



# CASCADE MEDICAL

PARTNERS IN YOUR HEALTH

Minutes of the Board of Commissioners Meeting  
Chelan County Public Hospital District No. 1  
Arleen Blackburn Conference Room & Video Conference Connection  
September 27, 2023

**Present:** Tom Baranouskas, Board President; Bruce Williams, Vice President; Mall Boyd, Secretary; Jessica Kendall, Commissioner; Diane Blake, Chief Executive Officer; Marianne Vincent, Chief Financial Officer; Megan Baker, Executive Assistant

**Via Zoom:** Chad Schmitt, Virtual Fractional Chief Information Officer; Clint Strand, Director of Public Relations

**Excused:** Gustavo Montoya, Commissioner; Pat Songer, Chief Operations Officer; Melissa Grimm, Chief Human Resources Officer

**Guests:** Natasha Piestrup, Director of Nursing; Shawndra Duke, Operational Safety Manager; Vange Schasse, Cascade Medical Foundation; Karl Kranz, Community Member; Cindy Puckett, Community Member

**Via Zoom:** Chad Avery, Facilities Director; Duane Goehner, Community Member; Don Morse, Community Member; Michael (No other information); David Smith (No affiliation known); Nick Amaro (No affiliation known)

Topics	Actions/Discussions
<b>Call to Order</b>	<ul style="list-style-type: none"> <li>President Tom Baranouskas called the meeting to order at 5:32 pm. Tom then led the pledge of allegiance.</li> </ul>
<b>Consent Agenda</b>	<ul style="list-style-type: none"> <li>Bruce moved to approve consent the agenda.</li> <li>Mall seconded the motion and the commissioners unanimously approved.</li> </ul>
<b>Community Input</b>	<ul style="list-style-type: none"> <li>None.</li> </ul>
<b>Foundation Report</b>	<ul style="list-style-type: none"> <li>Vange Schasse provided the Foundation Report.</li> <li>CM Foundation raised \$10,684 at their Jive Time event.</li> <li>There is a new social media campaign for a hematology analyzer as the group concluded their fundraising for Cardiac Rehab.</li> <li>The group is working to recruit new members.</li> <li>CMF recently launched an education fund in honor and memory of Mark Judy. The funds are at \$18,000 and will be used for ongoing education needs by CM employees. Will be a place on CMF Website to donate electronically.</li> </ul>
<b>CM Values</b>	<ul style="list-style-type: none"> <li>Diane Blake provided the CM Values report.</li> <li>Diane shared a note Natasha received from one of her team members and nurses, Sarah Baker.</li> <li>A patient came into the clinic with symptoms that developed after starting antibiotics. Lauren L., PA-C was trying to determine if the patient had c-diff and desired a culture to be expedited. CM Lab Tech, Johnathan H. ferried the sample down to Confluence Health in</li> </ul>

