

**Orcas Island Health Care District**  
Board of Commissioners - REGULAR Meeting Minutes  
Orcas Island Fire & Rescue – Eastsound Firehall  
Tuesday, March 19, 2019  
4:00 – 6:00 pm

**Commissioners Present:**

Art Lange  
Diane Boteler (remote)  
Patricia Miller  
Richard Fralick

**Staff:**

Superintendent Anne Presson

**Commissioners Absent:**

Pegi Groundwater

**I. Call to Order**

President Fralick called the meeting to order at 4:04 pm noting Commissioner Groundwater was absent, and Commissioner Boteler was participating by phone.

**II. Public Comment**

President Fralick asked for a show of hands as to how many guests were interested in presenting a public comment. Pierrette Guimond expressed her concern over a recent Orcas Issues article. She felt it would be a good idea for the Superintendent or Board to write an article reminding the community why the Public Hospital District was formed and what the Board is funding. Its important people know that the purpose is not solely for after-hours care and, as it pertains to making air transport decisions, paramedics are connecting with Dr. Sullivan before determining the need for air transport.

Barbara Bentley wanted to share a positive story. She made an appointment with UW Orcas Clinic online and said the process was very easy and worked well.

**III. Consent Agenda**

President Fralick asked for any comments on the two items on the Consent Agenda. Commissioner Miller reported a few grammatical corrections to the minutes. Superintendent Presson noted that the items on the AP report were correct; however, there was a formula error which didn't include the first item in the total. The correct total should be \$5,299.59 versus \$5,142.84.

**MOVED by Commissioner Miller, seconded by Commissioner Lange to approve the Consent Agenda as modified. VOTE 4:0:0. MOTION CARRIED.**

**IV. Committee & Work Group Reports**

**a. After-Hours Work Group**

Commissioner Lange reported that the Work Group is waiting for UWNC's proposal, which is due April 1<sup>st</sup>. Commissioner Boteler expressed concern that we don't have a back-up plan should UWNC decide they can't meet the needs of the community to provide after-hours care. She would like to consider alternatives, so the Board is prepared if that were to be the case. In discussions with community members, Commissioner Boteler has been reminded numerous times that assuring reliable after-hours care was a primary driver for many who voted for the PHD.

Commissioner Miller suggested the Board ask UWNC if there is any way to receive the proposal earlier than April 1<sup>st</sup>, and how UWNC is going to be presenting the material. Discussion centered around whether the Board should consider altering the April meeting schedule and whether it would make sense for the Work Group to review the report with UWNC prior to sharing with the full Board.

**Superintendent Presson was directed to reach out to UWNC and get a sense of the timing and format for the report. Once that information is known, the Commissioners can adjust their meeting schedule, as appropriate.**

**b. Building Maintenance and Repairs Work Group**

President Fralick provided an update from a meeting earlier in the day with representatives from OPALCO, a group called Sustainable Connections, and Sage Building Solutions. As discussed at the last Board meeting, the group was brought together to provide a better understanding of the state of the building systems and what opportunities exist for rebates, incentives, and grants. Based on the discussion, President Fralick felt that if the Board was building from scratch, we would likely approach the projects much differently. That said, while some of what was proposed would be energy efficient there is concern that the cost might not generate enough return on investment.

At this point, the group needs to determine if the HVAC and roof projects must be coupled, or what needs to be done to uncouple them. One outcome of the discussion was recognition that an immediate next step is to update the 2016 Energy Audit. President Fralick indicated the cost of the audit would likely be \$175 and he would like to schedule the audit as soon as possible. This will involve looking at the building from an energy perspective to identify opportunities for cost savings and associated funds to help with building improvement costs. Determining the “energy payback” is the key.

There were questions about Sustainable Connections and their work with OPALCO. President Fralick confirmed all parties work closely together and will each be an integral part of the process. President Fralick will be looking at the state of the attic to further inform how the HVAC and roofing intersect to determine the best course of action going forward. Finally, President Fralick reported that the San Juan County Planning Department has approved the OIHCD’s re-roofing application and will issue a permit once an additional \$557 is submitted.

Commissioner Miller expressed some concern about the timing to select a contractor. President Fralick felt we are still within an acceptable range to ensure the work is scheduled before the next rainy season. He stressed the importance completing this foundational work as it could impact the roof specifications.

Superintendent Presson reported on some other building maintenance items. On her to-do list is to seek bids for janitorial and landscaping services. Commissioner Miller also suggested she add snow and ice removal.

**c. Contract Negotiations Work Group**

Commissioner Miller reported that the Negotiations Team had a series of good meetings with UWNC and were successful in walking through everything in the contract except for the after-hours section. At this point there are a couple of minor issues to work out regarding the indemnification language and tail coverage insurance, which the attorneys are discussing. Otherwise, she expects a response from UWNC on the updated CSA that was also shared with the Commissioners. Once UWNC signs off, the CSA will be put aside until the after-hours proposal is received and a mutually acceptable solution is reached. Until that time, the OIHCD and UWNC will continue to operate under the Interim Funding Agreement.

