

**Orcas Island Health Care District**  
**Board of Commissioners - REGULAR Meeting Minutes**  
**REMOTE BOARD MEETING**

Tuesday, April 21, 2020  
5:00 – 7:00 pm

**Commissioners Present (via Zoom):**

Art Lange  
Diane Boteler  
Patricia Miller, Secretary  
Pegi Groundwater  
Richard Fralick, President

**Staff (via Zoom):**

Anne Presson, Superintendent  
Pat Hunt, Project Mgmt. Consultant

**Commissioners Absent:**

None

**I. Call to Order**

President Fralick called the meeting to order at 5:02 pm.

**II. Public Comment**

No citizen expressed an interest in providing Public Comment at this time.

**III. Consent Agenda**

The Consent Agenda contained two (2) sets of minutes and four (4) AP Voucher reports. Since not all Commissioners were present during the Regular Board Meeting of February 18, 2020 those Minutes were taken off of the Consent Agenda.

**MOVED by Commissioner Groundwater, seconded by Commissioner Boteler to approve the Consent Agenda as modified to include the March 29, 2020 Special Board Meeting Minutes and Four AP Voucher Reports. No further discussion. VOTE 5:0:0. MOTION CARRIED.**

**MOVED by Commissioner Miller, seconded by Commissioner Lange to approve the February 18, 2020 Regular Board Meeting Minutes. No further discussion. VOTE 3:0:2. MOTION CARRIED. Commissioners Boteler and Groundwater abstained due to not being present at the February 18, 2020 Regular Board Meeting.**

**IV. Clinical Operations During COVID** – Representatives from Orcas Family Health Center (OFHC) and UW Medicine Orcas Island Clinic (UW) were present.

**Aimee Johnson, OFHC Office Manager**, provided a summary of operations since the start of COVID-19. She reported a large reduction in visits as of mid-March, at which time they began assessing staffing and schedules. Initially, the Clinic operated half days on Thursdays and Fridays and continued to review weekly. Clinic hours were reduced to be 9 – 12 daily, and the Clinic operates with two providers Monday through Wednesday and one on Thursday and Friday. The on-call provider starts at noon rather than 5 pm.

Regular Meeting Minutes - DRAFT  
April 21, 2020

The providers are conducting phone consults and are still handling routine matters such as renewing medications and labs, as well as other services that do not require a face to face visit. The support staff is working reduced hours, and several have applied for partial unemployment insurance. When looking at volumes, Aimee reported a reduction of about 50% compared to the same period last year. While OFHC has not yet seen a dramatic reduction in revenue coinciding with the reduced visits, Aimee expects that will change in the next few months. The reason is there is a lag between billing and claims payment.

Aimee hopes that the easing of telehealth restrictions for Rural Health Clinics (RHCs) will allow OFHC to bill for more services that are delivered via phone and/or video. She shared that on a recent call she learned the Centers for Medicare and Medicaid Services (CMS) will reimburse RHC's \$92 for a telehealth visit versus the all-inclusive rate. OFHC has a new telehealth platform and has been testing it with patients to be able to bill at the \$92 rate. Finally, she reported that in April OFHC received \$5,650 from the CARES Act and has applied for funds via the Paycheck Protection Program (PPP) through Banner Bank. As long as 75% of those funds are used for payroll, and employee and compensation levels are maintained, the funds are considered a forgivable loan.

Commissioner Lange asked about the lag in payment. Aimee clarified that revenue received in April is largely associated with services that were delivered in Q'1 2020. Commissioner Boteler shared that her experience working on the mainland is that provider groups have cut pay of staff and are also cutting back on staffing. In light of the District's responsibility of managing public funds, she asked how OFHC is considering ways to bridge the gap of the expected lost revenue. Aimee confirmed that she has asked staff to look at their personal budgets and see how much of a reduced schedule they can absorb. Staff are taking additional days off and, as reported earlier, about 75% of staff have applied for some form of Unemployment Insurance. The providers only get paid when they work or are on call. Overall, she reported that everyone is pitching in where they can.

Commissioner Miller asked about the Payroll Protection Program and how those funds will be used. Aimee confirmed that 75% will be used to cover payroll to avoid the funds being treated as a loan versus a grant. Remaining funds can be used for utilities and rent, subject to the 75% rule.

