

**Orcas Island Health Care District**  
**Board of Commissioners - REGULAR Meeting Minutes**  
**REMOTE BOARD MEETING**  
**Tuesday, July 7, 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 5:01 pm. He explained the Board continues to operate under the Governor's Proclamation 20-28, which was recently extended until July 9<sup>th</sup>. The Proclamation allows for public meetings to continue without the requirement of having a physical space. President Fralick mentioned this is the Board's 12<sup>th</sup> meeting of the year, and all Commissioners and the Superintendent are present.

**II. Public Comment**

Superintendent Presson noted she received a lengthy a public comment from Dr. Shu that will be posted with the Board materials. It is copied at the end of these Minutes and contains links to articles.

**III. Consent Agenda**

The Consent Agenda contained the June 16, 2020 Regular Board Meeting Minutes and a June 28, 2020 AP Voucher report in the amount of \$1,562.

**MOVED by Commissioner Groundwater, seconded by Commissioner Boteler to approve the Consent Agenda subject to making minor edits to the Minutes submitted by Commissioner Groundwater. No further discussion. VOTE 5:0:0. MOTION CARRIED.**

**IV. Medical Clinic Operator RFP**

- a. **Review of RFP Responses** - Superintendent Presson provided an overview of the responses received to the RFP. The organizations who declined to provide a response were: UW Medicine, PeaceHealth, Whidbey Health, Jefferson Healthcare. In addition, a request was sent to the CEO of the NW Primary Care Association to determine if any FQHC within his membership base would be interested in responding. OFHC replied to the RFP that their response would be withheld as they supported Island Hospital's Provider-Based Rural Health Clinic. The District did received proposals from Island Hospital (IH) and Orcas Community Integrative Medicine Clinic (OCIMC).

- b. **Evaluation Work Group** – Since neither proposal was complete enough to make a determination of their viability, discussion was held as to the best way to proceed. Consensus was reached that the Board would form Clarification Work Groups. These will be responsible for gathering the necessary information to decide if either proposal would be moved forward in the process. Each group consisted of two Commissioners and they were directed to meet with the two responders. The Clarification work groups were determined to be:

1. Finance/Staffing – Commissioners Groundwater and Miller
2. Scope of Services/After-Hours – Commissioners Boteler and Lange
3. Legal/Board Governance – Commissioners Groundwater and Fralick

President Fralick reiterated the goals of these discussions is not to negotiate but to daylight items and discuss the details behind the proposal to gain an understanding of what each entity is offering. This approach was reviewed with the District’s attorney, who recommended this approach. Commissioner Groundwater shared one caution from the District’s attorney that the Commissioners cannot talk with each other of what is learned in these discussions outside of the next Board meeting. Commissioner Miller stressed the importance of having Commissioners submit their questions to each Clarification Work Group to avoid having to go back and forth with the responders. Commissioners were asked to submit their questions to Superintendent Presson, and she will work on scheduling the meetings. The results from each group will be discussed at the July 14<sup>th</sup> Special Board meeting.

**MOVED by Commissioner Groundwater, seconded by Commissioner Boteler to adopt RFP Clarification Work Group approach. Further discussion included a slight revision to the Motion from Commissioner Miller. She asked that the Motion be amended to include the names of the Clarification Work Groups to be: Finance/Staffing, Scope of Services/After-Hours, and Legal/Board Governance. VOTE 5:0:0. AMENDED MOTION CARRIED.**

- c. **Communication Plan** – Commissioner Lange summarized the intent for next Town Hall is twofold: (1) review some of what was discussed in the first Town Hall to bring people up to date who didn’t attend; and (2) information on what has happened since the last Town Hall.

Content will include high level details on the elements of the proposer’s content, and Commissioner Miller will provide a financial summary to include an updated 5-year outlook. The materials will explain the process that was just voted on by the Board as the mechanism to get answers to questions from the proposers. Overall, the message will be that the Board recognizes the two proposals received do not have enough information to act so this next step is essential to the RFP process.

