

SAN JUAN COUNTY PUBLIC HOSPITAL DISTRICT No. 1
Board of Commissioners
Regularly Scheduled Meeting
Wednesday, November 19, 2014

Commissioners Present:

Commissioner Michael Edwards - Chair
Pam Hutchins
Commissioner Lenore Bayuk
Commissioner Mark Schwinge
SJIEMS Administrator
Commissioner Rosanna O'Donnell
Commissioner Mike Taylor

Others Present:

SJCPHD#1 Superintendent:

EMS: E. James Cole,

By Phone:

Absent: |

CALL TO ORDER:

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

CONSENT AGENDA:

➤ **Approval of October 29, 2014 Regular Meeting minutes**

➤ **IIMC Warrants**

A/P Warrants	total \$	36,306.96
Payroll	total \$	148.52
Payroll Liabilities	total \$	11.36
Electronic transfers for payroll taxes	total \$	12.04

➤ **SJIEMS Warrants**

September Payroll	total \$	109,369.47
A/P Warrants	total \$	156,774.16

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

IIMC FINANCIAL AND OPERATIONS REPORTS: Pamela Hutchins presented her financial and operations report.

Financial Reports

- **Cash Report** – October total receipts were \$522,828.42 of which \$514,822.31 were tax revenues \$938.37 were patient receipts, \$6,867.84 were for the telemedicine grant, and \$200 was rental income from Island Museum of Art. They will be moving their things out when their new building is complete.
- **Disbursements** totaled \$36,455.48 which included \$36,306.96 payables and \$148.52 payroll. Most expenses were for utilities, maintenance contracts, and quarterly wages. There were \$12.04 in payroll taxes. Please see attached Financials for the month of October. The total cash available at the end of October with cash on hand was \$666,585.11. For the month of October total net income was \$492,697.93 due to the large deposit of property tax revenues. For year to date total net income is under \$43,443.91 from budgeted amount. Most of this amount is due to less revenue brought in by old medical center accounts receivable and less property tax revenue year to date.

Operational Report

In collaboration with the San Juan County Health and Community Services, Department of Public Health, PeaceHealth Peace Island Medical Center, and San Juan County Public Hospital District #1 Emergency Medical Services we are pursuing a Health Resources and Services Administration grant. The Family Resource Center has also joined the consortium. The purpose of the HRSA Rural Outreach Grant Program is four-fold: Expand the delivery of health care services to include new and enhanced services exclusively in rural communities, deliver health care services through a strong consortium, utilize and/or adapt an evidence-based or promising practice model(s) in delivery of health care services, and improve population health, demonstrate health outcomes and sustainability. The maximum of \$200,000 per year will be applied for from the grant. The application for the grant will be turned in on November 12, 2014. The grant will be awarded in March of 2015.

I showed the Inter Island Medical Center again to Dr. Vincent Shu and his committee. They thought the medical center showed great promise for their vision for the Washington Institute of Natural Sciences. They are in the process of soliciting financial planning expertise to help with achieving their goals.

EMS FINANCIAL AND OPERATIONS REPORTS: October was an average response month with 107 calls. There were 2.2 average responders per call. Operationally we have a few EMT's coming aboard from outside the island. Received neonatal recitation training and went over to Orcas Island and received training on search and rescue. Team shifting going well. Have met with EMT's one on one and lieutenants said things are going smoother. Will submit CAMTs pif next year. Went to EMS Community Paramedic Meeting where there were over 500 Chiefs from in state and out of state in attendance. There are some pilot projects being funded in our state mostly by CMS. The grant that was just applied for might give us some grant money to participate in the paramedic home project as well. Washington will need changes in RCW's to be able to do the medical home for EMT's. There will need to be changes and follow ups with hospital policies before the paramedic at home can begin. Expectation to finish budget 3 by end of year on schedule with the reduced expenses in place from budget 1 of the year. Budget three accounted for the tax and accounts receivable loss. The accounts receivable loss is about \$250,000 from last year's accounts receivable. October of last year had \$350,000 revenue from insurance and this month \$90,000 because of slow down in seasonal processing. Looking at about \$375,000 loss in insurance and tax revenue. Mike Taylor asked about the Payer Mix and if it is still changing. Chief Cole said it is still changing. This year people have to sign up again for insurance so not sure how that will affect the mix. Hoping the trend of underinsured will get better in the mix. There was a large amount of people that have moved to the uninsured category. Hopefully they will get insurance from the health exchange and that category will improve.

