

**Southern Coos Health District
Minutes
Board of Directors
Regular Meeting & Executive Session
November 19, 2015
7:00 p.m.**

I. Call to Order

This regular meeting of the Board of Directors for Southern Coos Health District was called to order at 7:00 p.m. by Esther Williams, Board Chair.

Members Present: Esther Williams, Board Chair; Carol Acklin, Director; Bob Hundhausen, Secretary; and Brian Vick, Treasurer. **Absent:** David Allen, Director. **Administration:** Charles Johnston, Megan Holland, MD; Robin Triplett, Carol Meijer, Kim Russell, and Robert S. Miller, SCH Legal Counsel. **Additional Staff Present:** Dennis Jurgenson, and Cyndy Vollmer. **Public:** Donna & Jim Reilly; Linda Olsen, Amy Moss-Strong, Editor, Bandon Western World.

II. Public Input

None.

III. Consent Agenda

Carol Acklin **moved** to approve the Consent Agenda. Bob Hundhausen **seconded** the motion. **All in Favor. The motion passed unanimously.**

IV. Staff Reports

A. CEO Report:

Charles Johnston presented his CEO Report, opening with the reminder that the Auditors from Moss-Adams requested a postponement of their year-end review to December to coordinate with their presentation in Coquille. We will plan for their presentation at the December 17 Regular Board Meeting. **Physician Recruitment:** Dr. Pense received his Oregon license and is planning to start January 4. Dr. Montana will work through the end of December. A CV for Dr. Brackett, a family practice physician, was shared for Board review. Dr. Brackett would be available in the July-August timeframe. Dr. Holland is to visit with him as soon as they can coordinate a call. If further discussion is desired before the end of the year, Dr. Brackett would be available to meet on December 11. Dr. Brackett has extensive leadership training in emergency response; mass counter-terrorism, and infectious disease outbreak. Dr. Holland believes that if we find a qualified candidate who would be a good fit, we should follow-through, as those opportunities are limited as discussed previously by the Board at the October Board meeting. Board members present indicated they are available on December 11 if an interview is scheduled. If a second primary care physician is available earlier than anticipated it may be an opportunity to address the desire

to offer immediate/urgent care hours. **Rural Health Conference:** Charles attended the annual OHSU Rural Health Conference in October. Unfortunately, Lynne Saxton and Governor Brown were unable to attend to discuss change in licensing, however one strong topic of the meeting was that the focus for CAH hospitals for the future is growth, and the Swing Bed program, which we have been focusing on and for which we are seeking a new Coordinator and Discharge Planner. Allevant Solutions, LLC made an excellent presentation on how to increase usage in this area. The Oregon Hospital Association is now working to negotiate a group rate for their consultation services. The ideal Swing Bed/Discharge Planner candidate will have their Oregon RN license, with BSN or equivalent experience, experience in administration, patient care, home health, and recent acute care experience. Carol Meijer will interview a new candidate tomorrow and another next week. Some candidates are “pre-screened” by virtue of our location and other criteria on each side. **CEO Agreement:** the packet includes a draft copy of the agreement prepared by Robin Miller, reflecting changes previously outlined by the Board and included in tonight’s agenda for discussion. **Employee Gift Cards:** Each year we like to provide employees with a \$100 gift card at a local grocery store, this year to be Price and Pride. Robin Triplett will provide the estimated cost of this later in the meeting. **Building Painting:** The painting company has committed to completing the front of the building, hopefully this weekend. **Chemistry Analyzer:** Roche is indicating they expect us to fulfill our service, maintenance, and reagents contract obligation to August of next year. Clarice has been working with their representative. As previously discussed, we have had a lot of trouble with the Roche equipment without satisfactory service and are moving forward with an agreement with Ortho Vitros for their dry technology analyzer. Robin Miller is helping us to dissolve the Roche agreement, hopefully by February or March. Side-by-side comparisons of the old and new analyzers will continue until at least that time. Our calculation has the contract term ending in May, rather than August. Robin Miller will work to terminate the agreement and get the best deal possible. **Marketing Report:** Scott McEachern presented the Marketing Report. The Coffee for a Cure event with the Human Bean raised over \$1,800 for free mammograms, a 20% increase from last year. This is the 10th year of Coffee for a Cure, which earned just \$300 its first year. The Flu Clinic raised about \$2,000, selling out of all 500 shots. The Auxiliary contributed \$2,000 to help pay for the shots and the golf tournament will kick in the balance to support this great cause. The October art show has sold more pieces than any other show, now at 7 pieces, to a combination of staff and public buyers. Purchasers may add an amount to go to the Foundation, similar to a “buyer’s premium.” Thanks to Ava Richey and Susan Lehman for putting these shows together. Mary Anker from NBMC wrote a nice letter to the editor regarding ED services she had received, with appreciation to Dr. James Woods and Julie Buck, CNA.

