

SAN JUAN COUNTY PUBLIC HOSPITAL DISTRICT No. 1
Board of Commissioners
Regularly Scheduled Meeting
Wednesday, May 28, 2014

Commissioners Present:

Commissioner Michael Edwards - Chair
Commissioner Lenore Bayuk
Commissioner Mark Schwinge
Commissioner Rosanna O'Donnell
Commissioner Keri Talbott

Others Present:

SJCPHD#1 Superintendent: Pam Hutchins

EMS: E. James Cole, SJIEMS Administrator

By Phone:

Absent:

CALL TO ORDER:

Commissioner Edwards called the meeting to order at 5:00 pm.

BOARD REFLECTIONS

CONSENT AGENDA:

- **Approval of April 30, 2014 Regular Meeting minutes**
- **Approval of May 3, 2014 Special Meeting minutes**

➤ **IIMC Warrants**

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|--|----------|-----------|
| A/P Warrants | total \$ | 39,628.73 |
| Payroll | total \$ | 1,512.20 |
| Payroll Liabilities | total \$ | 118.39 |
| Electronic transfers for payroll taxes | total \$ | 115.67 |

➤ **SJIEMS Warrants**

| | | |
|---------------|----------|------------|
| April Payroll | total \$ | 103,642.38 |
| A/P Warrants | total \$ | 113,360.18 |

Commissioner Edwards asked for a motion to accept consent agenda items, Commissioner Talbott--- so moved, seconded by Commissioner Schwinge ---, unanimously approved.

IIMC FINANCIAL AND OPERATIONS REPORTS: Pamela Hutchins gave her financial and operations report. April total receipts were \$554,617 of which was \$554,617 were tax revenues. This represents a 10% increase over last year's tax revenue. Disbursements totaled \$41,141 which included \$39,629 payables which included payroll taxes of \$118.39 and employee payroll of \$1,512 for commissioner's quarterly wages and 1 employee working on the NW Telemedicine Grant. Total cash available at the end of April with cash on hand was \$732,617. If you look at April financials we were \$3,228 above budget in revenue. Year to date expenses are \$3,693 over budget. So far the budget is about on track for the year. The Commissioners' Board Retreat was held May 2, and May 3, 2014. Ben Lindekugel, Executive Director of the Association of Washington Public Hospital Districts led the retreat. All members of the Board of Commissioners were in attendance along with Chief, Jim Cole, Superintendent, Pamela Hutchins, Director of Critical Care Transport, Larry Wall, and EMS

Administrative Assistant, Cady Davies. Overview of healthcare environment, laws of healthcare, and a nice section on visions and goals for the future were talked about. All and all the time spent was very productive. Chairperson Michael Edwards made the observation that he thought the hold back of tax revenue from Peace Island Medical Center was about 3% but it has been about 8%. Superintendent Hutchins stated that this year it is running about 9%. The definitive agreement said it could not be below 3% hold back, but because the tax revenues have been higher than projected it has made the hold back higher than projected. Chairperson Edwards stated that Superintendent Hutchins' salary and the operations cost of the old Medical Center have to be paid out of the hold back. With only a 3% hold back the remainder of the operations cost would have to come out of the EMS levy. The higher 9% keeps EMS from having to pay these costs. Peace Island Medical Center is due to provide the first half of 2014 report for how they have spent the tax revenue subsidy.

EMS FINANCIAL AND OPERATIONS REPORTS: Chief Jim Cole presented his financial and operations report. EMS had 89 calls in April. That was the lowest in a while. EMS is trending about 23% down for the year due to part flight and ground. There are less people needing to fly off and more people driving themselves to the hospital. County wide was a healthy month and everyone reported less activity. Operations are going great. Lainey Volk did an excellent outreach at the trailer park giving car seats and helmets and screenings. Lainey will make sure it is included in her next quarterly report to the commissioners. It was well received by the park residents. Fiscally, April is down \$200,000 at the end of the fourth month versus last year at this time. With the change in payor mix and the decreased volume it may represent a half million loss from insurance payments. Fortunately we started to cut back last month so we won't end up in a fiscal emergency at the end of the year. Since we won't have the proceeds from the EMS building sale next year we estimated needing to save about \$350,000 from the budget. There will be a budget meeting next Tuesday with the staff to finalize the budget reductions. No staff positions will be cut and it looks like only a 2.5% salary pay cut may be in order for the staff and this is less than what the COLA was beginning 2014. There may be ways to bring down the budget further. One staff person is in line for Seattle Fire and if he does leave this will provide the necessary cut in salaries without the 2.5% cut. This budget situation really brings up the topic of a levy increase needed. As far as A/R is coming there has been a shift in payor mix. Medicaid has tripled and commercial insurance has been down. This trend is being seen other places. The larger cities are seeing less non payor mix changes. With the ~~Obama~~ ^{Obama} Care many had catastrophic plans that have been canceled. There is no reduction on the EMT's stipends since they are volunteers. Policies and Procedures for the year will need to be passed next month.