	<p>the middle of the day to support Lauren's efforts to result the patient's labs sooner. Sarah acknowledged Jon's commitment and drive to serve our patients and community.</p> <ul style="list-style-type: none"> <li>• Many thanks to Sarah for celebrating her team. Thanks to Natasha for fostering and encouraging others to share gratitude and recognize the good works of others.</li> </ul>
<b>Public Relations Report</b>	<ul style="list-style-type: none"> <li>• Clint Strand provided the Public Relations Report.</li> <li>• <b>Outreach</b></li> <li>• September <ul style="list-style-type: none"> <li>○ 9/20: Finding our Balance Senior Health Fair: a community partnership event that was hosted at CM.</li> <li>○ 9/22: Multilingual Resource Fair: CM took the mobile clinic and provided immunizations.</li> </ul> </li> <li>• October <ul style="list-style-type: none"> <li>○ Think Pink (Breast Cancer Awareness) all month long. An ad will run in the Echo next week.</li> </ul> </li> <li>• <b>Social Media</b></li> <li>• Feeds are taking off with an 82% increase in reach in the last 28 days. There were video crews onsite today filming a variety of reels, a 60-90 second public service announcement. The video crew reported how dedicated and passionate our CM staff are and noted that it shined through in our videos.</li> <li>• <b>Website Update</b> <ul style="list-style-type: none"> <li>○ CM will go live with the new website next week.</li> </ul> </li> <li>• Anticipate a Community Engagement Night in the next 6-8 weeks.</li> <li>• Jessica gave many kudos to Clint and our team for being present at the PD Multilingual Resource Fair. Jessica requested a plug on our website for not only flu vaccines, but also Covid boosters when distribution is available.</li> </ul>
<b>Old Business</b>	<p><b>IT Update</b></p> <ul style="list-style-type: none"> <li>• Chad Schmitt provided the IT Update</li> <li>• CM's hospital cabling is about 15 years old and will be replaced as part of our Network refresh project. The project will begin in the next few weeks and the team was able to negotiate the cost down to around \$100,000, about half of what was previously anticipated. CM is grateful for the large savings.</li> <li>• Value Projects <ul style="list-style-type: none"> <li>○ Imprivata: Tap &amp; Go badge system is in initial stages of development.</li> <li>○ Cyber security work is ongoing</li> </ul> </li> </ul>
<b>New Business</b>	<p><b>Medicaid Re-enrollments</b></p> <ul style="list-style-type: none"> <li>• Diane Blake led the discussion.</li> <li>• At the start of the pandemic, Congress enacted the Families First Coronavirus Response Act (FFCRA), which included a requirement that Medicaid programs keep people continuously enrolled through the end of the COVID-19 public health emergency (PHE), in exchange for enhanced federal funding.</li> <li>• Eligible individuals are at risk for losing coverage if they do apply for re-enrollment.</li> <li>• CM has 338 patients on our Medicaid roster that will be impacted by re-enrollment. Our business office staff are currently working with our managed care organizations and reaching out via phone to our patients. These phone calls connect patients with our insurance navigators if needed.</li> </ul>