Island Air Ambulance Report – Larry Wall: Continuing to be fairly busy and on par with last year. There is a new Director of EMS and Trauma at the State Department of Health. Commissioner Edwards and Larry Wall went down to the meeting in Tumwater at the Department of Health. Will take two years to rewrite the necessary code. Good that we were at the table so we can do what is best for our community. There could be the possibility of the State having a mandate for accreditation instead of having the CAMTS accreditation. It will take a while to decide what accreditations will be necessary. Island Air, Inc. has been doing the training for the new Caravan 208A. Jackie and Will Hamilton of Island Air, Inc. have really stepped up for our community in purchasing this plane for use. The plane will enable more patients to get off the island during bad weather and icing conditions. Mike Taylor wondered about patient lighting in the plane. The new aircraft has a blackout curtain so the medical crew can put lights on the patient if necessary. More equipment will also be able to be

accessed during flight for the patient. Increased patient weight capacity also can be handled. Mike Taylor wanted to know when it will be online for use. Will Hamilton said maybe in the middle of December. Arna Robins is filling in for Joe Conway while he is on medical leave. She will have a six month contract. She comes from Air Lift Northwest with a lot of flight experience. Bringing in some ground 911 personnel that have met their 3 year mark and being trained for flight EMT's. Most do staffing with 3.6 equivalents and we do it with 2.6 units. We do more with our flight personnel with less people. Commissioner Edwards said the CAMTS program is still the gold standard of accreditation. Commissioner Edwards said Arna Robins was a critical care pediatric care flight nurse which is good for community. Commissioner Edwards noted what the write offs for EMS year to date are about 3.2 million for EMS. This is the amount that was balanced billed and written off for our district residents.

OLD BUSINESS

EMS Levy Update: Commissioner Edwards and Chief Cole submitted a reply in the Journal and the San Juan Islander and it is out on the back table for the audience. Yes, we are disappointed that the levy failed again. We spent a great deal of time going over the budget for further reductions. The budget has been reduced accordingly but still at risk if the payer mix decreases further. Commissioner Edwards thinks that it will be tough the next two years, but it is doable.

Commissioners Code of Ethics Document:

Thanks to Commissioner Schwinge there is this document to be adopted. Not all the commissioners were present at the last meeting to adopt this document. It is a requirement in the RCW's. Commissioner Edwards commented that it was good to have this document in place going forward to be able to reference it if necessary. Motion to accept Code of Ethics document as written was made by Commissioner O'Donnell and seconded by Commissioner Taylor. All in favor.

Resolution 14-423 EMS 2015 Setting Tax Levy & Certification:

This is what the tax accessor anticipates will be collected in property tax revenue. Motion to accept made by Commissioner Schwinge and seconded by Commissioner O'Donnell. All in favor.

Resolution 14-424 EMS 2015 Budget:

