

**GARFIELD COUNTY HOSPITAL DISTRICT
BOARD OF COMMISSIONERS
REGULAR MEETING**

January 4, 2012

Meeting called to order at: 18:00

Present: Ray Hoffman, Jenness Evanson, Kris Darby, Vonni Mulrony

Staff & Guests: Andrew Craigie, Shannon Jones, Jeff Jones, Michele Beehler, Susan Morrow, Karen Hill, Barbara DeHerrera, Annette Davis, Kayleen Bye, Erin Darby, Jim Manering, Ken Moyer, Lori Moyer, Susie Bowles, Janice Ledgerwood

PRESENTATIONS

1. Conflict of Interest Statement: If there is any item on the agenda that may represent a conflict of interest to any Commissioner they are welcome to notify the Chairperson at this time. No one has indicated any conflict of interests at this time.
2. Consent Agenda:
 - a. Board of Commissioners Minutes December 7, 29 & 30, 2011
 - b. Finance Committee Minutes December 29, 2011
 - c. Quality Team Minutes Dec 1, 7, 14, 22, 28, 2011
 - d. Board Standards Review Checklist
 - e. AP Vouchers 205973-206020; \$325,502.61
 - f. Payroll Vouchers: 38035-38072; \$241, 370.64

Items may be removed from the consent agenda on the request of any one member. Items not removed may be adopted by general consent without debate. Removed items may be taken up either immediately after the consent agenda or placed later on the agenda at the discretion of the assembly. A Motion was made by Kris Darby to approve the consent agenda and seconded by Ray Hoffman, and passed unanimously.

3. Presentations/Committees
 - a. Quality:
 - i. Celebrating our Patient Safety Journey WSHA video presentation will be deferred to the next meeting.
 - b. Quality Team Report: We will be looking at modifying the Quality Team meeting schedule; it will be a system leaders will meet on a weekly basis, process leaders on a monthly basis, and performance leaders on a quarterly basis. This change will accommodate the modified work schedules that are being implemented as a cost saving measure.
 - c. HUGS Auxiliary: New officers have been elected, First coordinator will be Karen Hill, Second coordinator will be Ruth Davis, and Secretary will be Pat Richardson – Approved by Consent
 - d. Resident Council Report by Jenness Evanson: Very small group and discussion today was brief, all residents attending indicated that they are very happy.

- e. Clinic Report: We will be having a training from the new referral system Clarity on January 10, 2012 that will include both clinic and business office staff members.
- f. Finance Committee Report:
 - i. AR days are at 48
 - ii. Federal and State Budget Impacts to Critical Access Hospitals from HB 2130 remain a significant concern
 - iii. Year to date our revenues are right on budget, and our expenditures are under budget by 6%. Cash flow is our main concern. Uncompensated care; Medicare and Medicaid contractual adjustments will continue to eat away at our reserves until our Medicare rates are adjusted to reflect our new cost structure. It may take 12 to 18 months for our Medicare rates to stabilize. In the meantime the facility is implementing a number of strategies to manage our cash flow. More discussion later on the agenda.

OLD BUSINESS

- 1. Update on capital projects:
 - a. EHR Taskforce Update: Cerner Corporation remains our preferred vendor for the Electronic Health Record (EHR) upgrade. We are reviewing the technical specifications with Cerner, negotiating the contract and identifying a funding source. We are in a time restraint because of the long lead time that is needed from contract signing to "go live". We have a little longer than we originally anticipated but need to move forward as expediently as possible. We have to certify with Medicare by federal fiscal year 2015 or risk losing reimbursement incentive dollars.
 - b. We are working on the interim financing options with a number of potential lenders

NEW BUSINESS

- 1. 2012 Special Levy: On December 30, 2011 the commissioners passed a resolution seeking a 1 year \$750,000 special levy for maintenance and operations. The cost to tax payers is estimated to be \$2.32 / \$1,000 assessed property value. The levy is necessary to stabilize the cash flow position of the district until Medicare reimbursement catches up with our current cost structure. If the levy does not pass the district may be forced to suspend operations.
- 2. Cash Flow Strategies: Presentation from Andrew Craigie "Update: The Future of the Hospital and Long Term Care." This presentation was shared at an all staff meeting yesterday afternoon.
 - a. These changes are intended to be temporary. We will need to assess each change and each position throughout this whole process. Some changes may be practical to sustain longer to complement our new 25 bed capacity and direct care staffing structure. At this point every position has been retained because the organization is already very lean and we cannot afford to lose anyone.
 - b. Conversation ensued between the commissioners regarding an understanding of some changes being made.
 - i. Discussion of clinic hours
 - ii. Discussion of difference in wage freeze vs. hiring freeze and why a hiring freeze is not practical to maintain mission critical operations and services.
 - iii. Discussion about the value of the house that the Hospital District owns next to the clinic and how that fits with long range strategic planning vs. cash flow
 - iv. Discussed shared concern regarding a waiting list for the long term care.

3. Public Comment: Comment by Janice Ledgerwood shared concerns about budget process for activities. Comment by Erin Darby that everyone needs to be a united front and work as a team together to pass this levy.

ADMINISTRATOR

1. Reports & Correspondences:
 - a. American Hospital Association Update
 - b. RHQN Newsletters

Meeting went into a 5 minute recess


Executive session convened at: 20:00

Executive Session: RCW 42.30.110 (g) to evaluate the qualifications of an applicant for public employment or to review the performance of a public employee.

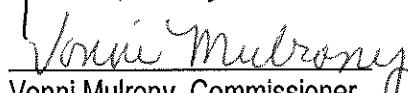
Meeting was adjourned at: 20:57

The next regular board meeting will be on Wednesday February 1, 2012.


Jenness Evanson, President


Ray Hoffman, Commissioner


Kris Darby, Commissioner


Vonn Mulrony, Commissioner