

Orcas Island Health Care District
Board of Commissioners - REGULAR Meeting Minutes
REMOTE BOARD MEETING
June 1, 2021
5:00 – 7:00 p.m.

Commissioners Present (via Zoom):

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

Staff (via Zoom):

Anne Presson, Superintendent

I. Call to Order

President Lange called the 11th meeting of 2021 to order at 5:03 p.m. He noted that there was a quorum with five commissioners present. He welcomed members of the community and the members of the Island Hospital leadership team to the meeting.

When asked if anyone had modifications to the Agenda, Commissioner Fralick stated that he would also be reporting on road maintenance and refrigerator/freezer maintenance under Section 5a.

II. Public Comment

There were no requests for public comment at this time.

III. Consent Agenda

The items contained in the Consent Agenda included MINUTES of the May 18, 2021, Regular Board Meeting. Superintendent Presson noted that she had sent the commissioners an updated version since the board packet was distributed and that they would be voting on the updated version. There was not an AP Voucher report.

MOVED by Commissioner Fralick, seconded by Commissioner Groundwater to approve the Consent Agenda. VOTE 5:0. MOTION CARRIED.

IV. Island Primary Care – Orcas (IPC): Updates

Charles Hall, IH CEO, reported that visits for the months of April and May averaged between 615–620 per month, including six seen after hours from either 911 or after-hours calls. Sixty-three x-rays were performed in April and 86 in May, while lab visits were 152 in April and 135 in May. This model focuses on quality but also requires a level of efficiency in order to meet the community's needs, ensure timely access, and remain financially viable. He clarified what has been misinformation in the community about the provider contracts, which were very much in line with industry standards. Only one provider was interested in going through the process and received a contract in the range of \$300,000. This included a ramp up and guarantee period. Compensation is based on the number of patients seen; yet the level was set considering the needs of the community and averaged two patients per hour. When taking all of the factors into consideration, each provider needs to see an average of 16 patients per day, which equates to about 2 patients per hour. This is consistent with industry standards; however, the former UW providers did not want to operate in a model that contained any performance requirements.

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Kim Graf, IH Provider Outreach Coordinator and Recruiter, provided an overview of the recruitment process. Together with the Medical Director, she is working on finding both providers and Advanced Practice Clinicians (APC). She reported that the search has been very active, resulting in five physician candidates that passed initial screening, as well as three who did not. Requirements for physicians include 5+ years of primary care experience, including a blend of urgent care and pediatrics. This is to ensure a provider has adequate experience to be able to care for all of the types of patients that might seek care at the Clinic being that there isn't a pediatrician on the island and it is often not possible for someone to travel off island for an urgent need. This is very different than how most Family Practice clinicians' practice on the mainland where it's much more common to refer to a specialist and/or have access to same day urgent care. The IPC-O Clinic leaves a certain number of daily slots open for same day needs, and there is a provider assigned to care for those patients.

For APCs, the requirement is 2+ years of the same kinds of experience. Screening includes a phone discussion with the candidate, receipt of a CV, review by the Director of Primary Care Clinics and Medical Director, and a phone discussion with Hall. It's important to IH that candidates understand the benefits and disadvantages of living on a rural island, as well as the expectations for care. The five candidates include in-state and out-of-state applicants with various mixes of the required experience. Three have gone through an initial phone screening, and screening is pending for the other two. There are two APC candidates and possibly a third, all awaiting an initial screening call. There is also a mix of genders.

Groundwater asked if IH was seeking candidates with gerontological experience, and Hall responded that is part of family practice. Physician contracts with IH approach \$300,000 per year, in addition to a signing bonus and relocation allowance. Fralick asked if Physician Assistants and Nurse Practitioners are both being considered; Hall answered yes and noted that while in Washington PAs must be supervised by practitioners and NPs do not, in other states the opposite is true. Commissioner Boteler asked why a period of only two years of experience was chosen for APCs; Hall responded that it's a starting point from which to consider broader experience, such as paramedic or nursing background.

Hall also talked about his conversations with Rick Hughes at Ray's Pharmacy on working together on vaccinations, including COVID, childhood vaccines, and others. Discussion is continuing.

Boteler asked about issues with the IH call center. Hall responded that the current wait time is 3–5 minutes; the goal is within 3 minutes, and next year's goal will be within 30 seconds. A call-back option is available, and calls can usually be returned within 10–11 minutes. The call center is currently receiving 125–150 calls per day from Orcas. Four new hires have been added to the staff and another will join soon. The purpose of the call center is to offload scheduling calls to a designated department so clinic staff can focus on patients, which increases clinic efficiency but sometimes irritates callers. Miller asked if the District could help the call center staff by educating patients about the reasons for and benefits of going through a call center; she pointed out that "you CAN get a same-day appointment through the call center!" Hall responded that he hoped the community would be "patient and kind" rather than take out frustrations on the call center staff. IH is working on putting out an update for the Orcas community on call center operations, recruitment progress, and other issues. It's important to set expectations around the recruitment process in order to get the right fit. Hall noted that it took two years to recruit an MD when IH previously operated the clinic.

V. Committee and Work Group Reports

a. Building Group –

Groundwater reported that three responses to RFP 2021-01 had been received, ranging in cost from about \$85,000 to \$125,000. The lowest-price bid looks acceptable but she wants to speak with references and get some questions answered. The decision date was supposed to be June 4, but that date cannot be met, so the board will need to authorize Presson to notify bidders that a decision isn't possible until the June 15 meeting. Approval was by consensus. The RFP specifies

that the building must be washed before painting. The cost estimates for door automation were a surprise, ranging from \$30,000 to \$40,000. The issue will be discussed with bidders. Miller asked how we can compare the bids based on what the bidders actually plan to do, and Groundwater answered through talking to them and doing reference checks. None of the bidders was an Orcas contractor.

