

March 17<sup>th</sup>, 2022

The regular meeting of the Board of Commissioners of the Whidbey Island Public Hospital District was called to order at 12:00pm by Board President, Commissioner Wallin. Present were Commissioner Wallin; Commissioner Cammermeyer; Commissioner Anderson; Commissioner Golder; Commissioner Fey; Interim Chief Executive Officer, Mike Layfield; Interim Chief Financial Officer Jim Childers; Chief Legal Officer, Jake Kempton; Facilities and Plant Management Director, Tim Waldner; Chief Operations Officer, Dr. Garth Miller; Director of Nursing, Curtis Shumate. Commissioner Anderson is in attendance virtually via Zoom. Carolyn St. Charles from Healthtech is in attendance. Other Executive staff were in attendance remotely.

### **Points of Order**

The meeting will be audio and video recorded today. President Wallin directed the public to use the “raise hand” function to make a public comment which will be held at the end of the meeting limited to 20 minutes. Guest speakers are requested to state their name, limit their comments to three minutes each.

### **Consent Agenda**

Commissioner Fey moves for approval of the consent agenda, seconded by Commissioner Wallin. Motion carried.

Point of Order to rename resolutions 492 and 493 from the last board meeting to 429 and 430. Content of the resolutions stays the same, it is just the numbering that changes. Commissioner Cammermeyer motions approve the points of clarification to rename resolutions 492 and 493. Commissioner Fey seconds. Motion carries.

### **Human Resources Report**

Jake Kempton, Human Resources Director

Jake is new to this role in the past month. HR and WhidbeyHealth at large has had a number of resignations in the past month. HR is looking for ways to address this issue.

HR has new office hours in an attempt to focus on work that needs to be addressed, as well as creating time to visit clinics. Friday's, HR will be visiting clinics.

Currently WH is in negotiations with the Washington State Nurses Association (WSNA). Will start negotiations with IAFF, our EMS union in a few weeks. We have 24 new hires in the past month. Struggling with staffing in the E.R.

Blake Brown in IT wanted to pass along that our phone system is being stabilized. As of Monday at 5:00, we flipped to internal IT team. We are targeting Mid-April for a "go live" with Parlance.

### Medical Staff Report

Chief of Staff, Dr. David Lemme

In the packet handed out previously, any changes that were made are in red.

Commissioner Fey: "Dr. Lemme, weren't a lot of changes just to include the electronic way of meeting now-a-days?" "That's a big part of it, yes". -Dr. Lemme

Commissioner Fey requests more time to review the documents and requests to move any motion of approval for the documents to next month. Dr. Lemme will have Heather and John make sure the board has all of the documents for review.

Credentiailling has 3 appointments: Shana Fogarty MD, Hospice Director; Annette Fly, ARNP, Walk-in Clinic; Lars Conway MD, Pathology.

Commissioner Fey moves to approve appointments from the credentials committee.

Commissioner Cammermeyer seconds. Motion carries.

Advancements: Maria Restrepo from Provisional to Courtesy.

Commissioner Fey moves to approve advancements. Commissioner Cammermeyer seconds. Motion carries.

Mike Layfield thanks Dr. Lemme for his hospitality and the time he's taken with Mike to move the hospital forward.

### **Quality Update**

Director of Nursing, Curtis Shumate

Shanna Harney-Bates in Quality got pulled away by a DOH inquiry. Curtis is presenting the Quality report in her place.

### **Operations Report**

Chief Operations Officer, Dr. Garth Miller

We went live with Phreesia March 9<sup>th</sup>. High tech method for patients to register and complete forms, upload ID, insurance, and pay co-pay on their own time. This will free up our staffing and improve our cashflow. 60% of our clinic patients are completing registrations using this technology. Hope to expand to the rest of the hospital within a few months.

Freeland and Clinton clinics will combine on April 19<sup>th</sup>. Expand the weekend hours at both sites starting April 23<sup>rd</sup> to provide more access to patients.

MAC clinic are doing more allergy shots and more antibody therapy. Three new providers in the Cabot clinic. In the walk-in clinics, we will be allowing 5 of the providers there to provide primary care. Chartspan is on track to begin next month.

Commissioner Cammermeyer "You mentioned vaccines in the pharmacy, is this children's vaccines, or travel vaccines?" Dr. Miller "It is adult vaccines".

### **Financial Report**

Interim Chief Financial Officer Jim Childers

January results. We made a profit of \$374,000, a 3.4% margin that month. We have to cover at \$10.6 million in expenses with our revenue. Almost all of that is cash

expense. Property taxes are currently accounting for \$1 million of that. \$580,000 of that money is the new tax levy. Absent those amounts, we would be at a significant loss for the month. Financial department has developed a cash forecast through June. We will be making payroll regularly through June. Funds from the tax levy are being given to us on a daily basis as they come in to the county.

