

REGULAR MEETING
BOARD OF COMMISSIONERS
Public Hospital District No. 1-A of Whitman County, Washington
d/b/a
Pullman Regional Hospital
Wednesday, November 3, 2021 at 6:00 PM, Virtual Meeting by Zoom
Virtual Participation via ZOOM Conferencing

Board of Commissioners

P-Jeff Elbracht, President
P-Tricia Grantham, Vice President
P-Sandra O'Keefe, Secretary
P-Joe Pitzer, Commissioner
P-Michael Murphy, Commissioner
P-Margaret Werre, Commissioner
P-Karen Karpman, Commissioner

Hospital Personnel

P-Scott K. Adams, CEO
P-Jeannie Eylar, CCO
P-Steve Febus, CFO
P-Bernadette Berney, CHRO
P-Rueben Mayes, CDO
P-Carrie Coen, CRO
P-Darrol Hval, D.O., Medical Staff Presidency
P-Edwin Tingstad, M.D., CMO
P-Karly Port, Executive Director PRHCN
P-Lisa Hohnholz, Administrative Assistant
P-Rob Rembert, Legal Counsel

Guests:

Judy Stone	Lance Udy
Matt Forge	Andy
Christopher Kenyheroz	Cathy Murphy
Alison Weigley	Pete Mikkelsen
Andrew Patterson	Jake
Fred S.	"Guest"
Jake Childs	509-595-0187
Michael Own Choo	208-305-9559
MOC	509-207-9208
Scott Nelson	
Ryan Erlewine	

I. CALL TO ORDER

President Elbracht called the meeting to order at 6:03 p.m. Roll call was taken with the following Commissioners answering present: Elbracht, Grantham, Pitzer, Murphy, O'Keefe, Werre, and Karpman.

II. APPROVAL OF MINUTES

Commissioner Karpman moved to approve the minutes for the special meeting of October 6, 2021. Commissioner Grantham seconded the motion and the motion passed unanimously.

III. MODIFICATIONS TO AGENDA

A modification was made by Commissioner Elbracht to add "CEO Selection Committee" to this agenda under the Open Session section.

IV. CONSENT AGENDA

Commissioner Grantham moved to approve the agenda. Commissioner Pitzer seconded the motion. The following committee reports were approved unanimously.

- Medical Executive Committee
- Finance Committee
- Governance Committee
- Strategic Planning Committee
- Foundation Board of Directors
- Approval of Warrants

V. PUBLIC HEARING – Proposed Budget 2022

Commissioner Elbracht asked the public if they had any questions on the Public Hearing of the Proposed Budget for 2022. There being none, the public hearing was closed.

VI. BOARD EDUCATION

- WSHA Webinar- “How Boards Can Assess Cybersecurity.” Mr. Febus discussed this webinar that was originally provided in 2019. He explained that PRH does a cybersecurity risk assessment each year and has \$5 million in insurance coverage for it. Education is a big part of cyber training and security. Chris Jensen from PRH IT gave an update on this to the board. We have made efforts to secure our data and have paid attention to all observable risks. Question was asked: what is our liability if patient records are stolen? Mr. Febus explained that we have a 3rd party monitoring our systems and it would be covered through our cyber insurance. It covers the hospital, and it covers the patient records, etc. If the system goes down, we have a plan in place to put all documents on paper until the system is back up, and then put all that information manually into the system. Board members were confident that we have a good plan in place to protect from cyberattacks. The cyber policy is usually reviewed externally on an annual basis. We did not review it during last year due to COVID. Suggested that the board review our cybersecurity plan annually.

VII. ADMINISTRATIVE UPDATE

Scott Adams presented the Administrative Update and asked the Commissioners if there were any questions. There were no questions.

VIII. ACTION / DISCUSSION ITEMS

A. Financial Update- 3rd Qtr:

Steve Febus presented the financial update report to the commissioners.

- Gave overview of our 2021 Financial year to date. We are looking to have a higher revenue year this year as compared to last year. As of now, total net operating income is \$4,258,809.00.
- Premera is our largest commercial payor. Next year we will be negotiating with Premera again for rates.
- Accounts Receivable: Medicare is 6% for 90-day ARs. Area of focus is Premera at 20%.
- Surgical volume: higher this year than the last 4 years. General surgery alone this year nearly doubled from last year at over 600 cases.
- FTEs are starting to climb, also with addition of new practices and clinics.
- Cash on hand would currently cover 132 days of operation.

Mr. Febus asked if there were any questions. Commissioner Murphy asked if physicians in Medicare are looking at a reduction in payment next year, and how would that affect us? Mr. Febus explained that we have factored that in, making sure we have capacity and eliminate costs as we can. We are looking at adding PRHCN clinics to PRH instead of being an LLC, which would save cost. Mr. Adams asked if there would be an impact on physicians when that happened. Mr. Febus explained that Clinic network physicians don't suffer when payment rates change. The hospital will be making up the cost, and the physicians will see the same income. Commissioner Karpman asked if folding the clinic network into hospital makes sense to do before the new EMR program is implemented? Mr. Febus said it would most likely be in conjunction with the EMR change.

B. Resolution for the 2022 Strategic Management Plan and Budget:

Steve Febus presented highlights. There is a copy that the public can view in the admin office, or from Steve Febus.