- d. **Article and Q&A Document** – the Communication Committee continues to update the Q&A document. Commissioner Groundwater submitted additional questions that the Committee has yet to answer. There was discussion around the content for upcoming articles, and a need to tie content to where the Board is at in the RFP process. While the Board is comfortable having the Committee responsible for writing the articles, there was consensus to allow the Board insight into the theme and key messaging. Commissioner Groundwater also asked that the articles be shorter, if possible.
- e. **Evaluation Criteria** – the Board discussed the best approach to evaluating the proposals and if it made sense to spend time on the draft Evaluation Workbook. That document was initially created to be able to score numerous proposals. After continued discussion there was

consensus not to spend additional time and resources on updating the document at this time. The Board will await results of the Clarification Work Groups to determine whether the Board will have two proposals to move forward. This will be revisited at the July 14<sup>th</sup> Special Board meeting.

- f. **Urgent vs. Acute Care Definition** – Commissioner Miller asked the Board to agree on the use of terminology. Her concern is that the Board is using the term “Urgent Care” when early discussions led to agreement to use the term “Acute Care”. There was discussion around the history, and the fact that in many circumstances the terms are interchangeable. Commissioner Boteler explained that the term “Urgent Care” took on a different meaning when the urgent care centers were created in the industry. As a clinician, she feels the terms mean the same thing; however, on the mainland where there are now a proliferation of Urgent Care Clinics and that is often what people think about when using that term.

After continued discussion there was consensus of the Board to begin using “Acute Care” rather than “Urgent Care”. In addition, Commissioner Miller wanted there to be sensitivity when talking about After-Hours care in that it is meant to be limited to care for Acute conditions.

## V. Committee and Work Group Reports

- a. **Building/Equipment Committee** – Commissioner Groundwater reported that both the Roof and HVAC contractors have been notified that they have been awarded the business and we are working to finalize the Agreements. There was a change in the sales tax rate, which required an update to the Sage Building Agreement that was previously finalized. Sage has also suggested we change out the registers to replace the existing ones that blow air down on patients. The new registers will better distribute the air flow and make for a more comfortable experience. In contrast, Sage suggests we do not need to do the stand-alone mini-split for the IT room. The cost for the latter was approximately \$7,700 versus the adding the cost for the registers of approximately \$4,000. The Committee recommends going with these suggested changes. Commissioner Fralick will follow-up with UWNC’s IT department to discuss the IT room, and he is comfortable taking the recommendation and adding at a later date, if needed.

Commissioner Boteler asked if the Committee has given any thought to filtration with the HVAC in light of new COVID-19 concerns. Commissioner Groundwater had not yet discussed that with the contractor, and President Fralick agreed it was an important consideration. The Committee will follow-up with Sage and report back with information.

Empire Foundation Grant – President Fralick shared the good news that Superintendent Presson’s grant application was approved. The District will receive a grant of \$100,000 to help with the cost of the HVAC and Roof projects. A thank you letter will be sent to the Foundation and Premera.

Since it is an RCW requirement when a Public Hospital District does construction around a medical facility, Commissioner Groundwater drafted Resolution 2020-01 to authorize expenditures of monies to replace the roof and HVAC systems in the medical clinic building owned by the District. The Resolution has been revised to address the source of funds. Commissioner Miller clarified that the funds associated with the GO Bond have not yet been drawn and wondered if that was an issue, which it was not. Commissioner Groundwater did

indicate she would double check the final numbers in light of changes discussed on the HVAC project and make sure the Resolution aligns with the final scope of work.

**MOVED by Commissioner Groundwater, seconded by Commissioner Boteler to approve Resolution 2020-01 and revisit numbers to be consistent with final scope of work. No further discussion. VOTE 5:0:0. MOTION CARRIED.**

- b. **Finance Committee** – Commissioner Miller was authorized to work with Bruce Rylander to update the financial model. She walked through some of the changes from the original model which was created when the District was formed. Commissioner Miller is also in continued discussions with WAFed to determine options for expanding capacity and/or length of the bond.