Jim is working on new money coming into the organization. He has been in contact with the DOH and Healthcare Authority to see what can be done about cashflow. They have provided over \$600,000 in the next few days, owed to us from 2019.

Reimbursement for cost. Medicaid will also be increasing our RHC encounter rates effective March 13<sup>th</sup>. Those have not been increased since 2018. There is a new state legislation that will make up to \$8 million available to distressed hospitals. This will be available July 1. There is a \$500,000 line item to WhidbeyHealth in the federal stimulus bill. We are working with financial advisor regarding bond issue, to refinance our debt.

On our balance sheet we were advanced about \$9 million by Medicare. We paid \$3.9 million back, which has created a hole in our cashflow. We will apply for the extended repayment plan, over 5 years at 4% interest.

Commissioner Cammermeyer: “Can you let us know where we are today with Cash on hand?” Jim - “We look our days cash on hand every day. We are now at 15 days. We were at around 10 days a week ago. Payroll accounts for about 4 days. We should be at 65 days.” We will be tackling accounts receivable with Healthtech. Using a third party has not produced the results we expected.

### **Facilities Report**

Facilities and Plant Management Director Tim Waldner. Over 2,000 work orders were completed last year and 470 preventative maintenances. We will save money in electricity with the building maintenance that was done last year. We also replaced

the boiler and chiller, which are still being completed. A slide show of photos shows the different devices and projects that maintenance has completed this year. The new boiler will reduce the utility bills. We will keep the old chiller on the roof in the case that we need to do maintenance. Several projects are underway, including a seclusion room, Fluoroscopy room, and a mobile MRI.

We have antennas on our roof for AT&T and Verizon antennas. We signed leases to receive \$10k a year, but the going rate is around \$10k/month. Tim has been in negotiations with the companies to have them pay us a lump sum. Eventually they won't need the space as they move to satellites. AT&T has agreed to give us \$145k. Still working on negotiations with Verizon.

### **Nursing Report**

Director of Nursing, Curtis Shumate

Covid update: The county reports up to the CDC. A week ago we were down to 34 cases per 100,000. It's now up to 54 as we've seen a spike. We are waiting for the Island Co. department of health numbers and will proceed accordingly with visitor precautions. Our community has done pretty good with vaccinations.

Staffing is a priority in the nursing department. Have reduced travelers as much as we can. Curtis anticipates that by May we will be traveler free. We extended a traveler contract for the E.D. We have been cross training across different departments, which has been met with a warm welcome. The staff is flexible and wants to help the hospital succeed.

Hired 2 new OR circulators. We have been fortunate to not have any infectious outbreaks in the hospital. WhidbeyHealth was recognized as one of the top 9 in Washington state for nursing care. Curtis has been working with Healthtech and has made great progress.

The swing bed program allows us to give care between the surgery time and the time they need rehab services. We want to make sure that when they go home, they are fully ready and don't relapse. The average swing bed stay is 10-14 days, and can be as low as 3 days. Our current census is zero covid patients, our current inpatient count is 13.

### **Executive Report**

Interim Chief Executive Officer, Mike Layfield

Appreciates the warm welcome and the number of people that want to see change at our hospital. We have put an enormous amount of time in building a plan, and it has been going in stages.

We are spending about \$10 million a month. We are bringing in about \$8 million a month. We need to balance that by bringing in more cash and cutting cost in some areas. Swing beds are one of the "bread and butter" resources in our hospital.

Carolyn with Healthtech is working with our staff to utilize the swing beds. Carolyn - We are looking at a "relaunch" the second or third week of April to put out more marketing and promotion around the swing beds.

We have come up with a cost cutting measure that will save \$1.7 million. The new registration system will allow us to collect more money through copays.

If there are services that we have to suspend, we want to try to make sure there are similar services available on the island whenever possible. Employees deserve a higher wage, and we'll work to get them that raise in the future.

We will look to further the use of Telehealth. Providers can be accessed virtually, and it can save us money while we are able to make a percentage of the telehealth calls our patients use. Our revenue cycle has a lot of holes in it. Patients not receiving bills in a timely manner. We will be seeking board approval for each step along the way.

If we do have to suspend a service, we want to have a detailed plan going forward for what the steps are.

Commissioner Fey - "for years the board has been frustrated in getting financial information, but with Jim and Mike in place, we are now getting the right data. Thank both of you gentlemen for getting us turned around."

Commissioner Golder makes special recognition to the county commissioners, including Janet St. Clair. They immediately went to work, sitting down the state politicians and government officials, as well as members of influential organizations.