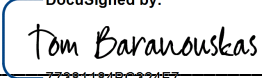
	<ul style="list-style-type: none"> <li>• Jessica advised that it would be valuable for CM to educate folks about plan options.</li> </ul> <p><b>DC Rural Advocacy Days</b></p> <ul style="list-style-type: none"> <li>• Bruce Williams led the discussion.</li> <li>• Bruce and Diane went to D.C. for Rural Advocacy Days September 19<sup>th</sup> through the 22<sup>nd</sup>. Their attendance goals were to ensure rural hospital disparities were not left out of conversations. Along with many other rural hospitals, the group hoped to educate lawmakers about the impacts of regulations and funding related to rural hospital operations. Of the hospitals that attended, nearly all had at least one commissioner representative present.</li> <li>• Diane thanked Bruce for his work leading the meeting with Kim Schrier.</li> </ul> <p><b>Risk Work Overview</b></p> <ul style="list-style-type: none"> <li>• Diane Blake led the discussion.</li> <li>• Each year the team evaluates risks to ensure viability and sustainability of our organization. The risks were ranked on the criteria of three concepts: likelihood (very/not), impact (catastrophic), and velocity (how likely to occur in next 24 months). The group prioritized the top 10 risks based on the criteria described. Yellow highlights indicated risks that were new to the top 10 in 2023. This is either due to other risks falling off or those individual risks growing in priority.</li> <li>• Top 10 risks were listed in reverse alphabetical order and not in rank order of priority.</li> <li>• When planning for the year we think about mitigation and how to best serve our community. Mitigation does not mean something is bad, only that it necessitates being prepared.</li> <li>• Breach referred to IT security. Attacks on hospitals have been increasing and CM is aware of that threat. IT vulnerability referred to network structure such as the cabling mentioned earlier.</li> </ul> <p><b>Update on 2024 Organizational Goals Work</b></p> <ul style="list-style-type: none"> <li>• Diane Blake led the discussion.</li> <li>• Pre-work included assessing where we're at with our 2023 plan. An item may be listed for 2024 if it was recently implemented and there is optimization work to be done. The list will be assessed by the medical staff, leadership, and executive teams, before being brought before the board again.</li> </ul> <p><b>First Reading of Draft Budget</b></p> <ul style="list-style-type: none"> <li>• Marianne Vincent led the discussion.</li> <li>• <b>Increases</b></li> <li>• 5% in supply costs, 4.5-5% in medical insurance. We pay around \$135,000 medical benefits/month. CM anticipates around \$90,000 from CMF fundraising.</li> <li>• <b>Decreases</b></li> <li>• EMS levy collections will likely be reduced in 2024 because 2023 is the last year of correction for too low of collections in the first year of the levy.</li> <li>• <b>Patient Volume forecast</b></li> <li>• Acute inpatient: + 33.2 % <ul style="list-style-type: none"> <li>○ Anticipate growth due to hospitalist program. Based on 2 more admissions per month. Percentage is large due to the small number in the equation.</li> </ul> </li> <li>• Swing Bed: +0.0% <ul style="list-style-type: none"> <li>○ Reflects a decline in our SWB admissions over last few years.</li> </ul> </li> </ul>
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	<ul style="list-style-type: none"> <li>• Emergency: +1.5%</li> <li>• Clinic: +9.5%             <ul style="list-style-type: none"> <li>○ Ambitious but we anticipate meeting this goal as we are fully staffed and implementing Team Based Care improvements.</li> </ul> </li> <li>• <b>Budget Highlights</b></li> <li>• FTE increase of 4.15:             <ul style="list-style-type: none"> <li>○ 2 MSO (Medical Services Officer) who will help manage EMS resource utilization and efficiency.</li> <li>○ 1.0 in Business Office: Consultant to evaluate overall numbers of revenue cycle staff.</li> <li>○ 1.0 FTE for Informatics.</li> </ul> </li> <li>• <b>Proposed Capital Budget additions of \$1,305,000 in 2024</b></li> <li>• Due to the IT savings Chad described, the capital budget will be closer to \$1.2 million.</li> <li>• <b>Medicare Cost-Based Reimbursement for Ambulance Services</b> <ul style="list-style-type: none"> <li>○ CM is currently reimbursed through a fee schedule.</li> <li>○ Our auditors reported that if we would have been cost based in 2022, we would have had an increase of \$900,000 revenue. Due to a change in Medicare regulation, CM was able to apply for cost-based reimbursement. In 2022 we were reimbursed at a rate of 23% of costs. If approved to file as cost-based we would yield closer to 90% cost reimbursement.</li> </ul> </li> <li>• <b>Revenue and Expense Summary</b> <ul style="list-style-type: none"> <li>○ 2024 budget anticipates a 2.6% increase which is a little over \$700,000. This includes 1.5 step increase for hourly employees, and union contract agreements.</li> </ul> </li> </ul> <p><b><u>Strategic Questions:</u></b></p> <ul style="list-style-type: none"> <li>• <b>Is there risk mitigation work that requires more priority attention?</b></li> <li>• Competition/Market Share/Loss of Volume.</li> <li>• Bruce thought work-force dynamics should be in top 10. Diane reported that it may not have been included due to ongoing work such as MA/CNA apprentice programs and recruitment efforts.</li> <li>• <b>What elements of the draft goals are most essential to meeting our long-term objectives, including carrying us beyond 2025? Anything missing?</b></li> <li>• The group elevated the Patient and Family Centered Care and Financial Stewardship pillars, including opportunities to launch provider campaigns, develop plans to regularly seeking grant funding, and build a structure for developing and sustaining a long-term financial plan.</li> <li>• Prioritize finishing what we started.</li> <li>• <b>What topics essential to CM's future remain unaddressed in the goals or budget work?</b> <ul style="list-style-type: none"> <li>○ Interested in emphasis on quality.</li> <li>○ Financial stability always important.</li> </ul> </li> </ul>
<p><b>Committee Reports</b></p>	<p><b>Quality Oversight</b></p> <ul style="list-style-type: none"> <li>• Mall Boyd shared the report.</li> <li>• The group reviewed and discussed the committee charter, a new policy, the quarterly dashboard, and DOH survey implementations. Surveyors were complimentary about our CM staff, who were open and willing to share information.</li> </ul>

