

Orcas Island Health Care District
Board of Commissioners - REGULAR Meeting Minutes
REMOTE BOARD MEETING
Tuesday, October 6, 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

Commissioners Absent:

None

I. Call to Order

President Fralick called the meeting of the OIHCD to order at 5:02 pm. He noted all 5 of the Commissioners were present, as well as the District's Superintendent.

II. Public Comment

Superintendent Presson reported there were no Public Comments received via email prior to the meeting.

III. Consent Agenda

The items contained in the Consent Agenda included: September 15, 2020 Regular Board Minutes, and AP Voucher Reports dated 9/14 and 9/28 in the amounts of \$1,565.38 & \$5,861.09, respectively.

MOVED by Commissioner Groundwater, seconded by Commissioner Boteler to approve the Consent Agenda as presented. No further discussion. VOTE 5:0:0. MOTION CARRIED.

Before moving on with the rest of the Agenda, Superintendent Presson asked the candidate for the Administrative Assistant position, Melissa Mahar, to introduce herself and provide a brief overview of her background. Commissioners asked questions specific to her experience with Excel and SharePoint.

IV. Committee and Work Group Reports

- a. **Negotiations Committee** – Commissioner Groundwater shared that the Committee went through the Agreement with representatives from Island Hospital. The plan was for IH's attorney to review and provide feedback so the Board could have reviewed at tonight's meeting. Unfortunately, the process was delayed due to the fact their attorney was on vacation and had only recently returned.

Commissioner Boteler reported on a conversation she had the day prior with Patty Codd, IH Director of Clinic Operations. Their discussion centered around the Required Service list in the Agreement. Commissioner Boteler felt happy with their approach and felt they appreciated the importance of developing a close collaboration with EMS. Overall, she felt IH embraced the need for providers to deliver the scope and breadth of required services, as appropriate based

on skill levels. She recognized there are a few specific items pendent on provider willingness and training that IH might not be able to commit to being available right away. In cases where they weren't sure if a service would be available on day one, she appreciated the opportunity to think about how the needed service might be innovatively provided (e.g. telehealth).

Suboxone treatment and Death with Dignity were items noted as either provider willingness or training dependent. Participating with patients in Death with Dignity is a moral decision for the physician and can't be dictated. Not every physician is comfortable with that idea so it wasn't something that could be promised and would have to be determined once the providers are in place.

Starting dose medication was another area of discussion. Being able to provide medications, for instance an antibiotic if someone has an infection identified after-hours, would be very helpful until a person can go to Ray's during normal business hour. Currently, a pharmacist for Ray's Pharmacy can be called to dispense meds after hours, subject to a charge. s. Commissioner Boteler hopes to see a close collaboration with Ray's. Commissioner Miller expressed there is a desire for Ray's to support more vaccination services, and Superintendent Presson noted that Island Hospital had already met with Rick Hughes to begin thinking about how they could support a more robust vaccine program at the pharmacy.

Another area of discussion was around IV medications. Island Hospital is committed to providing IV fluids; however, further discussion was needed around medications. This is another area that is dependent on staff competency . Patty Codd also pointed out not all medications are reimbursable by Medicare and Medicaid in a Rural Health Clinic setting. Commissioner Miller asked the Committee to get clarification around how staff will be trained if it's determined they don't have a certain competency.

The discussion continued around the Medical Director role at Island Hospital, which is currently under reviewed by the CEO. The position has historically been rotated among providers in the current Clinics. The current provider serving the role is an Ob-gyn, Kathy Garde, MD. The Medical Director serves as the liaison between the providers and the Chief Medical Officer (CMO), a role also in flux because the current CMO is retiring. There was discussion around making sure the Medical Director understands the challenges faced on Orcas and will be available to meet with the providers to address any concerns. Commissioner Boteler shared that the Island Hospital primary care providers have been very happy with Dr. Garde in the medical director role.

Finally, there was discussion around whether a Board-Certified Internal Medicine doctor would be a good fit for the island. The concern largely centered around issues that could arise after-hours, and Internists don't have training the broad training of as Family Medicine physicians to manage, in particular, pediatrics and trauma.

Commissioner Boteler wrapped up by summarizing she came away with an overall positive impression around how Island Hospital is approaching care on Orcas. She feels they are setting a good tone of collaboration with other health care entities to create a unified health care system and approach the challenges we might face with a can-do attitude.

Commissioner Lange also shared his impression of the conversations to-date. He feels the leadership at Island Hospital is committed to providing what is needed in the community. He also saw a "how do we get it done" mentality and is confident that as issues come up they will

use that approach to solving them together. He feels they conveyed a genuine desire to create a collaborative partnership with the OIHCD. He also believes they understand the staffing needs, will report informatively, and will work to make the transition as easy as possible. Overall, he came away from the negotiations encouraged about the future relationship.

Commissioner Groundwater shared her one question was around the Medical Director. She did share that Island Hospital realized they may need to change the model for our clinic and wanted to take more time to think about that piece.