Commissioner Edwards shared the items that were considered in cutting the 2015 EMS budget since the levy failed. Commissioner Edwards read the adjustments to EMS Budget for 2015 list. The adjustments to the 2015 budget included a reduction in Chief Cole's salary down to \$109,000 from \$130,000 at beginning of year which is a 17% decrease from 2014. A 2.5% plus additional 6% salary cuts from 2014 for the Operations, Logistics, Education, and Executive Assistant Positions. Employees will now pay 20% for dependent healthcare benefits. This is industry standard and Orcas Fire and Rescue also uses this figure. There will be loss of CME allowance and cell phone and gym allowances. No off island travel to meetings, etc. unless approved in advance by Chief Jim Cole. Reduce/share operational vehicles. No capitol purchases for second year in a row. Reduction of medical supplies in vehicles and in stock room. No new initiatives started. Total of the above adjustments would amount to about \$350,000. Also some general adjustments included increased educational fees closer to mainland rates, and increase in insurance billing (this would not affect district residents out of cost billing). This 2015 Budget represents an overall 10% drop in income from original 2014 budget to 2015 budget. It is also an overall 7% drop in expenses from original 2014 budget to 2015 Budget. Both of these numbers were inclusive of the roll over cash which was \$555,998 in 2014 and will go down to \$268,541 in 2015. The state auditors like to see two months operating reserves carried over and this amount is close to it. These cuts will be revisited again in February by this Board. Commissioner Bayuk and Commissioner O'Donnell wanted to know the impact of reducing medical supplies in vehicles. Chief Cole said this will not endanger patients or have an impact on patient care. Now that we have the hospital here we do not need to carry as much medication. We are not reducing capability just maximizing stock use. Commissioner Taylor wanted to know about CDC protocols and if they will continue to involve? Yes, the protocols are evolving said Chief Cole. We have adequate gear here on the island. On a dollar question could something come down that would completely financially overwhelm us? No, we will shelter in place and probably wait for Feds to come. The increased gear required has cost us about \$5,000 but unless we have an actual case of Ebola we should be able to hold costs within our budget. We have standardized gear so we can go and help on other islands. Kaitlyn

Johnson, EMS Logistics Coordinator, has put together kits for everyone so we are prepared. Every case will be different. Dr. Sullivan said a drill on December 9th from 7 pm to 9 pm will take place on Ebola. Chief Cole is confident that this budget keeps our community served as they are accustomed to being served. Chief Cole would like to replace Aid 33 Ambulance. Perhaps a capitol campaign can be entered into for a new ambulance. Motion to accept EMS 2015 Budget made by Commissioner Bayuk and seconded by Commissioner O'Donnell. All in favor.

Resolution 14-425 Setting EMS Fees for 2015:

Commissioner Bayuk asked if there were any scholarship money for the education classes. Lainey Volk works hard on an individual basis that they can come. Commissioner Taylor wanted to make sure the Wilderness Education classes are covering the expenses for providing them. We partner with Island Rec and the Trails Society people on classes. This sets our fees for the next year for classes that will be offered. We will continue to have zero out-of-pocket costs for our district residents. It is important a resident doesn't question calling 911 or getting an ambulance bill. We have heard from several in the community that people feel comfortable coming to the islands because of our medical care capabilities. We put in place our charity care several years ago so that even visitors visiting the island would have an opportunity to not have a huge medical bill they couldn't afford to pay. We can raise fees and get increased revenue on course offerings without effecting zero out-of-pocket billing. The education fees raised are still lower than the mainland, but covers our cost of offering the course. Lainey Volk does an excellent job of running our training center. We actually received an award last year from the American Heart Association on how well we run our education center. Motion to accept EMS Fees for 2015 was made by Commissioner O'Donnell and seconded by Commissioner Taylor. All in favor.

Resolution 14-427 SJCPHD#1 2014 Revised Budget: The county gives us the beginning cash balance in March and we amend the budget to this balance. The second payment usually made in December was not paid to Peace Island Medical Center and was delayed to January because they did not have their reports ready. This revised budget captures that difference. Also several line items were adjusted based on actual amounts now on hand. The yellow highlighted portions were the line items that were adjusted. The amended budget amount was \$2,642,500. Motion to accept SJCPHD#1 2014 Revised

Budget was made by Commissioner Bayuk and seconded by Commissioner O'Donnell.