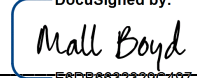
	<ul style="list-style-type: none"> <li>• There are really good patient satisfaction scores coming in from the clinic. The patient story generated discussion around facial-recognition cameras.</li> <li>• Notable Achievements             <ul style="list-style-type: none"> <li>○ 100% of full-time staff completed required Workplace Violence Prevention training.</li> <li>○ Successfully utilized ClearPoint Strategies to develop our first dashboard of our Strategic Plan.</li> <li>○ Submitted our annual Safe Patient Handling program evaluation to the department of Labor and Industries.</li> </ul> </li> <li>• Bruce requested a future summary of patient satisfaction survey data.</li> </ul> <p><b>Governance Committee</b></p> <ul style="list-style-type: none"> <li>• Tom Baranouskas shared the report.</li> <li>• The group engaged in policy review, board future and succession planning, and analyzed the CEO performance review process. The Commissioner Time Commitment document will be shared at the October board meeting for discussion by the full board.</li> <li>• 3 commissioners have full WSHA Governance certifications, 2 ongoing.</li> </ul> <p><b>WSHA Hospital Governing Boards Committee</b></p> <ul style="list-style-type: none"> <li>• Bruce Williams shared the report.</li> <li>• WSHA will hold a press conference in early October to let folks know how much money hospitals are losing.</li> <li>• The group requested additional education from WSHA regarding artificial intelligence. They also discussed considering whether hospitals should consider adding community members to their quality committees.</li> </ul>
<p><b>Action Items</b></p>	<p><b>Motion: Authorize Approval of WSNA Contract</b></p> <ul style="list-style-type: none"> <li>• The contract period beginning in October 2023 through September 2026 had 100% yes vote for ratification from WSNA members. A big thank you to Melissa, Natasha, and all nurses for coming to an agreed contract on time.</li> <li>• Bruce moved to approve, Tom seconded the motion and commissioners unanimously approved.</li> </ul> <p><b>Motion: Approve Security System Replacement</b></p> <ul style="list-style-type: none"> <li>• Kudos to Chad and Shawndra for their work on this.</li> <li>• Mall moved to approve, Bruce seconded the motion and commissioners unanimously approved.</li> </ul> <p><b>Motion: Approve Credentialing</b></p> <ul style="list-style-type: none"> <li>• Mall moved to approve, Bruce seconded the motion and commissioners unanimously approved.</li> </ul> <p><b>Motion: Approve Disclosure of Unanticipated Outcomes Policy</b></p> <ul style="list-style-type: none"> <li>• This is a new policy, standard to healthcare, and required by the Department of Health for all facilities.</li> <li>• Jessica moved to approve, Tom seconded the motion and commissioners unanimously approved.</li> </ul> <p><b>Motion: Approve Resolution 2023-10 Surplus IT Equipment</b></p> <ul style="list-style-type: none"> <li>• Bruce moved to approve, Mall seconded the motion and commissioners unanimously approved.</li> </ul>
<p><b>August Finance Report</b></p>	<p><b>Marianne Vincent provided the report.</b></p> <ul style="list-style-type: none"> <li>• August's net margin of \$586,000 was well above the budgeted net margin of \$202,000 for a variance of \$384,000.</li> <li>• Our year-to-date margin of (\$591,000) is (\$126,000) below the budgeted net margin of (\$465,000).</li> </ul>

