

**San Juan County Public Hospital District #3**  
**Db: Orcas Island Health Care District**  
**Board of Commissioners - REGULAR Meeting Minutes**  
**Tuesday, October 30, 2018**  
**4:00 pm – 6:00 pm**  
**Eastsound Firehall**

**Commissioners Present:**

Art Lange`  
Diane Boteler  
Patricia Miller  
Pegi Groundwater  
Richard Fralick

**Staff:**

Superintendent Anne Presson

**Commissioners Absent:**

None

**I. Call to Order**

President Fralick called the meeting to order at 4:04 pm.

**II. Public Comment**

President Fralick asked for a show of hands as to how many guests were interested in presenting a public comment. At this point there were no hands raised.

**III. Consent Agenda**

President Fralick asked if there were any changes to the 10/23 Regular Board Minutes or 10/29 AP Voucher included in the Consent Agenda. **Commissioner Miller asked for the total spent on the report, and that in the future Superintendent Presson include the AP Voucher total on the Agenda.**

**MOVED by Commissioner Groundwater, seconded by Commissioner Boteler to approve the 10/23 Regular Meeting Minutes and 10/29 AP Voucher Report as presented in the Consent Agenda. VOTE 5:0:0. MOTION CARRIED.**

**IV. Committee & Work Group Reports**

**a. After-Hours Work Group:**

President Fralick reminded the Board that at the last meeting Superintendent Presson was asked to respond to UW's latest after-hours statements. Included in the Board materials was that correspondence and UW's response.

Also included for the Board's review was the updated summary of past, present and future models for after-hours care that was put together by Commissioner Lange. What remains unclear is the amount of time a Lopez provider is on-call yet an estimate of the percentage of time was used for purposes of the summary. Commissioner Lange explained that he spoke with numerous sources to present an accurate picture of what's been delivered in the past and what is being delivered today.

Commissioner Miller asked Commissioner Boteler if she feels the Skills Summary document is representative of the primary care services that were delivered in the past or if it's an expanded list based on the optimal state.

Commissioner Boteler said that the services represented in the Skills document are those that have been delivered via the Clinic over the course of its existence, even if not delivered in recent years. She noted that some things, like prenatal care, were delivered in the past yet ceased once Dr. Flemming left the practice. Services related to acute care were included in the Skills document as they have also been ones that have been delivered in the past.

President Fralick asked the Board to weigh in on the after-hours and skills summary documents as he sees them being part of what the small work group will use to determine next steps. As was discussed in the last Board meeting, the Board's recommended first step in the after-hours project is to convene a small work group to map out the next steps before spending time and money on hiring a Project Manager. This idea was proposed to UW and Debra Gussin responded with agreement and proposed having Matt and Mark participate.

On the next weekly call with UW, scheduled for 11/2, President Fralick will re-address the issues and gain agreement on the timing for the small work group to convene. Commissioner Lange's document and the skills document will be used as a basis for the meeting. Commissioner Boteler expressed her continued frustration that the PHD is the customer and we are continuing to have to prove to UW what's right for the island. She hopes that at some point they will be more willing to accept the Commissioners' view of services needed and desired by the community. She doesn't feel that the addition of virtual care or the triage nurse are viewed as enhancements to care previously provided.

Discussion continued, and it was stressed that in forming the work group the intent is not necessarily to prove what the community needs but rather to discuss the "how" to go about meeting those needs. The Commissioners agreed that the work group should not extend their scope to include definition of metrics and reporting on patient experience. The discussion should also center around understanding UW's reservations and concerns before diving into a more detailed exploration of options.

**Commissioner Lange has done a lot of research to determine what other similarly situated communities are doing to provide after-hours care, and it's apparent that the solution lies in what the Board has proposed. There was consensus to have Commissioners Boteler and Lange represent the Board on the small work group.**

President Fralick will propose this on the 11/2 call and get things moving and will revisit the Privilege Sheet that has yet to be provided. Superintendent Presson commented that the Privilege Sheet came up on the EMS/UW call and Dr. McGough mentioned that they had added ultrasound for FY '19, which will allow them to create a training program and determine the appropriate equipment to be able to deliver this enhanced service in the Primary Care clinics.

#### **b. Building Purchase**

President Fralick reminded the Board that the insurance coverage had been an issue, and about an hour ago he received confirmation from OMF that their insurance carrier agreed to increase the limit to \$3 million. The cost for the additional \$1 million was \$328 yet it will be pro-rated for the short period within which it's needed until the building sale closes and the existing policy is terminated.