Finally, Commissioner Miller asked when the sample financial reports will be provided. Superintendent Presson indicated she would follow-up with the Cost Report, and that the sample reports included in the materials would be reported on at the Orcas clinic level.

- b. **Building Committee** – President Fralick provided an update on the roof and HVAC projects. The roof tear off started the last week in August and was expected to take 8 weeks to complete. The work is expected to wrap up later this week so everything is on track.

There were a few surprises that arose during the course of the project. On the positive side, the roof decking was in good shape so no repair was needed. On the other side, it was determined the large skylight in the center of the building reached the end of its useful life. As such, the Board will need to decide what to do as replacement for the special-order size is very costly. Other options include roofing over the skylight or replacing it with two standard sizes. The cost for the two options are close and the Committee recommends going with the two standard skylights to maintain the natural light.

Noise continues to be a challenge and the contractors are working with the Clinic Manager to determine ways to mitigate the disruption. President Fralick apologized for the inconvenience and expressed his appreciation for the staff's cooperation and understanding. Superintendent Presson will be following up to provide a summary of the costs for each contractor, including various change orders and Time & Materials detail. Commissioner Lange asked that the change orders document what went on so anyone working on the building in the future will know what took place and what exists today.

- c. **Finance Committee**

- i. **OIHCD FY '21 Budget** - Superintendent Presson reviewed the OIHCD draft budget for FY '21. Since an Agreement has not yet been reached with Island Hospital, she prepared two versions of the budget. In regard to Revenue, she only assumed the District will increase property tax revenue by the allowed 1% plus an estimate for the value of New Construction, as provided by the County Assessor. There is also the possibility the District will receive \$200,000 from a Trust, which is reflected in Revenue and allocated to a capital reserve for future clinic equipment or remodel needs.

Superintendent Presson walked the Commissioners through the budgeted expenses for FY '21, as well as the forecast for the remainder of FY '20. The transition budget includes \$100,000 in the Independent Contractor category in the event there is a need to facilitate the transfer of records. There are also expense items to account for the election of two Board seats and the next scheduled Accountability Audit. The Superintendent went on to review of the building expenses to-date and what is expected for next year, and the same for Clinic Equipment. Once the final amortization

schedule is determined the appropriate principal and interest will be reflected in the Debt Service category. After moving funds into the Reserve Fund, the ending cash as of 12/31/21 is estimated to be \$468,592. An updated budget will be brought to the next Board meeting.

- ii. **Superintendent Compensation** - President Fralick reminded the Board of the COLA increases in the Seattle area, and discussion continued around the Superintendent's salary for 2021. Commissioner Miller suggested the workload could be significant in the coming year, and she suggested the Board consider a COLA and merit-based increase, as well as a bonus structure associated with meeting key milestones around a successful transition.

Discussion continued around the concept proposed by Commissioner Miller, and how to design a bonus structure. Consensus was reached to provide a base salary increase of 5% and set aside \$10,000 for a possible bonus subject to achieving defined milestones. More work will be required to determine the details of the milestones for the bonus.

MOVED by Commissioner Miller, seconded by Commissioner Lange to budget a 5% increase to the Superintendent's base salary and set aside \$10,000 in potential bonus for 2021. VOTE 5:0:0. MOTION CARRIED.

- iii. **Reserve Policy** – Commissioner Miller suggested the Board consider expanding the reserve policy or reducing the tax levy at a point in the future. Any further discussion will be held off until some of the bigger decisions are made and she is able to update the 5-year financial projections.
- iv. **GO Bond** – Commissioner Miller reported that the Committee will need to finalize the final draw and amortization schedule by October 20th. She is in the process of working on the most optimal way to repay the loan over the next eight years. While there had been discussion around expanding the bond capacity in order to reduce the interest rate, she isn't recommending the District go down that path even though there are some unknowns as far as clinic remodel and equipment replacement. She will be working with Superintendent Presson to build out the long-term capital equipment plan.

V. Old Business

There was no Old Business to revisit at this time.

VI. New Business

There was no New Business presented at this time.

VII. Operations Report

Superintendent Presson asked the Board to approve hiring of Melissa Mahar in the position of Administrative Assistant at a rate of \$25/hour.

MOVED by Commissioner Groundwater, seconded by Commissioner Lange to offer the candidate the position of Admin Assistant for up to 40 hours/month at a rate of \$25/hour. VOTE 5:0:0. MOTION CARRIED.

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Superintendent Presson provided a brief update on a grant opportunity that Lopez Island PHD is pursuing and would like OIHCD to support. She will send out information as it becomes available. She also shared she was asked to participate on the Growth Work Group as part of the Orcas Island Fire & Rescue strategic planning process.

VIII. Public Comment

There were no Public Comments submitted at this time.

IX. Upcoming Meetings

The next Regular Board meeting will be October 20th via Zoom.

X. Meeting adjournment

MOVED by Commissioner Lange, seconded by Commissioner Groundwater to adjourn the meeting at 7:06 pm. VOTE 5:0:0. MOTION CARRIED.

Minutes approved this ____ day of _____, 2020.

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Attest: Patricia Miller, OIHCD Board Secretary

11/11/2020

Date signed