**d. Finance Committee**

Commissioner Miller reported that there were enough questions outstanding on the Q'4 2018 financial reports for both Clinics that it didn't make sense to have a detailed conversation. Each Clinic presented their data in a slightly different format, making it hard to compare.

Questions centered around why the actual UWNC subsidy per visit is so different than the actual OFHC subsidy per visit. Commissioners may recall when the budgets were created the subsidy per clinic was the same. It's unclear what's driving the difference and the Committee will need to better understand how each Clinic is counting visits and expenses. **Commissioner Miller asked Commissioners to forward questions to her and she will add to the existing list she has out to both Clinics.**

Commissioner Miller reported that UWNC visits were down for the quarter as compared to the budget and UWNC remains uncertain if they are on track to meet budget as they need more history with the existing staffing model. Commissioner Boteler asked if UWNC is charging a facility fee, which didn't seem to be the case. President Fralick felt that while there might be variations in the quarterly reports, he hopes that the annual projections will be on track. Commissioner Miller indicated that in her discussions with OFHC she recommended they also look at how their expenses might vary by quarter and take that into consideration when building next year's budget.

**Commissioner Miller expects to have her questions answered prior to the next Board meeting and be able to provide a detailed comparison of the two clinic financial reports.**

**e. Metrics Work Group**

Commissioner Miller talked about the process to transition the metrics discussions from the Negotiations Work Group to the Quality Committee. Her thought is that the Negotiations Work Group will continue to take the lead in this area until the CSA is finalized, and agreement is reached on reporting metrics. At that point, the Work Group will transition the responsibility for monitoring the metrics to the Quality Committee. **There was consensus of the Board that this was the right approach. Commissioners Miller and Lange will indicate when it's time to turn over their work to the Quality Committee.**

Commissioner Lange suggested that the Patient Experience reporting for OFHC also be put in place before turning over to the Quality Committee. Superintendent Presson discovered other vendors administer the CG CAHPS Patient Experience survey and she will need to research what the cost differences are before moving forward with OFHC. Finally, the work with OFHC to establish new provider contracts with productivity language, which was due March 1<sup>st</sup>, will remain with the Negotiations Work Group until put in place.

**f. Communications Committee**

Commissioner Lange revisited the topics for the 2019 articles yet wants to keep the ideas coming as the initial list isn't set in stone. He drafted three templates for articles that he will share with the Commissioners. These include:

1. What the communication plan is and how the community can participate in it
2. Articulating the after-hours options
3. "Question of the Month" from the community

**Superintendent Presson was asked to confirm what the cost will be to publish articles in Orcas Issues. She will also ask the Sounder if there is any leeway in their monthly fee of \$100, and if it will hold even if the District doesn't publish on a strict monthly basis.**

Finally, when talking about the process to approve content, Commissioner Miller suggested the Communications Committee share drafts with the Commissioners and give them 24 hours to provide feedback. Based on the discussion, Commissioner Lange will draft an initial article on the topic of what is the OIHCD, what the Board does and how those activities impact the community.

Before moving on, Commissioner Miller asked to revisit the after-hours discussion. In addition to having the UWNC report, she asked the Work Group if they have been collecting data from the Clinics and EMS to help understand the magnitude of the need. Based on conversations with UWNC, she is concerned part of their upcoming report is going to be based on the premise that demand isn't as large as what we expected.

Commissioner Boteler has spoken with Chief Williams about data on walk-ins to determine if people were unable to obtain coverage at one of the clinics. Unfortunately, this isn't data they've historically collected yet the Chief said he would attempt to capture some of the detail going forward.

Commissioner Miller feels the report UWNC provides should be the format used by both Clinics. She would like to see OFHC use a similar reporting format. Based on OFHC's financial report, it's also unclear if providers are being paid to be on-call, as that's different than what was understood when developing the budget. Commissioner Miller expects the Board is going to be faced with some choices and wants to make sure the Commissioner have good information in order to accurately assess the need and their options.

**President Fralick asked the After-Hours Work Group to capture as much data as possible and put something together that addresses Commissioner Miller's concerns. Commissioner Lange agreed to lead that effort and will work with OFHC and EMS.**

**V. Old Business**

- a. **Financial Management Policy** – after being brought to the Board over prior several meetings, President Fralick would like to get the Financial Management Policy approved. The Board walked through the changes in the document, most of which centered around the Reserve Policy language. One area was setting of a “minimum reserve level”, which was clarified as being the “annual reserve level of \$100,000”. A change was noted in that section to clarify the reference.

**MOVED by Commissioner Miller, seconded by Commissioner Boteler to adopt the OIHCD Financial Management Policy as amended. VOTE 4:0:0. MOTION CARRIED.**

- b. **Reserve Fund Resolution 2019-01** - The draft Resolution to create a new Reserve Fund with an initial \$100,000 was also brought back to the Board for action. Commissioner Miller asked that a title be added to the Resolution for easy reference.