Island Air Ambulance Report – Larry Wall: For the commissioners benefit the trilogy of committees' quality, education, and safety are the three most important committees. Joe Conway is the quality committee chair. Dan Bacon is the safety committee chair. Weyshawn Koons is the education committee chair. All three bring some unique qualities to the table. There is also the wellness committee and the executive committee. EMS reviews recommendations from all those committees. With the CAMTS culture completely embedded in our agency, we have a well-accepted system of continuous quality improvement. The staff has embraced these committees and see how their input can have a positive effect. Upon examination of committee meetings, there are numerous examples of how an item brought up in one committee feeds into another's agenda. Improvement plans are created and loops are closed. From the Commissioner's prospective you might not see how important these committees are, but in our world they are very important. IssueTrack System is being launched as a new quality and safety tracking system. IssueTrack is a web based software that we will be using for Hazard Reporting, Post Transport Review, and Maintenance Requests. When fully implemented post review can be done on their iphone. It will have an overview dashboard. It will also have an asset management piece and assets can be tracked with it. It can also do project tracking. Commissioner Schwinge asked if the software was secure. Larry replied that it was secure. All the activity falls under our Non Operational quality discovery. It will have a password to get into it.

EMT's that submit an action item will be able to see what is being done with the report. The program helps the improvement plans to be created and see loops are closed. A fee for software was paid and then a monthly fee will be charged. The IQ software will be discontinued. Chairperson Edwards commended Larry Wall for his efforts with this new program and for his efforts on the I.T. side of getting this up and running.

OLD BUSINESS

Board Retreat May 2 and May 3, 2014 at EMS Building

Commissioner Edwards thanked Commissioner Bayuk for having the vision for the retreat, and Pam and Cady for the great food. Commissioner Bayuk thought the retreat was inspiring and that Ben Lindekugel was wonderful as the presenter. She questioned if there was any follow up planned. Chairperson Edwards said there was not any planned. Commissioner Bayuk liked the point that commissioners are entrusted with the vision and goals and the administration is responsible for how to accomplish them.

NEW BUSINESS

EMS Levy Consideration: With the payor mix decline and the tax revenue decline, it is apparent that the budget needs to be cut and more tax money should be voted on with an increased \$.50 levy. Need to be proactive now so that we are not so far off the back side as the Medical Center was before measures were started to save money. The consensus is to be self-sacrificial and Chairperson Edwards applauds the staff for taking measures now to balance the budget. Chairperson Edwards doesn't want to let anyone go and agrees that cuts need to be shared between the staff. Looking at the trends it looks like a three million dollar loss if nothing changes between now and the six year levy vote. The community spoke loudly that they did not want a permanent levy. This is not a renewal levy but a replacement levy for the last two years. The value will be set by the actual values at the time the levy may pass. The best estimates from the tax accessor's office say it will recoup about \$100 or \$150 thousand more than what our value would have been if the property rates had not declined at our last six year levy. Public has had a tax break over the last few years, but EMS has not had the operational savings to buy new ambulances and training equipment and we are at the point where an increase is necessary.

Resolution 14-417 - EMS 6 Year Levy Commissioner Bayuk moved to pass resolution. Commissioner Talbot seconded it. Commissioner Bayuk thinks there needs to be a committee formed for this function to pass the levy. The public needs to be educated on what this means for them. Chairperson Edwards stated that even if there was not this potential levy that there is a lot of misinformation out in the community that does not have to do with finances. There is misinformation about Peace Health and EMS and about Island Air and EMS. A committee would help get correct information out in the community. Commissioner O'Donnell wanted to know if this levy would be permanent or not. Chairperson Edwards stated that this levy would not be permanent and it would be easier to explain to the community. With a 6 year levy proposed we only have to have a simple majority. Superintendent Hutchins needs to contact the tax accessor's office and the elections office to see what is needed to put the levy on the November ballot. Chairperson Edwards called the resolution to vote and it passed unanimously.

Commissioner Resignation: Chairperson Edwards stated that on occasion we lose a commissioner. Commissioner Roger passed away in October of 2011 and now Keri Talbot which has served the board for seven years is moving to Alaska. Commissioner Bayuk gave her a plaque and flowers for her service. Not only are we losing Commissioner Talbott but also her husband, Jeremy Talbott which is an EMT and an outstanding community leader. Commissioner Edwards said Keri was the pulse of our community. The District is charged with replacing her on the board. We have to replace her within 3

months. Chairperson Edwards asked Superintendent Hutchins to place an ad in the papers asking for anyone with interest in becoming a Board Commissioner to submit a letter of interest and a resume to the board in the next three weeks. We will then have a executive session about the applicants as we have done in times past to review their letters of interest and resumes. At the next Board of Commissioner's meeting on June 25, 2014, there will be a question and answer session at the beginning of the meeting and then a vote will follow to appoint the replacement. Chairperson Edwards asked the rest of the commissioners if they were in agreement on this methodology for replacing Commissioner Talbott. They were all in agreement.

Audience Participation: Beth Gieger made some announcements of things happening at Peace Island Medical Center. On June 1, 2014, they are going back to the auto attendant for a trial period. It allows the switchboard operator to make appointments and it should make access better for patients. Also the Saturday clinic will be a Saturday Urgent Care clinic from 10 am to 4 pm which should lower bills for patients. No appointment will be necessary and it will be triaged by the nurses. It will be coded appropriately by the ER personnel. It will start the first Saturday in June. Commissioner Bayuk thinks it will be important to let the community know that this clinic will be a lower cost than an emergency visit since it will be going to the ER entrance. Chairperson Edwards wants the Board of Health and Frank James to also know about the clinic since this topic was addressed at the last Board of Health meeting.

ADJOURNMENT:

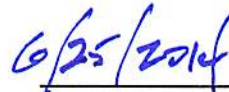
Commissioner Schwinge -----moved to adjourn, seconded by Commissioner Bayuk, all in favor.

Meeting adjourned at --- 5:34 -pm.

ALL EXHIBITS AND SUPPORTING MATERIAL AVAILABLE ON REQUEST.



Signed By Chairperson



Date