

Orcas Island Health Care District
Board of Commissioners - REGULAR Meeting Minutes
REMOTE BOARD MEETING
October 19, 2021
5:00 – 7:00 p.m.

Commissioners Present (via Zoom):

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

Staff (via Zoom):

Anne Presson, Superintendent

Commissioners Absent:

None.

I. Call to Order

President Lange called the 19th meeting of 2021 to order at 5:00 pm. He noted that there was a quorum with four Commissioners present. He welcomed members of the community to the meeting.

When asked if anyone had modifications to the Agenda, none were indicated.

II. Public Comment

Susan McBain complimented IPC staff for a very quick and effective response in obtaining a mammogram report from Assured Imaging. Pierrette Guimond complimented the staff's responsiveness. Velma Doty reported that two people chose an off-island doctor because they couldn't obtain an x-ray at the clinic right away. Superintendent Presson described the new protocol for guest x-rays and mentioned that the clinic was short one provider for a few weeks but would again be fully staffed this month.

III. Consent Agenda

The items contained in the Consent Agenda included the October 5, 2021, Regular Board Meeting Minutes and an AP Voucher Report dated 10/10 in the amount of \$1,892.99. Commissioner Groundwater asked to amend the minutes before approval.

MOVED by Commissioner Fralick, seconded by Commissioner Groundwater to approve the AP Voucher Report. VOTE 4:0:0. MOTION CARRIED.

Groundwater noted that the statement in the minutes "there is no reconciliation planned until the end of IH's five-year contract" is incorrect. Under the contract there is no reconciliation provision, only a termination provision for Island Hospital (IH), but it would be beneficial to the district to negotiate a reconciliation in the future.

MOVED by Commissioner Fralick, seconded by Commissioner Miller to approve the amended October 5, 2021, Regular Board Meeting Minutes. VOTE 4:0:0. MOTION CARRIED.

IV. Committee and Work Group Reports

a. Building Group –

- i. **Lighting Project:** The project is about 97% complete and should be finished in November. Fralick will check with clinic manager Aimee Johnson to be sure it's done.
- ii. **Handyman Contract:** Fralick will meet with the candidate in a couple of weeks. Our attorney has sent a draft of a master agreement under which we would do work orders; Groundwater will modify it. Written work orders would be required for long-range work but not for emergencies. Prevailing wage is not required for a business owner or partner, so we can pay a flat rate per hour for all work. The ability to do work orders via email will be added to the agreement.
- iii. **Generator update:** Groundwater reported that Pacific Power Group says the generator is working well but that if a problem arises, getting parts will be difficult. Our current on/off transfer switch is working well but, because of the fire code, if the state Fire Marshall should inspect us, we would be cited for not having a remote switch. Fralick will discuss this with the electrician. Pacific Power also showed Johnson the process for monthly testing of the generator; a logbook listing dates of completed tests is advisable.

Fralick also reported he's been unable to reach the refrigeration technician about replacement of the compressor on the freezer.

b. Finance Committee –

- i. **PB-RHC Update:** Presson reported that IH is pursuing two strategies for grandfathering the clinic to receive previous reimbursement rates. The first is administrative: getting the clinic certified as a new RHC, not transferring the former OFHC RHC number. The two requirements for grandfathering of a new clinic which are submitting a form 855A by the end of 2020 and completing a formal certification. IH believes they have met the criteria by submitting the Form 855A prior to 12/31/2020 and continuing the process to gain certification. IH has submitted a second 855A as a backup and is seeking acknowledgement that this was a replacement for the original submission that met the 12/31/20 deadline. Katie Jo Raebel from Wipfli LLP is gathering the documentation that shows that IH did submit the first 855A in a timely fashion; she is also leading the work to have the IPC-O Clinic approved under the second 855A by year's end. Presson thinks there is a strong case for grandfathering and that this strategy is our best chance. The second strategy is legislative: asking our senators to support S 934, the Strengthening Rural Health Clinics Act of 2021, to address this problem for about 50 clinics nationwide that were in what's called a mid-build phase. This solution probably wouldn't happen this year. Presson and Miller asked those attending the meeting to write a letter to Senator Cantwell asking her to cosponsor the bill. The commissioners expressed surprise that no one at either end of the process had retained a copy of the submission. Raebel will be presenting the argument she's put together to the District and IH on Oct. 25, including possible reasons for the difficulties.