**MOVED by Commissioner Miller, seconded by Commissioner Boteler to adopt Resolution 2019-01 with a title of Resolution to Establish a District Reserve Fund. VOTE 4:0:0. MOTION CARRIED.**

**VI. New Business**

Commissioner Miller brought up the idea that the Board consider the possibility of having a retreat to look at the next 1 to 2-year horizon. If this could be scheduled before summer it would help inform the budgeting process.

**There was consensus to try and schedule a planning retreat in May.**

**VII. Operations Report**

- **February Financial Reports** – Superintendent Presson provided a summary of financial activity through February 2019 and calendar year-to-date. She reported the balance in the General Fund as of February 28, 2019 is \$167,290. The District continued to receive property taxes, with the year-to-date revenue of \$65,751. **President Fralick asked about the small amount of revenue reported from Leasehold Tax in the amount of \$180. While the District pays a leasehold tax, he wasn't sure why we are also being credited. Superintendent Presson will get clarification from the SJC Auditor's office.**

The Superintendent walked through some variations on the Expenditure Status Report. While nothing significant, there are small variances in certain categories due to expenses being unknown at the time the budget was created. These included:

- Advertising in the Sounder last June for the Superintendent position that was never paid in the amount of \$541;
- EWUA membership transfer fee of \$370, which Commissioner Miller noted could be paid out of the G.O. Bond as this was part of the building purchase;
- Permit fees for building repairs; and
- Leasehold tax which will be significantly less than budgeted.

**Finally, discussion was held around the idea of allowing Superintendent Presson the ability to make purchases up to a certain amount without prior Board approval. She was asked to put together a recommendation and bring to the next Board meeting.**

- **North Cascade Cardiology** – Superintendent Presson was able to confirm that NCC never paid their 2018 lease payments totaling \$7,200. UWNC is agreeable to having the funds directly deposited to the District and is working with NCC to make that happen. Going forward, the agreement will be direct between NCC and OIHCD. The 2019 budget will be amended to reflect this additional revenue. The 2019 draft lease agreement was received although will require significant modifications. The Superintendent will work with Commissioner Groundwater once she returns.
- **Board Calendar** – Superintendent Presson provided an updated Calendar and asked that Commissioners review and provide feedback. Based on a discussion at the last meeting, she incorporated in person meetings from both Clinics to report on their financial and quality results following delivery to the respective Committees.
- **Clinic Updates** – there was a resignation at OFHC, and they are hoping to bring in a replacement PA by mid-April. On a positive note, OFHC had their site inspection of the new refrigerator/freezer this week and was found compliant. They are now able to re-enter the vaccine program and have asked that their application be expedited so they can order vaccines ASAP. Aimee also provided a list of adult and childhood vaccinations, with associated costs, that OFHC will be providing.
- **Kaiser Air Transport** – Superintendent Presson indicated there continues to be no communication nor resolution from Kaiser on this issue. The Board of Health will be discussing it at length at their 3/20 meeting. She directed Commissioners to the website as she posted two articles on the subject. One contains contact numbers for the air operators and explains the role of the Office of the WA Insurance Commissioner and how to file a complaint.
- **PDC Form F-1** – Superintendent Presson reminded Commissioners that they will have to complete the full F-1 before the deadline of April 16<sup>th</sup>. She will send a follow-up email with a link to the page on the PDC website.

#### **VIII. Public Comment**

Barbara Bentley felt like she's learned a lot since she's been coming to the meetings, and that the community is likely unaware of what the PHD is, activities of the Board, and how the work impacts them.

Bob Thomas asked if there is a contract in place with OFHC and if it includes after-hours care, which was confirmed.

Leif shared a story that demonstrated the importance of being an advocate for individuals. It also stressed the need to ensure individuals are providing feedback and how he sees his role as a patient advocate.

Dr. Shu continued to express his opinion on the importance of having the primary care provider be an integral part of all care decisions, including after-hours. He stressed the need to recognize the island's uniqueness, and the importance of knowing the process to assess the acuity of a situation and determine the need for air transport.

**IX. Upcoming Meetings**

A list of upcoming meetings was shared on the Agenda. Superintendent Presson noted she will not be attending the annual AWAPHD CEO/Superintendent Conference next month. She didn't feel the Agenda was compelling enough to spend the time and money. She also received a request to be on an upcoming OIHCD Board Agenda from the Interisland Healthcare Foundation. This is a group that came out of an earlier Community Long-Term Care Options Task Force, which was formed in 2017 after the only large, long-term care facility in San Juan County closed. The Foundation is comprised of representatives from PIMC, SJCPHD#1 and someone from the long-term care industry. Two representatives have asked to get in front of the Board to share what they are working on and how the Commissioners can get involved. **It was decided that, due to the possible discussion on the UWNC CSA in April, the Superintendent will suggest we host this group at a May meeting.**

**X. Meeting adjournment**

**MOVED by Commissioner Miller, seconded by Commissioner Boteler to adjourn the meeting at 6:10 pm. VOTE 4:0:0. MOTION CARRIED.**

Minutes approved this \_\_\_\_ day of \_\_\_\_\_, 2019.

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**Attest: Patricia Miller, OIHCD Board Secretary**