freezer she chose is manual so no concern there either.

A consensus of the Board was reached that they would approve the expense subject to Aimee conducting additional research into the satisfaction with the company and the specifications of the units. Aimee will also talk with Ellen Wilcox from the County to gather her feedback.

**MOVED by Commissioner Miller, seconded by Commissioner Groundwater to authorize OFHC to acquire a refrigerator and freezer in an amount not to exceed \$3,000 plus tax provided that the reviews and due diligence support the acquisition of these models. VOTE 5:0:0. MOTION CARRIED.**

In closing this discussion, Commissioner Miller highlighted the fact that this was not a budgeted item and will come out of the Miscellaneous Expense category. **She would also like to understand what vaccines OFHC will still not be able to provide for adults and children even with this purchase.**

## V. Committee & Work Group Reports

### a. After-Hours Work Group:

Commissioners Lange and Boteler presented a summary of their recent meeting with Dr. Matt Jaffy and Mark Bresnick from UW. Overall, they were pleased with the tone and collaboration shown in the discussion. They started off discussing the Project Manager/Consultant and all agreed to take that off the table. They continued to focus on areas where they could find common ground. One of those areas of agreement was around the fact that areas without 24/7 access to urgent clinics or emergency departments create a legitimate need for after-hours care.

Commissioner Lange summarized the four key areas that they addressed and the response to each. These include:

1. All callers to the Triage Nurse are given all options available, not just callers who have pre-registered
2. The need for a physically accessible provider on Orcas Island at all times when deemed medically necessary
3. Tracking of after-hours activity to include: calls to Triage Nurse and disposition; calls to on-call provider and disposition; times when on-call provider sees a patient
4. Mechanism for EMS to reach providers on call quickly and easily.

In response to these items, UW responded with the following:

1. Will find a way to conduct a “mini reg” so that ALL callers can have the full scope of options when calling the Triage Nurse. While they don’t have a process currently they are optimistic one can be developed. They all agreed to this need in principal.
2. Agreement that the model of care on the island needs to be different than the rest of the urban Neighborhood Clinics. UWNC would like the decision as to whether a provider sees a patient after-hours to remain voluntary. They reiterated that leadership feels what they are doing is a significant change from what they agreed to provide with OMF. UWNC has said providers seeing patient’s after hours brings up substantial financial, contractual and risk management concerns. The Commissioners explained that the CSA with OMF is not the same as what the PHD feels is appropriate for the island. There was mutual agreement that in the absence of alternatives it’s appropriate to meet the need on the island as opposed to airlifting people off island for urgent or acute care needs. Dr. Jaffy further explained that after-hours call is considered a change for providers outside of what they agreed to do. UW expressed a concern about burnout, yet the Commissioner indicated that the providers are already doing what is being asked. What would be different is that they currently share call with the two providers on Lopez so always having an Orcas provider available to see after hours patients would be a change. There was discussion that if a provider isn’t willing to come in when medically appropriate they might not be the right provider for the clinic. It appears some providers are willing to come in today. No risk management concerns were raised. More clarity is needed around the compliance concerns, if they still exist.
3. Historical data is apparently not available, yet UW is prepared to capture the data elements requested going forward.
4. Work between UW and EMS is moving ahead and there is confidence the collaboration will be resolved to everyone’s satisfaction.

The next step is for Mark to write up a summary of the agreed upon points in the meeting. By Wednesday he will share with Art and Diane for feedback before sending to the providers on Orcas. At that point they will need to share if they're willing to do what's being proposed. President Fralick asked when the document will be shared with the UW leadership, as it will be important to know if they are on board.

Additional discussion was held specific to the voluntary nature of the expectation that a provider will see a patient in the clinic after hours. Should the Board push back on it being voluntary in nature, and does it need to be called out more specifically in the CSA. Commissioner Groundwater cautioned that if it isn't in the contract you can't make it happen. When asked about information from the provider survey that was conducted a few months back, all that was shared was that the providers weren't excited about taking on more after-hours responsibilities but understood the need. There were some concerns expressed around being alone in the clinic and having to take care of everything from registration to clean up. There was also the issue of physical safety when a female provider is alone.

The Board would like clarification as to how Kirstin's time fits into the on-call schedule since she lives on Waldron. Commissioner Boteler is still concerned about breadth of practice. Her hope is that over time the providers will have more influence over what works on the island. Everyone agreed that revisiting the scope of services plays a big role in the after-hours discussion. The Work Group will continue to keep the Board informed of progress, and everyone agreed that UW leadership's response to the after-hours items being codified in the CSA will be important.

As far as the after-hours discussion with OFHC, Superintendent Presson reported that Dr. Shinstrom and Chief Williams are working together to schedule a meeting to discuss after-hours communication protocols between OIFR and OFHC. They will also be setting up the quarterly meetings to review patients that were worked on together and the eventual disposition of those patients, what's working and areas for improvement in after-hours care.

#### **b. Building Insurance and Repairs**

Commissioner Groundwater shared a spread sheet comparing the coverage and cost of property and hazard coverages between Liberty Mutual and Enduris. As a reminder, Enduris is a statewide, government entity pool and is where the District purchased its Liability coverages.