Commissioner Miller shared that, since the last meeting, the purchase price for the building had to be increased \$15,000 so that OMF would have adequate funds to pay for their potential Personal Property Tax obligation. The PHD couldn't close on the building due to that item surfacing at the last minute. OMF needed to have the funds included in the purchase price to agree to close. The District's attorney drafted a side Agreement that says any money remaining from the sale, should OMF be released from the tax obligation, will be returned to the OIHCD.

Since the amount of the purchase price adjustment exceeded the amount the Board had authorized at the last meeting, the REPSA Resolution is being brought back for action. The revised Resolution also includes an additional \$10,000 in addition to the updated purchase price of \$369,441, for a not to exceed price of \$379,441. While the purchase price in the closing papers will reflect the \$369,441, this change in the Resolution will allow President Fralick to move forward in the event something else were to arise at the last minute.

**MOVED by Commissioner Miller, seconded by Commissioner Groundwater to rescind Resolution 2018-17 and adopt Resolution 2018-19 which authorizes purchase of the Orcas Medical Center. VOTE 5:0:0. MOTION CARRIED.**

Superintendent Presson was directed to make note on the website that Resolution 2018-17 was rescinded.

**MOVED by Commissioner Miller, seconded by Commissioner Groundwater to authorize Superintendent Presson to sign the Side Agreement Letter with OMF. VOTE 5:0:0. MOTION CARRIED.** Following the motion, Commissioner Miller received a new Side Agreement Letter with modified wording as requested by OMF. Commissioner Miller read the updated language, which referenced continuation of a grant that funds childhood literacy. Superintendent Presson will need to make sure the District adheres to the requirements of the grant. The updated language also removed the reference to OMF winding up operations by 12/31/18 and simply says they will wind down operations without a specific date.

There was consensus of the Board to accept the new version of the Side Agreement Letter.

**MOVED by Commissioner Miller, seconded by Commissioner Groundwater to authorize Superintendent Presson to sign the amended Side Agreement Letter with OMF that was received at 4:33 pm today. VOTE 5:0:0. MOTION CARRIED.**

The only other item related to the building purchase was related to insurance. **MOVED by Commissioner Miller, seconded by Commissioner Boteler to authorize Commissioner Groundwater and Superintendent Presson to research and put in place a policy as of the date of ownership of the building. The coverage will be for \$3 million of property insurance and \$400,000 worth of coverage for equipment. VOTE 5:0:0. MOTION CARRIED.**

**Finally, Superintendent Presson will follow-up to ensure the District files the necessary paperwork for the Property Tax exemption. She will also coordinate with OMF in the event there is a refund of taxes paid since once we take over there will no longer be property tax due.**

#### **Contract Negotiations Committee:**

Commissioner Miller shared an updated UW IFA which contains changes requested by UW specific to the audit language. While the new language isn't ideal, Commissioner Miller is comfortable moving forward as it still provides the ability to examine UW's books. The language will be revisited in the CSA.

**MOVED by Commissioner Miller, seconded by Commissioner Groundwater to pass Resolution 2018-20 authorizing President Fralick to sign the IFA with UW as drafted. VOTE 5:0:0. MOTION CARRIED.**

The OFHC CSA was shared although no action is required at this point. The Negotiations Committee hasn't met with OFHC so hasn't received any feedback. Commissioner Miller was hoping to capture Board feedback on fundamental elements to make sure the contract is complete.

President Fralick asked a few clarifying questions about medical staff and how decisions would occur. Commissioner Miller confirmed that OFHC will have the final say on personnel issues. There was a question as to the quarterly payments, which Commissioner Miller confirmed are paid in advance. A question as to who holds general liability versus medical malpractice insurance came up. Aimee from OFHC was in the audience and confirmed that the practice pays for the Malpractice for Dr. Shinnstrom and the PAs are under that policy. There is also a Business Policy and a Board of Directors policy. Finally, President Fralick asked why in Section 10.5 the reference to arbitration taking place in Anacortes. Commissioner Lange questioned the frequency within which financial reporting will be provided. The CSA references OFHC coming to the monthly Board meetings with a report and he asked if that frequency was necessary. Consulting with the Board monthly was fine, yet it could be that financial reporting on a quarterly basis will be adequate. He also asked why there was a specific reference to 1.0 FTE for MD and not a specific reference for other staff. Commissioner Miller explained that they wanted to ensure that at least 1 FTE was an MD and then let OFHC decide what other levels were appropriate.