Regarding the generator and lighting, Fralick and the electrical contractor are still sorting out the best approach to improving lighting. He hopes for a recommendation by the next meeting. Generator leads times are about 24 weeks, so he would like to decide soon between a 20KW three-phase generator, costing about \$5000, and a 32KW unit, costing about \$11,000. He will continue talking with the contractor and facilities director at IH.

Fralick reported that there are two road maintenance agreements, one with owners on Deye Lane and one with Orcas Physical Therapy. Discussions with each group are under way.

Fralick is talking to companies with commercial experience about the fridge and freezer formerly in the UW Clinic. Those were purchased by the District in 2018 and are not working. They are currently being stored in the solarium. He hopes to arrange repairs soon, if possible.

Fralick and Groundwater walked the vacant property around the clinic with an architect to understand how the vacant land owned by the district might be used in the future. The district understands the importance of recruiting quality staff and knows that the cost of housing is a significant factor in success achieving that goal. One idea for the board to consider would be utilizing the land to build housing for staff, visiting specialist, and other district needs. Any such project would be part of long-term planning.

b. **Finance Committee**

Miller discussed renewing the line of credit with Washington Federal. It has never been used, and the District has sufficient cash reserves to handle most unexpected expenses. Miller pointed out that the LOC needs to be repaid annually and is meant to cover gaps in cash for operational expenses – not capital items. As such, if there was a need for a large capital purchase the District would either need to use reserves or look at a longer-term financing vehicle. It was the recommendation of the Finance Committee to not renew the LOC. There was discussion around the cost to maintain the LOC, which was \$2,500 per year.

MOVED by Commissioner Miller, seconded by Commissioner Fralick that the line of credit not be renewed. VOTE 5:0. MOTION CARRIED.

VI. **Old Business**

a. **IH Reimbursement**

Presson discussed changes to Medicare that may affect clinic reimbursement and the possible impacts on IH's five-year pro forma. Changes implemented by CMS served to equalize provider-based RHC reimbursement with that of stand-alone RHCs. New legislation approved by the federal government late last year, reduced reimbursement at the Orcas clinic from what had been expected to be approximately \$217 per encounter by year three to about half that with a ceiling of \$192 that clinics reach over a period of eight years. IH management believed its PB-RHC status would be grandfathered under the cost-based rules yet the legislation had a lot of issues that left some PB-RHC that were in a "mid-build" stage out in the cold. There are efforts nationally to revisit the "mid-build" rules and Presson is working with IH to ensure this gets resolved. One option is to

reinstate the “old” RHC number from 2017 and have that grandfathered. It’s unclear how long it will take to get an exception, and if the grandfathering does not occur the impact on reimbursement is in the range of \$1.8 million. Presson is looking into other sources of revenue, including federal money for infrastructure. Miller suggested possibly contacting our legislators to discuss the problem and inquired if a community outreach campaign to our legislators would be helpful. Presson stated that staff and IH were already engaging the legislators and would inquire if a broader campaign would be helpful.

b. **Staffing**

No report.

VII. Old Business

Presson introduced Kevan Rayne, website developer, who showed screens shots from the new website. He discussed how it was organized, links to the IH Orcas page, documents by type, the comments section, a questions form, and other content. His goal is to make the site approachable and easy to use, putting links to the most used information on the home page.

VIII. New Business

There was no New Business presented.

IX. Operations Report

Presson was unable to provide the standard monthly financial report because of delays by the County. She reported that as of mid-May, about 59% of annual property taxes had been collected, slightly higher than usual. Overall revenues are on track, and no unusual expenses have been recorded to date. Expense items favorable to budget include the UW subsidy, support staff, conferences/training, travel/accommodation, debt issue cost, and miscellaneous; unfavorable to budget are legal, building repair, website, and building utilities. New equipment and the need for an accountant are possible future expenses. UW Medicine has not completed the loan forgiveness process for its PPP funds and may not be able to for several months; she will hold off paying the final subsidy until that is resolved.

The District’s annual financial report to the state auditor’s office was submitted last week. The next accountability audit for 2019–2020 is in the process of being scheduled. The state approved the Interisland Health Care Foundation’s grant to host SHIBA at the Senior Center. The public hearing for the 2022 budget will be on Nov. 2, so work is beginning; commissioners should send Presson any comments on line items they would like to discuss that could impact the budget. Groundwater is checking with attorney Don Black to see if funding charity care (patient assistance) would violate the constitutional prohibition on gifts of public funds. We might also work with the IH Foundation or perhaps OICF to receive financial aid for that purpose. Presson observed that we’ve used a discount rate of 4% against our levy but could perhaps go to 2.5–3% to account for uncollected revenue. The SJ Treasurer does an excellent job making sure they seek any revenue that wasn’t received in the year due. Finally, Presson asked the Board to consider hiring an Accounting Firm to assist in the annual 5-year cash flow projections. She is working with the Finance Committee to review reports she receives from the Accountant she works with on Lopez.

Miller asked if the District might move to one meeting per month for the rest of year. Presson will check into what IH might offer at regular or occasional second meetings in terms of education and other health related topics .

X. Public Comment

There were no requests for public comment at this time.

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XI. Upcoming Meetings

President Lange stated that the next Regular meeting of the OIHCD Board is scheduled for June 15. Other meetings were listed on the Agenda.

XII. Meeting adjournment

MOVED by Commissioner Groundwater, seconded by Commissioner Miller to adjourn the meeting at 7:15 p.m. VOTE 5:0:0. MOTION CARRIED.

Minutes approved this 15th day of June, 2021.

DocuSigned by:

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Attest: Patricia Miller, OIHCD Board Secretary

9/2/2021

Date signed