Resolution 14-428 SJCPHD#1 2015 Budget: This budget is the budget for 2015. The amended budget approved is listed in the first column. The line items were gained mostly by prior use in 2014. There are a certain amount of expenses that are allocated to keeping the old Medical Center going while vacant. The air conditioner requires a maintenance contract and the thermostats have to be set at a certain range to keep the equipment in good working order. The budget for 2015 is \$1,901,300. Motion to accept SJCPHD#1 2015 Budget was made by Commissioner O'Donnell and seconded by Commissioner Taylor. All in favor.

Resolution 14-429 SJCPHD#1 2015 Setting Tax Levy & Certification: This is an estimate made by the tax assessor along with new construction. The levy amount from the previous year was \$1,604,128 and the increase levy amount due to 1% increase and new construction added will be \$32,082.56 making the estimated property tax revenues for 2015 to be \$1,636,210.56. The subsidy agreement with Peace Island Medical Center is for a maximum amount to be paid to Peace Island Medical Center be 97% of the actual tax revenues collected for that year. Historically, the amount paid has been approximately 91%. Motion to accept SJCPHD#1 Tax Levy was made by Commissioner Schwinge and seconded by Commissioner Bayuk. All in favor. T

NEW BUSINESS:

Resolution 14-426 EMS Flight Nurses Contracts: One of these contracts is for Arna Robins which is filling in for Joe Conway while he is on medical leave for six months. Arna brings additional pediatric training to our community. The other contract is for Patricia Fenstermacher for a year. These contracts are mostly for Island Air and the flight side which is self-sustaining in operations and does not require additional money by ground operations or tax revenues. Commissioner Taylor commented that the additional expertise that Arna Robins brings to the agency in the area of pediatrics. Motion made by Commissioner Bayuk to accept EMS Flight Nurses Contracts and is seconded by Commissioner O'Donnell. All in favor.

Discussion on December Meeting Date for December 17, 2014: Agreed upon with executive session for personnel review of Hutchins and Cole to follow meeting.

Audience Participation:

Cady Davies, Executive Assistant for EMS also reminds that Chief Cole is a flight medic and EMT that fills in both those positions saving the district thousands of dollars. Commissioner Edwards stated all EMS personnel wear many hats. She wanted to know about the comps that were being gathered for the EMS positions. Commissioner Edwards said the document is still being finalized and not ready for sharing. Fulfilling these multiple rolls could speak to comps for salaries for EMS? The District should have done a study of comps a long time ago. Commissioner Schwinge has spent a great deal of time gathering comps for District personnel. Weyshawn Koons, Director of Emergency Response, thinks a 17% pay cut for Chief Jim Cole is too much. Budget will be revisited in February. Chief Cole wanted to take this cut in pay to help the agency meet the reduced budget needs. This meeting had 26 people attending. This is a huge increase that usually has only D.T. McCarty in attendance. D.T. McCarty wanted to know if the board had any information from the recent bishops' meeting. The board had no information about the meeting. Dr. Sullivan provided Orcas Fire's copy of how they put their budget together. The Commissioners will each get a copy of budget. Commissioner Edwards had received a copy of this budget and discussed it with Chief Cole and Pam Hutchins. Commissioner Edwards thinks it is good to look at and provides room for explanation of line items on the budget and better able to see the difference between Island Air and ground 911 calls. EMS is going to adopt a more explanatory budget in early 2015. Bill Williams commended the board and EMS Group for the serious response to lack of levy approval. He was critical at what may have been cut and what he saw tonight makes him feel like EMS is on the same page with the community with their budget cuts. He knows it is difficult and wishes it could be easier, but he has to commend everyone on the work done. Commissioner Bayuk commented to Mr. Williams that his remarks were a little different then what he had written in the paper after EMS addressed the community after the levy failed. Mr. Williams responded that there will be another letter after this meeting and what he had heard.

ADJOURNMENT:

Commissioner Taylor---moved to adjourn, seconded by Commissioner Schwinge, all in favor.
Meeting adjourned at 6:05-----pm.

ALL EXHIBITS AND SUPPORTING MATERIAL AVAILABLE ON REQUEST.



Signed By Chairperson



Date