

**Orcas Island Health Care District**  
**Board of Commissioners - REGULAR Meeting Minutes**  
**Orcas Island Fire & Rescue – Eastsound Firehall**  
**Tuesday, April 16, 2019**  
**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 4:02 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 time there was no public comment.

**III. Consent Agenda**

President Fralick asked for any comments on the three items contained in the Consent Agenda. Since there were edits to the minutes that item was removed from the Consent Agenda and will be taken up separately. Commissioner Groundwater asked for clarification as to the San Juan County's invoice on the AP report, which Superintendent Presson confirmed is for accounting and payroll services.

**MOVED by Commissioner Groundwater, seconded by Commissioner Boteler to approve the two AP Voucher reports as presented. VOTE 5:0:0. MOTION CARRIED.**

Discussion was held around possible amendments to the March 19<sup>th</sup> draft minutes. Commissioner Miller reported a few grammatical corrections and asked for clarification on a statement in the Public Comments section. It was read by Superintendent Presson and left unedited. Commissioner Miller also asked to have wording added to Barbara Bentley's public comment regarding UW scheduling that..." she would have to wait a little longer for the desired appointment,..."

**MOVED by Commissioner Boteler, seconded by Commissioner Miller to approve the March 19, 2019 Regular Meeting Minutes, as amended. Commissioner Groundwater was absent at the March meeting and abstained from voting. VOTE 4:0:1. MOTION CARRIED.**

**IV. Committee & Work Group Reports**

**a. After-Hours Work Group**

Commissioner Lange started his reported by saying that he was going to review the essentials of the UWNC After-Hours proposal. He pointed out that the information was very sensitive and recognized that UWNC had put a lot of work into developing and presenting the materials. He expressed his desire to maintain a good working relationship with UWNC, whatever direction the Board decides to go.

Commissioner Lange then proceeded to share the key elements contained in UWNC's after-hours proposal.

1. A provider survey was completed by UWNC which suggested that most UWNC Orcas and Lopez providers were not willing to participate in an after-hours program that asked the on-call provider to come in to see patients with urgent, primary-care-scope issues even if it was compensated and at the discretion of the on-call provider.
2. Further, concerns were raised about the safety of provider's seeing patients alone. UWNC's standard work document states that, "No staff or provider should ever be left alone in the clinic with a patient or patient's family".
3. The provider group identified that being expected to see patient's after-hours risks burnout, raises concerns about safety, and increases the administrative and operational burden on providers.
4. UWNC expressed their goal to develop an after-hours system on Orcas that is equitable, sustainable, safe and cost-effective to meet the needs of the community.

Commissioner Lange went on to summarize some of the proposal details, which include:

1. A provider ratio of 1:6 with 50% of providers coming from off island
2. A clinical staff person to support the provider when coming into the Clinic after-hours
3. Estimated annual cost to be \$256,411
4. Estimated annual after-hours clinic visits = 55 patients
5. A 10% overhead allocation will be added to account for additional administrative work (included in total referenced in item #3)
6. Travel and other expenses to compensate off island providers is estimated to be \$51,295 (included in total referenced above)
7. UWNC is basing provider compensation on internal sources only, rather than local or industry norms
8. It's expected that ALL callers will receive ALL triage options, including seeing the on-call provider, when determined medically necessary

All of this is in comparison to the existing Clinical Services Agreement with OFHC, which provides for seeing all callers after-hours under the existing compensation model. In that CSA, the only additional compensation paid to providers is \$250/clinic visit after-hours.

Commissioner Miller did clarify that OFHC's compensation model for the PA who left had factored in some additional compensation to account for being on-call and expected to see patients after-hours. Commissioner Lange confirmed his understanding of that and the fact that total compensation for that individual was still comparable, or less, than the same position at UWNC.

Commissioner Groundwater expressed her disappointment with the proposal, particularly the requirement to start paying providers to pay providers for being on call and felt it to be very expensive. Commissioner Boteler expressed similar concerns with the cost and assumptions. She questioned why one of the providers currently being subsidized by OIHCD wasn't factored into the mix, and the requirement that a non-provider staff member be present at all times. Overall, she felt their assumptions are based on their larger organizational model and don't include any flexibility for what's appropriate on the island. She feels the UWNC compensation is already high for what they are currently providing, and in many other cases the providers aren't getting additional compensation to be on-call.

The consensus of the Board was that the proposal is not a good fit financially or structurally. Discussion continued as to where the Commissioners wanted to go from here. They asked if norms and standards are available for call ratios and compensation models. Commissioner Lange reported from everything he's found, the ideal on-call

ratios run from 1:4 to 1:6. Commissioner Boteler shared her prior experience when practicing on the island. She felt that having flexibility in scheduling was essential and was well received by physicians. In the past, the ratio was 1:3 and Island Hospital would bring in a locum one weekend a month.