#### **Board Items:**

Resolution 431 removes Jim Childers as superintendent of the district and appoints Mike Layfield as superintendent of the district. Under state law, appointment of a superintendent can only be done during a regular scheduled board meeting.

Commissioner Fey moves for adoption of resolution 431. Commissioner Wallin seconds. Motion passes.

Resolution 432 updates the banks signing authority and authorizes Mike Layfield as a signer on the districts bank accounts. Commission Fey moves adoption of resolution 432. Commissioner Cammermeyer seconds. Motion passes.

The board declines to move into Executive Session.

#### **Public Comments**

Commissioner Cammermeyer - It is an exciting time. At some point we do need to look at redistricting, including whether or not we modify how commissioners are elected, rather by district or at large. Commissioner Cammermeyer would like to have 3 commissioners by district and 2 at large. Would like to discuss further at the work session in April. Jake suggests at the April 5<sup>th</sup> session the board consider an Ad Hock

redistricting committee featuring 2 commissioners. Redistricting has to be finished and submitted by November of this year. Commissioner Golder voices his favor for the redistricting plan and would like to work with Grethe on developing the plan.

Community member Laura, Coupeville; Former employee of WhidbeyHealth. Former employee of Whidbeyhealth. Implores Mr. Layfield to go to the different departments and speak to the employees. Employees will know ways to save money for the hospital and are very capable. They will be there for this community when they know you are there for them. Look back at what was making money in the past, not just in the given moment. She has received panicked emails from employees unsure if they will get their paychecks or not. Laura addresses Commissioner Wallin to ask why he was not dismissed with cause, and to explain the management company and what the hospital is getting for the money it is giving. The wages are your biggest expense, but employees are your biggest asset.

Community member Deena Blackstone, Coupeville; Expressed frustration with the online registration process after having had to register this information on a previous visit. Frustrated by the process of having to print out an order from one system and manually input it into another system. It is not a convenience to the patient.

Addressed the “2 new gentlemen”, presumably Jim Childers and Mike Layfield, appreciates that they talk like real people and don’t sound like new car salesmen.

Community member Mary Wilson Engle, Coupeville; served as our elected assessor for 11 years and most recently as the planning director of Island County. The experience as the assessor has led her to share her concerns. Alarmed by the financial situation, in particular the assessment that WhidbeyHealth has \$8 million for the year 2022. WH obtained \$5 million in levy money this year, which was added into the \$16 million, then ran a hospital bond, a repayment of \$6.3 million. The hospital general levy totals slightly over \$7 million this year, not \$8 million. Asks to please re-assess our financial



figures. Commissioner Golder asks Mary to contact Jim Childers to go over her financial figures.

Community member Celia Ponce-Sanchez, representative of UFCW 3000. Implores the board to look at the morale of the staff, who are short staffed and asked to produce more than they should. Asks to keep the hospitals employees happy, and improve wages to remain competitive.

Community member Julie Brian; Saw that what the board had available to them was not what the board needed to correctly assess the financial situation. Does not see enough financial data to make an informed projection. Would like to know how that financial projection is going to be put out into the public. Has seem minimal outreach from the board to inform the community. Removing services would be a breach of trust for the taxpayer. What is the board going to do to be more forthcoming with information to the public. Commissioner Fey notifies Julie that we have forecasts for cash on hand out through June. Julie responds that if a place were made available to look at the financials, she would be happy to come look at the figures. Most of the community members are more than willing to support the hospital, but they need to trust it. Jim Childers offers to meet with Julie in person.

Community member Kimberly, Coupeville; A patient of WhidbeyHealth and volunteer at the covid vaccine clinic. During the time she was volunteering, there was chatter about what was going on with the management of the hospital. Fantastic that there is new blood, but you have to talk to people that are on the frontlines. Felt the former CEO was overpaid. There does not appear to be a communication plan to the public. Lacks confidence that we will be able to sustain the changes that will be made. Challenges the commissioners to make substantive change. Respectfully requests that the commissioners do a better job of communicating.

Community Member Andy Faust, Mackey Shields; One of the hospital's municipal bond investors. Comments from the assessor were concerning, asks that the district clarify and investigate those issues, and clarify that the district is using the amount appropriately to pay those bonds.

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**Agenda Items for Next Board Meeting**

The next Board Work Session will be Tuesday, April 5<sup>th</sup> at 1:00 pm.

The next Board meeting will be held Thursday, April 21<sup>st</sup>, at 12:00 pm.

**Adjournment**

Commissioner Cammermeyer motions to adjourn. Commissioner Golder seconds. There being no further business, the board meeting adjourned at 2:15pm.



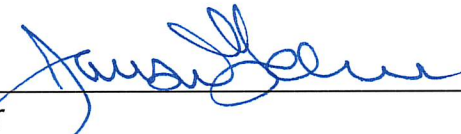
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