B. CFO Report

Robin Triplett reviewed the CFO Report for the month of October. Inpatient days were down 22.7% from 2014 while Swing Bed days continued upward trend at 13.9% above last year. YTD inpatient days are down 30.6% and Swing Bed

patient days improved by 60.4%. Surgeries for the month were up 42% but down 51% for the year. Pain Clinic was down almost 23% for the month but even for the year. The Specialty Clinic is up 15% from last year. The Primary Care Clinic is up 36.7% for the month and 45.2% for the year. Robin noted that Dr. Holland had 269 patient visits in October, a record number for one month. Net Revenue was down 3.7% but YTD shows an increase of 4.4% from last year. Robin provided additional worksheets of monthly comparison detail noting that gross revenue in October dropped to \$63,000 with our average being about \$65,000. In August the hospital had 125 patient days for \$2.99M in revenue, by comparison in October the hospital had 124 patient days with \$1.9M in revenue, indicating a drop in revenue of about \$2,000 per day or \$62,000 for the month. Net Revenue for the month was under budget by 3.7%, but YTD over budget by 4.4%. Contributing to this on the inpatient side, we have 3 different levels of patient acuity with this month's average acuity level being lower, falling into a lower fee schedule. Pain Clinic visits were down, and Amy Wood was out of the Primary Care Clinic to complete her move. On the outpatient side, we had a patient who no longer met medical criteria with a balance that will go to a write off account at \$50,000. Robin reserved for this in October. Expenses were 4.7% above budget in October, and YTD above by 3.6%. We had two nurses complete the RN bonus program, completing their first year, with expense in the budget. Overtime and double-time hours did run a little higher than normal. Under Purchased Services we did not have as much registry use in Nursing with staff picking up shifts, but we did have the expense of Travelers in Lab and Radiology and an extra \$3,000 under Anesthesia. However, nothing unusual. The Board requested that Robin continue to include the month-to-month comparison spreadsheet. Under Net Operating Revenue we are 16% above last year. Expenses are about 8% above last year. The Clinic is carrying its own weight now. Days of Cash-on-Hand is at 72, with the benchmark being 60. We have been receiving payments on ICD-10 and WOAHP paid very quickly in October. In the Medicare and Medicaid volume, Lab had 266 more visits than in September, CT was at 9, and Radiology at 11. These are tests that would have gone to Peace Health in the past. The Lab generated a gross of \$23,000. The Board requested that the Finance Committee review the long standing goal of expenses being 5% less than budget. YTD we are over budget by about \$200,000. Days in A/R are down to 65, and as of yesterday, down to 61 days. Gross Payroll was \$575,705. Overtime is steady from last year with 2% increase, again with Nursing covering shifts with staff when possible to avoid registry use. Cash on Hand: \$3.553M with \$5,500 transferred to the Board Fund which will be paid in full. Robin will report the payoff date next month.

C. Medical Staff Report

Dr. Holland submitted the following Medical Staff recommendations:

6 months Provisional privileges:

Michael Milstein, MD Radiology
(Dr. Milstein in Radiology is helping Dr. Keiser)

Courtesy Staff (2 year term):

James E Sharp, OD Optometry

Brian Vick **moved** to extend privileges as presented by Dr. Holland. Bob Hundhausen **seconded** the motion. **The motion passed unanimously**

V. Old Business

A. Consideration of Revised CEO Agreement

Robin Miller referenced the draft copy provided in the board packet, citing changes relative to simplification of the arbitration language. Robin worked with Board Member David Allen and Charles Johnston to complete changes identified earlier by the Board, to remove the 10-month required notice of renewal. Esther Williams inquired about section 3.2 regarding inability to work and how long that period is. Mr. Miller responded that a reasonable assertion would be 6-months. Bob Hundhausen added that should there be an inability to work, there would be a medical determination and it would be self-evident.

Bob Hundhausen **moved** to extend the new contract as written. Brian Vick **seconded** the motion. **All in favor. Unanimous decision.**