Commissioner Boteler asked about the after-hours call section. She thought the Board wanted reporting on more than just patients seen after hours. Information specific to the total number of calls and disposition of all calls was important. **Commissioner Miller will modify the language to require that tracking of data will include all after hours calls. Commissioner Miller also said that given the enormity of legal expenses she will use the OFHC CSA as a template and take the first pass at drafting the UW CSA. There was consensus of the Board to see the draft before it's sent to UW.**

**c. Finance Committee**

Superintendent Presson shared the 2019 Resolution that will be used in the Levy hearing and the document to establish the total amount to be levied.

President Fralick shared information specific to the budget process that he got from a conversation with the SJC Auditor. The budget document is a planning tool and it's okay to move costs around from one item to another if overall expenses don't increase beyond what is adopted. When expenditures exceed amount allocated (as determined by taking total budget minus ending cash) than a budget adjustment hearing is required. The SJC Auditor also suggested without strong conviction that changes can be made to the budget during the hearing, up to \$50,000. Commissioner Lange wanted to clarify that the Levy total assumes a \$.65 millage rate, and Commissioner Miller confirmed that is the case.

The other budget item that was discussed briefly at the last Board meeting has to do with the new Paid Family Medical Leave act (PFML). Superintendent Presson shared information from the County, including the options for employers with under 50 employees.

**MOVED by Commissioner Groundwater, seconded by Commissioner Miller to adopt Plan E which has Employee paying the required 63% of the PFML tax and the Employer paying the 37% voluntary part of the PFML tax. VOTE 5:0:0. MOTION CARRIED.**

**V. Old Business**

The discussion of the revised Public Records Policy was postponed.

**VI. New Business**

There was no new business to address.

## VII. Operations Report

Superintendent Presson reported on the 10/29 UW/EMS call. Overall, she was disappointed with the lack of preparation and progress on the call. The focus of the call was to address the issue of communication as there had been agreement in the first meeting that it was something everyone was looking to improve. She expected to resolve the communication process during clinic hours and thought the longer discussion would be around after-hours contact. In fact, there was no progress made on communication during hours and she was concerned about the lack of progress around collaboration. In addition, she had a meeting with Mark Tompkins and Ellen Wilcox from SJC Health & Communities Services department earlier in the day. The topic also centered around the lack of collaboration and support from the UW Orcas Clinic. Following these two instances with key health care stakeholders, Superintendent Presson spoke with Darren Layman from UW to express her concerns. She indicated that she would be following up with his counterpart on the clinical side, Dr. Peter McGough, to share these concerns with him. The Superintendent feels the issues are significant enough to warrant an in-person meeting to adequately address. There was agreement to have Superintendent Presson move this issue forward and have President Fralick participate in a meeting with UW's clinical leadership.

## VIII. Public Comment

There were three members of the public interested in the final public comment period.

Bob Thomas reiterated his concern should the Board consider supporting other providers. He asked if any other clinics, besides Dr. Shu, have contacted the Board. Commissioner Miller reported only one entity had reached out very early on. **Commissioner Miller suggested that items without a budget allocation be removed from the spread sheet to avoid confusion.**

Bob also expressed his concern that he's hearing continued issues with UW. He respects the work of the Board and hopes that these issues can be resolved in a timely fashion. President Fralick appreciated the comments and shared that the Board is also concerned about the lack of progress; however, the problem is being worked and there's a recognition that services must be maintained.

Pierrette Guimond asked for clarification on Resolution numbers since she had missed the last meeting. She also expressed concern with UW and the lack of progress in resolving service issues.

Leif commented on the back and forth with the standard of care document. Why what we expect for the island isn't something that UW is willing to provide on Orcas. Why not ask them to define what they feel is appropriate and what it requires. Continue to get insights from local physicians and what would happen if UW were to leave. President Fralick reiterated that the Board is actively working the issues with UW. Commissioner Miller shared that the Commissioners are having conversations with other practitioners to make sure what they are proposing is reasonable. Commissioner Boteler indicated that's it's been hard to have conversations with the other UW providers as UW Management has asked us to work through them.

## IX. Upcoming Meetings

A list of the upcoming meetings was included on the Agenda. President Fralick mentioned that the 11/13 meeting will remain for now, but the Board should consider cancelling that meeting. If it ends up being necessary, the meeting will need to start at 5 pm to accommodate another meeting being held in the room. The Board will continue to revisit the meetings schedule in the coming weeks as it's likely there won't be a need to meet weekly as we approach the end of the year.

**X. Meeting adjournment**

**MOVED by Commissioner Groundwater, seconded by Commissioner Miller to adjourn the meeting at 5:53 pm.  
VOTE 5:0:0. MOTION CARRIED.**

**Minutes approved this \_\_\_\_ day of \_\_\_\_\_, 2018.**

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**Attest: Anne L. Presson, OIHCD Superintendent**