OIHCD FY '22 Budget and Levy–Updated Draft: Presson reported that the budget has been updated with actuals through September and Q4 forecasting, but overall is very similar to the one discussed in detail on Oct. 5. It includes no changes to revenue, but ending cash is about \$54,000 higher. The budget includes an additional \$940,993 for provider subsidy in case of a negative decision on PB-RHC status. New expenses

include a fiber account with Rock Island at a cost of \$80/month and costs of removing vinyl wallpaper, which wasn't flagged in the safety report but which Patty Codd had identified as a health concern earlier. The process could be expensive, so Presson will check with Codd. IH has asked us to split the amount of additional signing bonuses, which was estimated at \$30,000 for each of the two physicians, or a total expense for the District of \$30,000. Groundwater noted that it might be time to reopen consideration of a reconciliation with IH for unexpected expenses, and that we should also consider unexpected revenues. Cost of remodeling have been moved to 2022 and needs to be revisited with IH Ending Cash PLUS reserves and the \$200,000 from the Brown Trust, is expected to be \$1.4 million.

Based on a 13% increase in total assessed value, Presson thinks the levy rate will remain at about \$0.61. However, Miller stated that the milage rate isn't as relevant as focusing on the fact that "It's now necessary for us to take the full capacity of the levy available to us."

Should the PB-RHC status not be grandfathered, and there be a long term need to find additional revenue, some possibilities include going back to voters to authorize a levy lid lift, or seeking philanthropic support, perhaps through or in cooperation with the IH Foundation, whom Presson has contacted. The draft budget, including tonight's changes, will be posted on the website for two weeks as required in advance of the OIHCD's Nov. 2. Public Hearing. Responsibility for remodeling costs hasn't been determined yet, but that's a 2022 expense. The extra \$30,000 IH has requested to cover incremental costs over anticipated recruitment expense associated with the hiring of two MDs remains in the budget; Miller advises leaving that amount in for contingencies and not assigning it to anything in particular.

The District's financial situation should be fine through 2023; however, if the PB-RHC decision is negative, 2024 will end with a loss of about \$250,000. A line of credit would be useful then, but only for 2024; in 2025 results are negative. however, debt will be mostly paid off, with the final payment in 2027. We expect to have a decision about the administrative fix by the end of the year or in Q1 of 2022. Raebel thinks we can be certified under the 2021 submission by the end of the year, but that only makes a difference if we get approval for our 2020 appeal, otherwise we get the lower reimbursement. She plans to do a mock survey visit in November and schedule the actual visit soon after, this year or perhaps Q1; Presson will know more next week.

Another strategy is to seek FQHC certification. We didn't pursue that earlier because approval seemed unlikely, but perhaps that has changed; Presson will discuss it with the consultant she's working with on Lopez. We might share the cost of a consultant if we both decide to seek FQHC status. But in any case, if the PB-RHC decision is negative, we need to begin long-range planning immediately.

- ii. **2021-2025 Cash Flow & Financial Analysis Tool:** Miller noted that the new financial model is not yet available but that the information updated within the old model is adequate for now.
- c. **Staffing Committee** – there is no update at this time. The decision to be made is the process and timing for awarding a bonus. It will be complete and any funds paid out by year's end.

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V. Old Business – none.

VI. New Business

IH will be giving its next update at the Nov. 16 meeting. A contract with a second doctor should be signed any time; Presson will ask IH to announce the hiring as soon as possible.

Miller noted that IH won't implement its formal customer feedback model until new providers have been in place for a while but asks if there is any way for the community to give feedback. Presson will ask whether the clinic has provided comment cards; she noted that people can also give feedback on the clinic website. Boteler suggested perhaps giving a form directly to patients. Information on ways of giving feedback could be included in mailers and in the monthly update.

The clinic has three flu shot clinics scheduled, including high-dose vaccines: Nov. 4, Nov. 16, and Dec. 2, 8:00-4:00. They are also giving primary and secondary doses of COVID vaccines but are coordinating with the County on third doses. Miller commented that she liked the staff testimonials in the latest clinic update.

VII. Operations Report

The monthly OIHCD report is updated through 9-30-21. Difficulties with ferries for islanders needing to travel for non-emergency medical reasons are being discussed by the County Board of Health and County Council.

VIII. Public Comment

IX. Upcoming Meetings

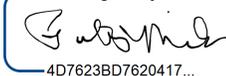
President Lange reported that the next Regular meeting of the OIHCD Board is scheduled for Nov. 2. Other meetings were listed on the Agenda.

X. Meeting adjournment

MOVED by Commissioner Groundwater, seconded by Commissioner Boteler to adjourn the meeting at 6:19 pm. VOTE 5:0:0. MOTION CARRIED.

Minutes approved this 2nd day of November, 2021.

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Attest: Patricia Miller, OIHCD Board Secretary

11/6/2021

Date signed