**Dr. Camille Fleming, UW Clinic Chief,** provided an update for UW. While she did not have specific numbers for the Orcas Clinic, she was able to confirm that patient volumes for UW system-wide were also down about 50% from budget. UW is handling most appointments via telehealth; however, they are still available to see patients in the Clinic when the need is urgent. They are conducting all of the COVID-19 testing on Orcas, and tests are conducted Monday through Friday outside of the Clinic building. The Clinic has agreed to participate in the SJC Department of Health's testing initiative, which is designed to test asymptomatic essential workers at a point in time. Dr. Frank James, SJC Health Officer, is leading this effort and providing the test kits. The first trial group of approximately 20 people is set to be tested on Friday.

Commissioner Groundwater asked if UW applied for CARES funds, and Dr. Fleming confirmed the UWNC entity was eligible for funds and has applied. She did not have additional details as to how any money received will be distributed across the various UWNC clinics. Commissioner Lange asked about the staff usage in testing, and Dr. Fleming reported there will be two staff members doing collection. There is also some front-end registration that needs to take place, and people will be sent paperwork to complete in advance. Finally, there was a question as to the revenue stream for testing and where the money goes. Dr. Fleming reported that this initiative was more of a community service and there would not be revenue associated with the Orcas Clinic. Commissioner Miller asked about the registration process and how people will be identified. Dr. Fleming shared that the Clinic is starting with a small group to work out the logistics. Dr. James in collaboration with the WA Department of Health defined the criteria. While the capacity for testing seems to be increasing throughout the state, this initiative is a special dispensation for San Juan County to test essential workers who are asymptomatic.

Commissioner Boteler asked a question similar to what was asked of OFHC around efforts to mitigate lost revenue. Dr. Fleming shared that there is still enough work for all staff to be working so there haven't been any reductions nor discussion around cutting staff pay. Conversely, within the larger UW Medicine system clinics have been closed and staff laid off.

**Superintendent Presson** shared a few updates from the County's Emergency Operations (EOC). Fortunately, local hospitals have capacity so the EOC's medical surge plan has been put to bed for now. Hospitals are looking at ways to get back to normal levels of health care since the revenue loss during this time is substantial. Island Hospital is conducting COVID-19 testing for all Labor & Delivery patients and hopes to start scheduling more surgeries in early May. Testing will be essential as more services open up, and Commissioner Miller asked about the reality of having broad scale testing. Dr. Fleming shared issues related to accuracy in the current testing environment – the fact that positive tests are accurate, yet a negative result is only 70-75% accurate. There are also concerns with the level of accuracy with the antibody tests, making it hard to know how reliable and accurate they are at this time.

## **V. Committee and Work Group Reports**

**Building/Equipment Committee** – Commissioner Groundwater reported that the Committee met via Zoom with Doug Poole and Brian Rick from Sage Building Solutions, as authorized by the Board in March. Sage Building Solutions was retained to consult on HVAC pricing for the proposed Hargis Engineering design and price alternatives that could result in cost savings to the District.

Discussion continued around the five options in the Sage overview, largely centering around Options 3 and 5. While Option 5 is the simplest and least expensive approach, it is also the least energy efficient. After taking into consideration energy efficiency and potential rebates, the Committee feels Option 3 provides the best comfort and efficiency. Commissioner Fralick felt that for the additional cost, Option 3 gets a complete replacement with current technology. At this time, he would like the Board to authorize release of an HVAC RFP based on Option #3.

Commissioner Boteler asked if the Committee is able to determine the energy savings between Options 3 and 5. President Fralick said they will go back to Sustainable Connections to have that discussion and determine available rebates once the RFP process has concluded and there is an actual plan. Commissioner Miller asked how much the design is contingent on the insulation approach, as she expressed serious concerns around the cost of that part of the work that was contained in the roof RFP. President Fralick confirmed that the numbers assume insulation is added to the outside of the roof so that the attic becomes conditioned space. If that ends up changing the Committee will have to go back and modify the assumptions. Commissioner Miller asked that the RFP requests quotes with and without insulations on the roof. Otherwise, there is concern the Board will not be able to move forward and will have to reissue an RFP.

