

**Orcas Island Health Care District**  
**Board of Commissioners - SPECIAL Board Meeting**

TOWN HALL  
Tuesday, July 9, 2020  
5:00 – 7:00 pm

**MINUTES**

**Commissioners Present (via Zoom):**

Art Lange  
Diane Boteler  
Patricia Miller, Secretary  
Pegi Groundwater  
Richard Fralick, President

**Staff (via Zoom):**

Anne Presson, Superintendent  
Pat Hunt, Project Mgmt. Consultant

**Commissioners Absent:**

None

**I. Call to Order**

President Fralick called the meeting to order at 5:00 pm. President Fralick mentioned this is the Board's 13<sup>th</sup> meeting of the year, and all Commissioners and the Superintendent are present. He also explained this Special Meeting is a Town Hall format. The Board will start with a presentation for about 30 minutes and will spend most of the meeting answering questions.

**II. Public Comment**

The meeting began with a quick summary of the factors that led to the RFP, the current situation, and next steps. Commissioner Patty Miller presented financial projections for the existing two-clinic model, which showed the District moving from a \$56,000 financial surplus in 2023 to a negative balance of \$429,000 by 2025.

Also presented were significant points from each proposal. Island Hospital stated that it will provide the full scope of services outlined in the RFP, including the cost of transition, extended and after-hours care; that it intends to hire current providers and staff; that current salaries will be grandfathered; and that its requested annual subsidy will be \$1.2 million per year for five years, slightly lower than the current combined subsidy for Orcas Family Health Center and UW Medicine.

The OCIMC proposal stated that the proposer, Dr. Vincent Shu, would create a new entity offering integrated Eastern/Western medicine, at an estimated annual subsidy of \$904,000. OICMC would plan to offer expanded services such as mental and behavioral health and dietitian services. It would apply for Rural Health Clinic (RHC) status initially with the goal of achieving FQHC status, would plan to retain some providers and staff, and would hope to utilize volunteers more broadly.

Community questions included these topics:

- How would Island Hospital cover its costs when it projects that revenues will drop sharply? The commissioners will be discussing that with Island Hospital representatives.

- Why did the Family Care Network not submit a proposal? Their model is too different; they are a partnership of physician-owned practices.
- Can't UW Medicine remain on island and serve all island patients? UW Medicine has stated that it does not have the capacity to serve all patients.

### III. Medical Clinic Operator RFP

- a. **Review of RFP Responses** - Superintendent Presson provided an overview of the responses received to the RFP. The organizations who declined to provide a response were: UW Medicine, PeaceHealth, Whidbey Health, Jefferson Healthcare. In addition, a request was sent to the CEO of the NW Primary Care Association to determine if any FQHC within his membership base would be interested in responding. OFHC replied to the RFP that their response would be withheld as they supported Island Hospital's Provider-Based Rural Health Clinic. The District did receive proposals from Island Hospital (IH) and Orcas Community Integrative Medicine Clinic (OCIMC).
- b. **Evaluation Work Group** – Since neither proposal was complete enough to make a determination of their viability, discussion was held as to the best way to proceed. Consensus was reached that the Board would form Clarification Work Groups. These will be responsible for gathering the necessary information to decide if either proposal would be moved forward in the process. Each group consisted of two Commissioners and they were directed to meet with the two responders. The Clarification work groups were determined to be:
  1. Finance/Staffing – Commissioners Groundwater and Miller
  2. Scope of Services/After-Hours – Commissioners Boteler and Lange
  3. Legal/Board Governance – Commissioners Groundwater and Fralick

President Fralick reiterated the goals of these discussions is not to negotiate but to daylight items and discuss the details behind the proposal to gain an understanding of what each entity is offering. This approach was reviewed with the District's attorney, who recommended this approach. Commissioner Groundwater shared one caveat in that the Commissioners cannot talk with each other of what is learned in these discussions outside of the next Board meeting. Commissioner Miller stressed the importance of having Commissioners submit their questions to each Clarification Work Group to avoid having to go back and forth with the responders. Commissioners were asked to submit their questions to Superintendent Presson, and she will work on scheduling the meetings. The results from each group will be discussed at the July 14<sup>th</sup> Special Board meeting.

**MOVED by Commissioner Groundwater, seconded by Commissioner Boteler to adopt RFP Clarification Work Group approach. Further discussion included a slight revision to the Motion from Commissioner Miller. She asked that the Motion be amended to include the names of the Clarification Work Groups to be: Finance/Staffing, Scope of Services/After-Hours, and Legal/Board Governance. VOTE 5:0:0. AMENDED MOTION CARRIED.**

- c. **Communication Plan** – Commissioner Lange summarized the intent for next Town Hall is twofold: (1) review some of what was discussed in the first Town Hall to bring people up to date who didn't attend; and (2) information on what has happened since the last Town Hall.

Content will include high level details on the elements of the proposer's content, and Commissioner Miller will provide a financial summary to include an updated 5-year outlook.

Regular Meeting Minutes - DRAFT  
July 9, 2020

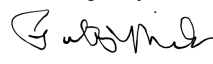
**IV. Upcoming Meetings**

A list of upcoming meetings was included on the Agenda. The next Regular Meeting of the OIHCD is scheduled for July 21<sup>st</sup> and will continue to be conducted via Zoom. There will be a Special Board meeting on July 14<sup>th</sup>. The next Town Hall will be July 9<sup>th</sup> via Zoom. There will also be a Town Hall following the July 21<sup>st</sup> Regular Board meeting.

**V. Meeting adjournment**

**MOVED by Commissioner Boteler, seconded by Commissioner Groundwater to adjourn the meeting at 6:10 pm. VOTE 5:0:0. MOTION CARRIED.**

Minutes approved this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

DocuSigned by:  
  
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\_\_\_\_\_  
**Attest: Patricia Miller, OIHCD Board Secretary**

9/15/2020  
\_\_\_\_\_  
**Date signed**

**Attachment: Town Hall Power Point slides**