The Board discussion centered around the cost of earthquake coverage with Liberty Mutual as compared to the limitations in the Enduris pool. The amount the PHD would receive through Enduris would depend on the extent of the damage to all insured within the pool. If total claims exceed the aggregate pool amount, the PHD would receive a percent of the pool. That amount would be determined by dividing the PHD's claim by the aggregate claims against the pool and then multiplying the result by the amount of the pool. For instance, if the PHD had \$1,000,000 in claims from an earthquake and the aggregate claims were \$20,000,000, the PHD would receive 1/20th of the pool amount, or \$500,000. There is also an aggregate limit of \$10,000,000 which everyone agreed seemed low should there be a massive earthquake in the State.

Commissioner Groundwater explained that Liberty Mutual provided a quote for earthquake only and another quote for all hazards. Based on her research, the Board asked Commissioner Groundwater what she would recommend. She felt that the big risk is earthquake and tsunami. Based on the location of the medical center building, the tsunami risk is low so for now she would recommend staying with Liberty Mutual and adding earthquake coverage since the building is older than 10 years so likely not equipped to withstand an earthquake. There was a question if the property insurance would cover damage related to wind. Commissioner Groundwater confirmed it would cover wind but not tropical storms. Finally, she identified that rebuilding costs were likely in the \$450 per square foot range so the District is underinsured at \$3,000,000.

**There continued to be debate between weighing the cost differential and the policy limitation in the Enduris earthquake coverage. President Fralick suggested the Board continue to think about this and it be brought back for action in two weeks.**

Commissioner Groundwater also provided a summary of the public works process. She recommends the District pay \$135/year and join the Small Works Roster through the MRSC. She explained we can't see what local contractors are on the list until we join. President Fralick suggested they contact the local contractors who provided estimates early on to encourage them to join. Commissioner Miller asked if we can use our own roster for equipment and supplies. Commissioner Groundwater explained these activities don't require we use anything, only when bidding for service, materials and equipment will this requirement apply.

**MOVED by Commissioner Miller, seconded by Commissioner Groundwater to spend \$135 to join the Small Works Roster through MRSC. VOTE 5:0:0. MOTION CARRIED.**

**c. Contract Negotiations Committee:**

Commissioner Miller walked the Board through the first draft of the UW Clinic Support Agreement. She addressed the questions that had been raised in the Commissioner's initial review. The questions that came up were in the areas of: the services provided, triage process, employment decisions, after-hours incentive payment, and productivity.

Commissioner Miller explained that she will finalize the draft and then send to the District's attorney. The District received a very high legal bill for the month of October and she wants to be much more selective in when the attorneys get involved. Commissioners Miller and Groundwater had a call to discuss the invoice with the attorney and were given an additional discount to bring the cost down \$6,000. They discussed the fact that the hourly rate ended up being higher than what was discussed in their original conversation, the lead attorney was on vacation twice during key negotiations which resulted in some duplicate efforts and internal conversations to get the substitute attorney up to speed. The good news is that the bulk of the hours were associated with the purchase of the medical clinic building and can likely be paid out of the bond proceeds. That said, it still hits the budget and has an impact, so the Board will look to write Resolutions and initial contract drafts ourselves. Commissioner Lange suggested we tell the attorney what our budget is and ask that he alert us when we are getting close to reaching it.

Commissioner Miller will send the updated draft to the Board when it's sent to the attorney. Once the attorney provides his comments it will be forwarded to UW's attorney. Commissioner Groundwater recommended we tell UW that we can't afford to have all the attorneys lead these discussions.

**d. Finance Committee**

President Fralick revisited a comment during the budget discussions about a possible need to amend the 2018 budget to reflect higher than expected expenses. Superintendent Presson reported that she spoke with the County and MRSC and confirmed that should the District want to amend a budget there is no requirement for a public hearing. That said, she also determined that there isn't a requirement to amend the budget and recommended that the District forgo doing so in 2018. The reason being it was the first year of formation and there were a lot of unknowns. The budget was only created as a requirement of the County in conjunction with the Interlocal loan process. The current budget didn't necessarily inform the 2019 budget and it would only be an exercise to update. If the District found themselves in the same scenario half way through the 2019 budget year she would recommend an amendment. **At the request of the President, she will connect with the State Auditor to see if they have any concerns with this approach.**

**Commissioner Miller reported that she has almost completed her research on the reasons why the millage rate discussed prior to the PHD vote of \$.55 became \$.65, as was asked in Public Comment in an earlier meeting. This will be discussed at the next Board meeting.**

**VI. Old Business**

Due to time constraints the discussion of the Debt and Financial Management policies was tabled and will be brought back to the next Board meeting.

**VII. Operations Report**

Superintendent Presson will bring back a second version of the 2019 Board Meetings and Activity Calendar for action at the next Board meeting.

**VIII. Public Comment**

When asked by President Fralick if there was interest to engage in the final Public Comment section, two members of the public raised their hands.

Dr. Shu passed out a petition and proceeded to talk about the importance of being able to share a patient's electronic medical record across providers.

Leif had a brief comment about the term access. He suggested that it can be used to talk about a lot more than hours and visits and has more to do with quality.

**IX. Upcoming Meetings**

President Fralick reminded the Board that the next meeting is scheduled for 12/18. The Board will not meet on 1/1 and the first meeting of the New Year will be held on 1/8.

**X. Meeting adjournment**

**MOVED by Commissioner Miller, seconded by Commissioner Groundwater to adjourn the meeting at 6:13 pm. VOTE 5:0:0. MOTION CARRIED.**

Minutes approved this \_\_\_\_ day of \_\_\_\_\_, 2018.

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**Attest: Anne L. Presson, OIHCD Superintendent**