B. Consideration of Workplace Culture Consultant

Cyndy Vollmer presented the review of workplace consultants as provided in the board packet. Each consultant reviewed has suggested that a new survey be completed, but not immediately out of concern for possible survey burnout. Cyndy also provided a list of recent activities and improvements regarding employee engagement. SCHHC presently has 5 new managers who are developing relationships with staff. The suggested survey timeframe is summer/fall of next year with a cost of approximately \$2,000 with a one-half day on-site visit at \$4,000. Gallup responded that culture change can take up to 2-3 years for improved satisfaction results. HR Answers is the only Oregon-based company, from Portland, and was recommended by other Oregon hospitals. Carol Acklin would like to move forward with HR Answers. The Board requested that Cyndy provide a cost and timeline report for consideration at the December Board meeting. **Discussion:** Robin Triplett shared examples of current employee satisfaction and happiness to work here, where an employee was out on an extended leave and other staff members elected to utilize an existing program at SCHHC to donate their own PTO time to her for her leave; and in another case where a manager had left SCHHC having moved from the area and

within 2 weeks their granddaughter's home burnt down – their former staff donated a total of \$500 to the family. When we see things like this, we know we are a team who care about one another. The employee “tailgate party” had great participation with the EAC committee providing snacks and Dietary providing free chili dogs. The suggestion boxes have not been in use other than for the recent community survey, however, with new managers in place and other personnel changes, we anticipate an overall improvement. Regarding turnover, Carol Meijer shared that a recent 27-page report from Medscape.com shows nurses are on the move across the nation due to the current nursing shortage, and related ability to seek their best options.

C. Consideration of Resolution 2015-04 Adoption of New Employment Retirement Benefits

Changes to the current employment retirement benefits were reviewed and approved at the October 22 board meeting. Resolution 2015-04 ratifies that decision with required documents provided by Valic for signature by CEO.

Brian Vick **moved** to approve Resolution 2015-04 Adoption of New Employment Retirement Benefits. Carol Acklin **seconded** the motion. **All in Favor. Unanimous decision. Discussion:** Robin Triplett thanked Donna Reilly for her hard work on this project.

VI. New Business

A. Consideration of \$100 Employee Holiday Gift Cards

Charles presented the Board with a review of the annual practice of the Board ‘thank you’ to hospital employees with a \$100 grocery store gift card. The cards are purchased from one of two Bandon grocers, rotating each year. If approved this year, the cards will be purchased from Price and Pride. Robin Triplett estimated approximately 100 employees are eligible at a total expense of about \$10,000.

Bob Hundhausen **moved** to approve the purchase of the holiday gift cards. Carol Acklin **seconded** the motion. **All in favor. Unanimous decision.**

B. Benchmark Reports

1. Quarterly Risk Management – This third quarter report had been deferred from October. Carol Meijer presented the report in behalf of Mandy Calvert, noting no unusual incidents in the reporting period. Esther Williams asked about a specific incident. It was noted that the report presented tonight is from the reporting period of the third quarter, representing July, August, and September 2015, and patient cases are not discussed in open forum. The next Quarterly Risk Management Report, for the 4th quarter, is scheduled to be presented to the Board in January.

2. HCAPHS Inpatient Satisfaction – Carol Meijer presented the current report provided in the Board packet reflecting the 12-month period of January 1, 2014 through December 31, 2014, citing an upward trend, with Southern Coos reaching percentages above Bay Area Hospital in all eleven benchmarks and above Coquille Valley in four of the 11 benchmarks, such as patients who reported they “Always” received help as soon they wanted, we were up at 74%, compared to Bay Area at 65%. It should be noted that Southern Coos and Coquille Valley hospitals each fall into the “footnote 6” category of having fewer than 100 patients completing the random surveys, and Bay Area Hospital has, in each category, “footnote 11” noting discrepancies in the data collection process. Also of note, patients who reported that “YES” they would definitely recommend the hospital, Southern Coos was #1, above Coquille Valley, Bay Area, and the Oregon Average and National Averages. Patients who “Strongly Agree” that they understood their care when they left the hospital is low across the board, with Southern Coos 1% off the Oregon and National averages.

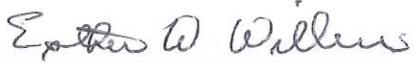
VII. Executive Session – At 8:09 p.m. Esther Williams, Board Chair, excused members of the public to enter **Executive Session under ORS 190.660(2)(f) to consider information or records that are exempt from disclosure by law, including written advice from legal counsel.** This is a correction from the published agenda that referenced ORS 190.660(2)(h).

At 8:35 p.m. the Board returned to Open Session. No action will be taken from Executive Session.

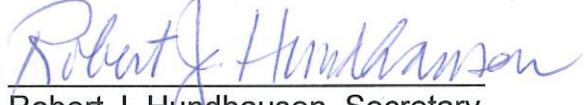
Open Discussion: A Happy Thanksgiving was wished to all.

Adjournment

With no further discussion, Ms. Williams adjourned the meeting at 8:37 p.m. The next regular meeting of the Southern Coos Health District Board of Directors will be as scheduled on Thursday, December 17 at 7:00 p.m. in the Hospital Conference Room.



Esther Williams, Board Chair



Robert J. Hundhausen, Secretary