- Strategic management plan for 2022-2024, outlines the efforts of PRH.
- 2024-2026 plan discusses PRH and foundation efforts, potential bond measure
- Foundation's plan is included
- Discusses how the budget is formed
- Discusses operating budget: income statement, cash flow
- Capital budget and tax levy component is included
- Ending hospital cash position by Dec 2023 is estimated to be \$19,975.00
- Goal is to keep days of cash at least 100 in next few years
- CEO search, Pullman Surgical Associates, Pullman Foot and Ankle, Residency Program, EMR/ERP Conversion, WSNA Contract Renewal, Provider Contract Review...all larger parts of the upcoming budget.

- Total amount of expenditures expected in 2022 is \$90million.

Resolution description was read by Commissioner O'Keefe. Commissioner Werre moved to approve the resolution as a whole. Commissioner O'Keefe seconded the motion and it passed unanimously.

C. Resolution for Petty Cash:

Steve Febus presented that as part of the plan to expand services in PT to the new clinic location, petty cash would be needed. Commissioner O'Keefe read the resolution description. Commissioner Murphy moved to approve the resolution as a whole. Commissioner Karpman seconded the motion and it passed unanimously.

D. High Reliability Update

Carrie Coen discussed reliability and how it determines our ability to live up to our organizational values. Reliability is the umbrella over our values, quality, excellence, and safety using a relationship with people as they work in systems. There is no finish line for reliability, we will continue to improve all the time. Our goal is to improve throughout the entire organization to prevent risk and optimize assets and resources to be able to do that. It also helps with long-term stability. We have a third-party consultant helping us get the sequence of reliability going, the Scott Griffith Group. There is a DNV reliability certification that we are working to become certified in. No questions were asked.

E. Foundations/External Relations Update- 3rd Qtr:

Rueben Mayes explained that we are ahead of schedule on funds raised to date. Our challenge is that the total number of donors is lower this year than we targeted. Not being able to hold events in person has affected some of that. 3rd Qtr overall is going well. Foundation is working on changing some systems in order to boost fundraising efforts, and will be getting more personal in reaching out to donors. Hoping to have events in person again at the beginning of next year. We have received some large gifts from outside our region that will benefit our residency program. Looking into building more grant programs as well.

Alison Weigley also gave an overview of communications and marketing. No questions were asked.

F. CEO Recruitment Update:

Bernadette Berney gave a quick update of flu vaccine, saying we have achieved a 95% vaccination rate in employees. She also explained that CEO recruitment is officially open, and will end in December 2021. We currently have 34 candidates. Most have healthcare experience, and 20 have direct CEO experience. There are 22 from western states, 3 from the east coast, 8 from the Midwest, and 1 from the south. Selection committee will work through the process of interviewing candidates starting early next year. No questions were asked.

IX. ANNOUNCEMENTS

- WSHA eSeries (November 11th, December 9th), virtual
- CEO Succession Training, December 8, 2021, 1-3:00pm, virtual
- Nomination Forms for Board Officers in December
- Foundation Gala, February 5, 2022, SEL

X. EXECUTIVE SESSION

At 8:09 P.M. the President announced that the meeting would go into Executive Session for 40 minutes and at 8:49pm the Executive Session was extended an addition five minutes to discuss the granting, denial, revocation, restrictions, or other considerations of the status of the clinical or staff privileges of a physician of other healthcare provider, to evaluate the qualifications of an applicant for public employment or to review the activities of a quality improvement committee or program, and consult with legal counsel.

XI. OPEN SESSION

The meeting resumed in Open Session at 8:54 P.M. Commissioner Murphy moved that the Board accept the Credentials Report and grant each of the applications for appointment, reappointment, telestroke providers (privileges and reappointments), resignations and extensions, which was seconded by Commissioner O'Keefe. The Board voted unanimously in favor of the motion.

Commissioner O'Keefe then moved that the Board adopt Resolution 583 fixing the annual salary of the administrator. The motion was seconded by Commissioner Werre and the Board voted unanimously in favor of the motion.

The Board of Commissioners then discussed the process that should be followed in appointing the CEO Selection Committee. Commissioner Grantham moved that the Governance Committee be authorized to appoint a CEO Selection Committee comprised as follows:

- 3 Board members
- 3 Administrative leaders
- 3 Department/Practice Leaders
- 3 Physicians
- 3 Foundation Board members
- 3 Staff members
- 1 each appointed by WSU and SEL

The motion was seconded by Commissioner Karpman and the Board of Commissioners unanimously approved the motion.

XII. ADJOURNMENT

The meeting adjourned at 8:58 P.M.

Respectfully submitted by:



Lisa Hohnholz
Administrative Assistant



Sandra O'Keefe, Secretary
Board of Commissioners
*(Minutes are not officially approved until the
next Board Meeting.)*

VOTING CHART

MOTION	Approval of Minutes - Oct. 6, 2021		
	Aye	No	Abstain
Name			
Werre	X		
Murphy	X		
Pitzer	X		
Grantham	X		
Karpman	X		
O'Keefe	X		
Elbracht	X		

VOTING CHART

MOTION	<i>Consent Agenda</i>		
	Aye	No	Abstain
Name			
Werre	X		
Murphy	X		
Pitzer	X		
Grantham	X		
Karpman	X		
O'Keefe	X		
Elbracht	X		

VOTING CHART

MOTION	<i>Resolution for Strategic Plan & Budget - 2022</i>		
	Aye	No	Abstain
Name			
Werre	X		
Murphy	X		
Pitzer	X		
Grantham	X		
Karpman	X		
O'Keefe	X		
Elbracht	X		

VOTING CHART

MOTION	<i>Resolution for Petty Cash</i>		
	Aye	No	Abstain
Name			
Werre	X		
Murphy	X		
Pitzer	X		
Grantham	X		
Karpman	X		
O'Keefe	X		
Elbracht	X		