	<ul style="list-style-type: none"> <li>• The August net margin of just over \$586,000 resulted from not only higher than budgeted gross revenues, but also from unbudgeted revenue resulting from the grant funds received to support work around Mobile Integrated Health and higher than budgeted interest income.</li> <li>• Our Contractual Allowance for August is 31.2% of Gross Revenues, while our overall Contractual Allowance is 43% of Gross Accounts Receivable.</li> <li>• The August month end cash balance of \$14,071,000 was ahead of the budgeted cash balance of \$12,123,000 by \$1,948,000.</li> <li>• Days in Net Accounts Receivable decreased from 70.0 days in July to 55.3 days in August and Gross Accounts Receivable has decreased by \$633,000 from July.</li> <li>• Sarah Portin led the Meditech BCA module work. CM is transitioning to weekly calls with them.</li> <li>• Marianne and Jerri were recently on a Charity Care webinar that provided really great information.</li> <li>• When the time is right, CM will invite Washington State Hospital Services' to perform a charity care review.</li> </ul>
<p><b>Administrator Report</b></p>	<p><b>Diane Blake provided the report.</b></p> <p><b>Unanticipated Expense</b></p> <ul style="list-style-type: none"> <li>• CM incurred a \$35,000 expense related to replacing a portable x-ray part that recently failed.</li> </ul> <p><b>CMF Mark Judy Education Program</b></p> <ul style="list-style-type: none"> <li>• This is a wonderful way to celebrate and honor Mark Judy. There is currently \$18,000 in the Community Foundation for this cause.</li> <li>• CMF does not want to erode funding for capital projects and Diane anticipates the group will grow the program over time.</li> </ul> <p><b>Locum Tenens</b></p> <ul style="list-style-type: none"> <li>• There were two shifts in emergency department we couldn't fill in October. In the past, October was one of the hardest months to staff due to folks not wanting to be here during Oktoberfest if they didn't have to.</li> </ul> <p><b>Reinterpreted Charity Care Law</b></p> <ul style="list-style-type: none"> <li>• Regardless of primary residence location, the DOH contends patients can apply to receive charity care wherever they've received medical care in the State of Washington. CM does not have geographic limitation language in our charity care policy. This interpretation change would have a massive, detrimental impact, particularly to some hospitals in WA.</li> </ul> <p><b>Rural Health Collaborative (TRHC)</b></p> <ul style="list-style-type: none"> <li>• The TRHC is a consortium of 24 public hospital districts that come together for shared services and programs, alternative payment models through value-based contracting, and statewide peer networking.</li> <li>• Annual dues are around \$20,000.</li> <li>• We are in the process of applying to become the 25<sup>th</sup>, and possibly final, hospital in the collaborative.</li> </ul> <p><b>PERS 2 Retirement System Audit</b></p> <ul style="list-style-type: none"> <li>• There are a small number of folks who participate, yet we will have to engage in an audit with the retirement system every 1-2 years. Our first audit is complete with excellent results.</li> <li>• The commissioners commended CM for such excellent responses on a variety of recent audits.</li> </ul> <p><b>CM Geofence</b></p>

	<ul style="list-style-type: none"> <li>• CM's network is not accessible outside of the country; this is a reminder that you may not be able to access CM email while travelling internationally.</li> </ul> <p><b>School-based Clinic</b></p> <ul style="list-style-type: none"> <li>• Cascade School District has expressed a need for behavioral health services at Cascade High. Visits would be billed as regular rural health clinic visit. Implementation has begun.</li> </ul> <p><b>Celebrating Team Members</b></p> <ul style="list-style-type: none"> <li>• Melissa has been an advocate for work-force development. She led much of the work to implement the medical assistance program about two years ago. This year she, is working to implement a CNA apprenticeship program.</li> <li>• Melissa has been asked to join both a state board and additional task force to collaborate with others on work-force program implementation.</li> <li>• Pat was appointed as the WSHA rural representative to the EMS and Trauma Care Steering Committee. His passion for EMS is illuminated in this appointment.</li> </ul> <p>CM benefits greatly from the work Pat and Melissa have done in their respective fields and we look forward to supporting their efforts on these task forces. Kudos to Pat and Melissa!</p>
<b>Board Action Items</b>	<ul style="list-style-type: none"> <li>• Please check your email.</li> </ul>
<b>Meeting Evaluation/ Commissioner Comments</b>	<ul style="list-style-type: none"> <li>• The commissioners remarked that they really enjoy the embedded strategic questions.</li> </ul>
<b>Adjournment</b>	<ul style="list-style-type: none"> <li>• Bruce made a motion to adjourn the meeting at 8:22 PM. Mall seconded the motion and the commissioners unanimously approved.</li> </ul>

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Tom Baranouskas, President

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Mall Boyd, Secretary