Commissioner Fralick pointed out that, while the proposal doesn't appear to meet the needs of the community, it does represent progress. When the idea of after-hours was first brought up with UWNC their reply was "we don't do that" and that was the end of the conversation. This proposal represents some movement on their part; however, it does fall outside the means of the District. Even if it was affordable, the Commissioners felt the structure wasn't appropriate for the community, and the sentiment of the Board seemed to be leaning towards saying "thanks but no thanks" to the proposal.

Commissioner Boteler felt the volume of patients was also unclear. The Board doesn't know how many of the people who called or went to EMS would go to the UWNC Clinic if there was a reliable after-hours service. She also suggested the issues are larger than after-hours and suggested the Board step back and define the overall goal for delivery of healthcare on the island. Once that is defined they'll be better able to put together a system that meets all the needs on Orcas. She went on to point out that the PHD currently supports 6 providers on the island, yet the existing structure has one clinic agreeing to provide service at the current cost and the other clinic wanting to add significant cost to provide similar coverage. If the Board were to look at the entire system versus two separate entities that don't interact in any way, we can begin to look at whether the entire system can work together.

Commissioner Miller agreed with everything what had been said and felt the additional compensation was disappointing yet not surprising. She's been looking at the UWNC financial results and the fact remains that visits are down against budget. It makes her wonder if UWNC has a cost structure that the District simply can't afford, even without considering after-hours. In using subsidy/visit as a metric, UWNC's subsidy is significantly higher than OFHC.

As far as being able to adequately assess the costs, Commissioner Miller pointed out that the Board wasn't part of the due diligence that OMF went through when bringing UWNC to Orcas. The Board also has different expectations than OMF. As such, it's hard to truly know if the costs and services provided are reasonable. She feels the Board needs to go back to the beginning and look at what's available in the market to be able to support, or not, UWNC's proposal and cost structure. She also agrees with Commissioner Boteler's suggestion that the Board look at the health care system as a whole to determine if there are legitimate reasons to maintain two clinics.

Commissioner Groundwater suggested there might be a way to approach UWNC to get the price down in the short term in order to maintain primary care services. Commissioner Lange indicated there had been things discussed that weren't factored into the proposal. These included granting comp time to a provider who was coming off call or reducing the required patient contact hours from 36 to 32 per week. Recognizing that could lead to access issues, we would need to determine if the providers could increase the number of patients seen per day. Commissioner Groundwater suggested we ask if there needs to be a staff person available at all after-hours clinic visits. Perhaps the Board can explore collaboration with the Sheriff and EMTs. She also mentioned a program for retired physicians that could lower costs, as there are several living on Orcas. Discussion continued around the possibility of utilizing non-UWNC providers, which has been shut down by UWNC in the past. Commissioner Groundwater's final comment was that she was opposed to paying providers additional compensation for simply being on-call; however, she suggested the District might consider paying an hourly rate, with a 2-hour minimum, for provider's coming into the clinic after-hours. She asked if it would be worth going back to UWNC one final time to explain the proposal is beyond what the District can afford and ask if there are ways to reduce the cost.

After continued discussion, the Board concluded it was likely the response to UWNC should be “thanks but no thanks” and the Board will need to conduct additional research to determine how to provide for after-hours coverage. The after-hours work group will verify whether or not there is flexibility in the cost structure presented. If the answer is “No” the Board will cease discussions.

The Board discussed the messaging and logistics in notifying UWNC of their decision. Commissioner Fralick recommended that the Board pause here and answer that question following the CSA/IFA discussion.

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

Commissioner Groundwater confirmed a discussion with the Public Works attorney that allows the Board to contract outside of the small works roster for some types of unscheduled maintenance.

President Fralick provided an update on the various building repair projects. He explained the situation is complex due to the possible interplay between the roof and HVAC. As a result, it’s important to have an overall plan and understanding of the HVAC approach that the Board will pursue before proceeding with the roof bid.

There are numerous choices for the HVAC replacement, which include replacing the existing ducted system or changing to a ductless system. Each has pros and cons, and every contractor contacted has a different approach. At this point, the Board doesn’t have the expertise to be able to make an informed decision as to the best option. The Building Work Group feels the Board would benefit from contracting with an engineering firm that could guide us and help design the most appropriate system. The estimated cost for such a service is in the \$5,000 range, which would generate a plan that would be used in the bid process.