#### **VI. Old Business**

- a. **Template CSA** - Commissioners Miller and Groundwater continue their work on the template Clinical Services Agreement (CSA).
- b. **2020 Annual Performance Review Document** – President Fralick reported that the Board will use the same format as last year. He asked Commissioners to review that document and provide feedback by the July 21<sup>st</sup> Regular meeting.

President Fralick also shared that during the 2019 process the Board noted a lack of consistency in how each Commissioner approach the evaluation criteria. Discussion continued among the Commissioners to determine the best approach to being able to consistently evaluation the performance of the Superintendent. After a lengthy debate, there was consensus that the narrative was the most effective way to provide meaningful feedback. As a result, the 2020 document will be modified and the numerical scoring will be removed.

#### **VII. New Business**

There was no new business brought to the Board’s attention.

#### **VIII. Operations Report**

Superintendent Presson provided a short report. She is working with both clinics on evolving COVID-19 testing protocols for both symptomatic and asymptomatic testing.

#### **IX. Public Comment**

There was a final Public Comment from Leif that centered around the statement in Island Hospital’s proposal that “it is their intent to honor current providers and staff and maintain current wages”. The provider model, and associated salaries, was part of the problem with UW. It is worth noting history has implications.

#### **X. Upcoming Meetings**

A list of upcoming meetings was included on the Agenda. The next Regular Meeting of the OIHCD is scheduled for July 21<sup>st</sup> and will continue to be conducted via Zoom. There will be a Special Board meeting on July 14<sup>th</sup>. The next Town Hall will be July 9<sup>th</sup> via Zoom. There will also be a Town Hall following the July 21<sup>st</sup> Regular Board meeting.

Regular Meeting Minutes - DRAFT

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**XI. Meeting adjournment**

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

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

DocuSigned by:



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

9/15/2020

**Date signed**

**PUBLIC COMMENT – DR. SHU**

I am writing this e-mail as a public comment because I care, not because I am one of Proposers, rather one of community members who have been paying the Tax in supporting of the Orcas healthcare.

You may find the following information specific to RFP and deserve the further investigation:

U.S. hospitals are losing millions of dollars per day in the midst of the Covid-19 pandemic — and recovery may take years. Hospitals have seen revenues flatline during the pandemic. That is because they have delayed non-emergency medical procedures during the spring. When hospitals across the United States halted elective procedures back in March, they immediately started hemorrhaging revenue.

The American Hospital Association is now reporting that hospitals are bleeding more than \$50 billion per month. This is due to the large number of cancelled elective procedures, as well as the costs associated with treating Covid-19 patients. US hospital operator HCA Healthcare Inc reported a 70% drop-in outpatient surgeries so far in April compared with a year ago, while inpatient admissions declined 30%.

Hospitals are being paid more for treating COVID-19 cases, increased costs, including PPE and expanding ICU equipment and facilities, are driving up costs. COVID-19 has created a cash crunch for many hospitals across the nation. They are estimated to lose \$200 billion between March 1 and June 30, according to a report from the American Hospital Association. Many others, especially those in rural areas, will go out of business. “The worst is yet to come,” said Michael Topchik, executive director of The Chartis Center for Rural Health, a Chicago based management-consulting firm. It found that 453 of the country’s 2,000 rural hospitals were in danger of closing and 216 were identified as “most vulnerable.”

<https://www.beckershospitalreview.com/finance/29-hospital-bankruptcies-in-2020.html#:~:text=COVID%2D19%20has%20created%20a,from%20the%20American%20Hospital%20>

In response to the financial crisis facing these healthcare institutions in the US, earlier this month, as part of the coronavirus relief package known as the CARES Act, the federal government began disbursing \$30 billion in aid to hospitals across the country. On Friday 1 May, another \$20 billion was released.

<https://www.itij.com/latest/news/us-hospitals-losing-around-50-billion-month-due-covid-19>