Commissioner Fralick reminded the Board that the roof RFP has been released and recommended the HVAC RFP proceed with Option #3. Once responses are received from both efforts, they will be brought back to the Board to review an overall package. Finally, Commissioner Miller suggested the Committee talk with Sustainable Connections about possible future REAP money that might come into play as a result of the insulation associated with the roof project. There could be substantial energy efficient gain with the heavy-duty insulation that results in some type of rebate.

**MOVED by Commissioner Lange, seconded by Commissioner Boteler to approve moving forward with the HVAC RFP for Option #3. No action will be taken on the results of either the roof or HVAC RFP until the results are brought back to the Board. Further discussion clarified the RFP will be structured with an option**

**to include removal of existing ceiling batt insulation. The RFP should also make it clear that the building could end up without conditioned attic space and proposers should quantify what effect that might have on the bid pricing. Finally, there was consensus of the Board that this item met the “routine and necessary” test imposed by the Governor’s Proclamation 20-28. VOTE 5:0:0. MOTION CARRIED.**

#### **VI. Clinic RFP Process**

Discussion was held on whether the Board could proceed with the Medical Clinic Operator RFP. Since Commissioner Groundwater had additional changes to the RFP document itself, there was consensus of the Board to postpone the release of the RFP and seek a legal opinion from the District’s attorney as to whether this activity meets the “routine and necessary” criteria. Commissioners Groundwater and Miller will pursue that discussion, and all Commissioners were directed to send feedback to Superintendent Presson. The goal is to bring a final version of the RFP document and attachments to the next Regular Board meeting in May.

President Fralick also asked the Board to review the list of questions developed by Commissioner Lange, which were included in the Board materials. He would like to make sure there’s consensus of the Board on key issues and the Board is aligned when entering into contract negotiations. Discussion continued around the timeline for the RFP process itself, wanting to make sure there was adequate time for the proposers to respond. Additionally, when setting the proposed implementation date, there was consensus that there be a range from January through March 2021.

#### **VII. Operations Report**

Superintendent Presson provided an update on property tax receipts as of April 21, 2020. At this point, 36% of total budgeted proceeds have been received. She is confident the District will likely see actuals meet budgeted amounts, being that only 50% of the total tax bill is assumed to be collected in April. The Superintendent also shared OIHCD’s Q’1 2020 financial report. There was nothing unusual at this time.

The Superintendent had inquired if the early May subsidy payment to UW could be postponed until the District had a chance to determine any COVID-19 impact. She reported that UWNC was only able to offer a few weeks leeway since they also had incurred significant costs associated with COVID-19. Commissioner Miller asked the Superintendent to make sure whatever parameters are stipulated in advance of making the payment are met. Finally, the Superintendent shared that she signed up to be part of a FEMA grant to recover some of the cost of her time associated with the COVID-19 response.

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

**Leif** commented that the routine and necessary test might be met by virtue of the Hospital District having a certain immediacy that other government bodies might not.

**Dr. Fleming** shared her concerns that the pressures and impact of COVID-19 on rural areas, where staff is limited, will likely continue. As a result, the financial impact will likely linger beyond the next few weeks. Commissioner Miller would like to see what the impact is going to be and expects that will be reflected in the UW FY’21 Budget that the District expects to see in early May. Finally, Commissioner Boteler sees mainland staff absorbing some of the unusual costs of the pandemic, and the question remains as to how much the taxpayers should be expected to absorb. It is a difficult question to answer and something the Board will need to be looking at going forward.

#### **IX. Upcoming Meetings**

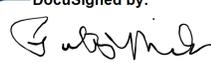
A list of upcoming meetings was included on the Agenda. The next Regular Meeting of the OIHCD is scheduled for May 5<sup>th</sup> and will continue to be conducted via Zoom.

SECRETARY: OIHCD  
Regular Meeting Minutes - DRAFT  
April 21, 2020

**X. Meeting adjournment**

**MOVED by Commissioner Groundwater, seconded by Commissioner Boteler to adjourn the meeting at 7:21 pm. VOTE 5:0:0. MOTION CARRIED.**

Minutes approved this \_\_\_\_ day of \_\_\_\_\_, 2020.

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5/18/2020

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