Commissioner Lange expressed his support but cautioned that he would choose an expert with an understanding of all options and someone that has no skin in the game. Commissioner Groundwater also explained that it will be important to take into consideration the payback period for all options, as well as available rebates through OPALCO. After continued discussion there was consensus that we must have the expertise to ensure we do it right the first time. Commissioner Miller also expressed her support with this approach yet cautioned that the engineer be someone whose work has been successfully implemented in the past. We don’t want to get into a situation where the contractors can’t execute what was designed. She also expressed concerns about the timing and the fact that we might have trouble getting on any roofing contractor’s schedule this year. While Commissioner Fralick agreed that time is getting tight, there doesn’t seem to be any way around the process.

**MOVED by Commissioner Miller, seconded by Commissioner Lange to authorize Commissioners Fralick and Groundwater to go to bid to contract for engineering services to design the HVAC system, using the small works roster. VOTE 5:0:0. MOTION CARRIED.**

**North Cascade Cardiology** – Superintendent Presson and Commissioner Groundwater are close to finalizing the 2019 lease agreement with NCC. There are a few points that need to be clarified to determine if UWNC needs to be a party to the contract. Superintendent Presson also reported that UWNC is waiting for payment from NCC for the 2018 lease payments as NCC wasn’t willing to make payment directly to OIHCD. UWNC will then send OIHCD a check for the same amount.

**c. Contract Negotiations Work Group**

Commissioner Miller shared a redline and clean version of the draft CSA that has now been reviewed by UWNC and the District’s attorney. She feels that everything looks okay except for the After-Hours section. The Board will need to decide whether the CSA is signed in the absence of acceptable After-Hours language, or if the Board continues to operate under the existing IFA.

Discussion continued around the pros and cons of each document. Commissioner Groundwater expressed her disappointment with the CSA, but she recognized the areas where improvements had been made over the Agreement UWNC had with OMF. Commissioner Boteler felt strongly that it was difficult to sign a CSA that is so different than the one executed with OFHC in terms of services provided. Not only is after-hours an important component, but she felt the overall approach was a marker of how UWNC isn't willing to adjust their model to meet the needs of a rural community. She felt signing the CSA could be seen as an endorsement of their approach. She noted that language would still need to be added to the After-Hours section specific to scope. She can't get behind the idea that non-established patients will be referred to their PCP and not given all after-hours options that are available to established patients.

**There was consensus of the Board to move forward with the CSA as it provides better coverage and termination provisions than the IFA.** That said, the Board wants to make it clear that the language wasn't adequate, and work will continue to evaluate alternatives outside of UWNC. President Fralick agreed and stressed that the message will be clear that the After-Hours approach is not acceptable, and the Board will do the work to figure out the path forward. That said, he did want to acknowledge the hard work that both sides put into coming up with a CSA that meets the needs of both parties in all areas except for After-Hours.

Commissioner Miller wanted to clarify if it was the Board's desire to add a paragraph into the CSA that speaks to the After-Hours proposal not meeting our needs and indicate that additional work will be continued to pursue alternative approaches. Commissioners felt that the message could be communicated to UWNC without it being in the CSA. They also wanted to stress that maintaining primary care is of utmost importance. Commissioner Groundwater felt strongly that the community is better off having primary care than saying we must have both and ending up with nothing.

There was final agreement around having the Negotiating Committee go back to UWNC with this feedback, and request that language be added to the CSA to ensure ALL callers receive ALL after-hours options. Commissioners were asked how important it was to have this added to the existing CSA. Commissioner Lange felt it was crucial and he might consider not signing in the absence of this commitment. **There was consensus to proceed along these lines; to discuss this additional language with UWNC with the results from the conversation to determine how the Board moves forward.**

#### **d. Finance Committee**

Commissioner Miller shared an updated comparison of Q'4 2018 financials from both clinics. There were some adjustments made to OFHC's report, largely in the area of salaries. She asked if the Board, conceptually, agreed that OFHC had an unusual issue with Dr. Shinstrom's injury and subsequent disability leave. Rather than deduct for his time off, she would like to work with Aimee to see how best to adjust their next quarterly grant.

Other items discussed on the OFHC financials centered around their ask of \$7,000 associated with starting up their vaccine program. This wasn't factored into their current year's budget. There is also an outstanding invoice for the refrigerator and freeze of just over \$2,500 which had been previously approved, but not yet paid. Finally, Commissioner Miller pointed out that the subsidy per visit for OFHC is significantly below that of UWNC. Additional work will continue to ensure we are comparing apples to apples as far as how visits are being counted and reported.

**MOVED by Commissioner Groundwater, seconded by Commissioner Miller to approve the reimbursement for approximately \$7,000 for OFHC's vaccine program, and to authorize Commissioner Miller and Superintendent Presson to talk with OFHC about not taking the full deduction for the less than 1.0 MD FTE in the most recent quarter. VOTE 5:0:0. MOTION CARRIED.**

#### **e. Communications Committee**

Superintendent Presson confirmed that there is no cost to publish articles online with Orcas Issues. She was also able to confirm there is no cost to publish articles online with The Sounder, and Colleen was willing to reduce the print price to \$50 per article.

The Superintendent reviewed three draft articles that were meant as a series to introduce some basics of OIHCD, as well as outline the different roles and responsibilities of the Commissioners and Superintendent. She explained this was in response to suggestions from the public at an earlier meeting.

Commissioner Groundwater had several suggestions on how to make the articles more relevant by focusing more on what the Board has accomplished in underwriting health care. She didn't feel the community would be as interested in reading about their establishing By-laws, policies, committees, etc.

**There was consensus of the Board to have Commissioner Groundwater and Superintendent Presson work together to revise the articles and submit new drafts to the Communications Committee for approval.**

**f. Staffing Committee**

President Fralick reported that he shared a sample performance review document that was used by the Lopez PHD with the Staffing Committee. Since we are approaching the one-year anniversary of the Superintendent, it's time to begin the review process. The Committee will be working to finalize the document and share with the other Commissioners so they can provide feedback. Commissioner Miller asked that the job description be included when the document is distributed.

**V. Old Business**

President Fralick reminded the Board that the Building Committee had been established but not yet populated.

**MOVED by Commissioner Miller, seconded by Commissioner Lange to appoint Commissioners Fralick and Groundwater to the Building Committee. VOTE 5:0:0. MOTION CARRIED.**

**VI. New Business**

- a. The Board reviewed the Agenda for the annual Rural Hospital Leadership conference in June. It was determined that Commissioner Boteler would attend. She'll work with the Superintendent on details and logistics.
- b. The Board discussed possible dates for a planning retreat and settled on May 13<sup>th</sup>. Commissioners were asked to send the Superintendent items to be included on the Agenda. As that becomes clear, President Fralick will firm up more of the logistics. Additional discussion will be held at the May 7<sup>th</sup> Regular Board meeting.

**VII. Operations Report**

- a. **March Financial Reports** – In consideration of the lateness of the hour, Superintendent Presson provided a brief overview of financial activity through March 2019 and calendar year-to-date. She reported the balance in the General Fund as of March 31, 2019 is \$313,849, and the District has received year-to-date revenue from property tax of \$223,145. She reported back on a question from the last meeting specific to leasehold tax revenues. The \$180 of revenue reported from Leasehold Tax is related to OIHCD being a taxing district. As such, the District also receives a share of the leasehold tax receipts. This is separate from having to pay a leasehold tax as landlords of the medical building.

- b. Kaiser Air Transport** – Superintendent Presson indicated she and other stakeholders will be meeting with representatives from Kaiser and the Office of the WA Insurance Commissioner on Monday, 4/22. She will have more to report following that discussion.

### **VIII. Public Comment**

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 explained how other structures have providers working 60% regular hours and 40% for after-hours coverage. This type of scheduling allows the doctors time to complete their charting and distributes work more efficiently while easing provider workloads. He also stressed the importance of having good collaboration across EMTs and the PCPs, and this could be a way to address UWNC's safety concerns when a provider is alone at the Clinic after-hours.

Jim Pyka asked whether the County could assist with the building problems. President Fralick explained that OIHCD is a junior district which is separate from the County.

Barbara Bentley shared that she started coming to these meetings as a concerned citizen and quickly became very interested in UWNC's role. She comes from a medical school background and had hoped that UW would bring medical students to work in the Clinic; however, she sees that UW is apparently too tied up in their own bureaucracy to make that happen. She also expressed her disappointment in UW's after-hours proposal. She felt what they came back with is appalling and reinforced their bureaucracy and that they don't understand rural medicine. It also showed that they are out of touch with the island, and the statistics around cost seemed unreasonably expensive. She felt that as part of their responsibility as professionals the providers should be willing to provide this service to the community. It was not an incremental burden for a professional.

Leif congratulated the Board and said he recognizes how difficult it is to have to make decisions without having real solutions defined.

### **IX. Upcoming Meetings**

A list of upcoming meetings was shared on the Agenda. Commissioner Boteler noted that she will be remote for the May 7<sup>th</sup> meeting.

### **X. Meeting adjournment**

**MOVED by Commissioner Groundwater, seconded by Commissioner Miller to adjourn the meeting at 6:26 pm. VOTE 5:0:0. MOTION CARRIED.**

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

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