

Kittitas Valley Healthcare
Board of Commissioners
June 23, 2016
KVH Conference Rooms A/B

BOARD MEMBERS PRESENT: Matt Altman, Liahna Armstrong, Bob Davis, Erica Libenow, Pam Wilson

KVH STAFF PRESENT: Libby Allgood, Cathy Bambrick, Randi Christensen, Rhonda Holden

MEDICAL STAFF PRESENT: Dr. Timothy O'Brien, Dr. Don Solberg

1. At 5:00 p.m., President Liahna Armstrong called the regular Board meeting to order.

2. **Approval of Agenda:**

President Armstrong asked that an item be added under New Business regarding the implications of the Skagit County Superior Court Judge ruling. Pam Wilson requested that the Clinic Council Report be pulled from the Consent Agenda and placed under Old Business. **ACTION:** On motion of Erica Libenow and second of Matt Altman, the Board members unanimously approved the agenda as revised.

3. **Consent Agenda:**

ACTION: On motion of Bob Davis and second of Erica Libenow, the Board members unanimously approved the Consent Agenda as revised.

4. **Quality:**

The Board members reviewed the QI Council summary and dashboards.

5. **Public Comment/Announcements:**

Frank Lowatchie read a letter that stated he was pleased with the dismissal of Paul Nurick and was looking forward to a brighter future for hospital employees. Larry Sharpe asked that the Board members be as transparent as possible in stating why Mr. Nurick was dismissed in light of the hospital being designated as a Top 100 hospital. Lou Andrew stated that because Mr. Nurick is being dismissed without cause, it will be expensive to pay off his employment contract. Vicki Barela, RN, stated she was disappointed that Mr. Nurick had been dismissed because she felt he had been an excellent administrator.

Roger Weaver stated that he was impressed with the planning process for the new medical clinic building, but wanted to again stress that the hospital would run into problems with the restrictive covenants and that the hospital administration was leaving out the neighborhood in the planning process. Bob Jones stated that the planning for the new building was putting the cart way before the horse in that no permit has been granted by the city. He stated that the community thinks the building is a done deal when in reality, a city approval permit, SEPA permit and vacating of the street approval have not been granted.

Jack Baker stated that he did not approve of the dismissal of Paul Nurick and hoped that the hospital was not moving backwards instead of forward due to this decision. Marla Rowbotham read a letter supporting the Board's decision to dismiss Mr. Nurick noting that under his reign as CEO nurses were devalued and worked without a contract for three years. Dr. Richard Vaughan stated that he supported

the Board's decision to remove Paul Nurick. Beverly Vifian stated the Board was not transparent with this process. Cody Staub and Teresa Beckett thanked the Board members for listening to the KVH employees. Dr. Martin and Dr. Macy asked that the Board members be transparent regarding the Board's vision for the future.

Liahna Armstrong stated that unfortunately Washington State law does not allow Board of Commissioners to disclose reasons on personnel issues. She stated that she was impressed with the community engagement and appreciated the community and employee input.

6. **Flu Vaccination:**

Mandee Olsen gave a PowerPoint presentation regarding requirements for hospital employees to receive the flu vaccination. She reported that 87% of KVH employees have received the vaccination.

ACTION: Matt Altman made the motion asking that a policy be developed to require that the flu vaccination is mandatory for KVH employees unless they decline to being vaccinated due to a special reason. If employees decline, they are to be required to wear a mask for the duration of the flu season and to give a specific reason for declining the vaccination. Bob Davis seconded the motion and the motion passed unanimously. The Board directed the Infection Control Committee to work out the details of the motion as well as a sticker process on name badges designating who had received the vaccination and possibly providing an incentive for employees who receive the vaccination. The Infection Control Committee is to report back to the Board regarding this process after the flu season is completed.

7. **Chief Executive Officer's Report:**

Cathy Bambrick reported that she met with Board members Bob Davis and Erica Libenow regarding the recent results of the employee survey. She announced that a follow-up survey will be sent out to all hospital employees in mid-July.

Cathy reported that the recent medical office building 3P event was very successful with a team of 32 employees, providers, patients and community members participating in the design of the building. Bob Davis commented that it was a rewarding process.

Cathy announced that a Director of Supply Chain and Procurement will be hired shortly. Libby Allgood announced that a new Director of Finance has been hired. Rhonda Holden announced that five full-time physicians have been hired for the Emergency Department with Dr. Kenneth Lindsey being hired as the Medical Director for the Emergency Department.

Cathy reported that Matt Altman facilitated community engagement activities at Hearthstone Cottage in Ellensburg and Rotary meetings in both Ellensburg and the Upper County.

The Board members reviewed the Human Resources Dashboard. Erica Libenow asked what the relation was between the Director of Supply Chain and Procurement and the Administrative Director of Supply Chain and Procurement. Cathy responded that the Administrative Director supervises the Director of this department. Bob Davis and Liahna Armstrong asked about the timeline for posting, hiring and completing orientation for new employees. Liahna stated that it takes up to 3 weeks before new employees can actually start working in their position due to orientation requirements. Cathy responded that they are working on shortening this process especially for non-clinical employees.

Staff members shared the interior design and layout for the new medical clinic. They reported that a mock cardboard model will be created for the community and staff to view in the near future that will be located in a large barn a few miles from the hospital. One of the highlights for the new clinic will be a single EHR system for the hospital and clinic. Dr. Solberg thanked all the staff involved in the planning of the new clinic building.

8. **Chief of Staff Report:**

This item was deferred to executive session.

9. **Financials:**

Libby Allgood presented a short financial summary for the month of May noting that the month's operations resulted in an operating loss of \$56,777 with a year-to-date operating margin of 1.23% and accounts receivable days at 49.4 for the hospital.

ACTION: On motion of Pam Wilson and second of Erica Libenow, the Board unanimously approved the capital expenditure request for the purchase of a Siemens chemistry analyzer for Laboratory Services.

10. **Education:**

Liahna Armstrong announced that three Board members as well as Libby Allgood and Cathy Bambrick were planning to attend the WSHA rural hospital conference in Chelan on June 26-29.

11. **Public Policy:**

None.

12. **Old Business:**

a. **Board Meeting Evaluation Summary:**

The Board members reviewed the Board meeting evaluation summary.

b. **Clinic Report:**

The Board members reviewed the clinic report. Bob Davis noted how well the internal medicine clinic financials were for the month. The Board members commented about the need to open the clinics to receive new patients.

13. **New Business:**

a. **Resolution No. 16-08: Purchase of Real Estate:**

ACTION: On motion of Bob Davis and second of Pam Wilson, the Board members approved Resolution No. 16-08 for the purchase of real estate.

b. Skagit County Superior Court Judge Ruling:

Liahna Armstrong reviewed an article regarding a Superior Court Judge Ruling in Skagit County regarding hospitals being required to provide abortion services if they provide maternity services. It was noted that this ruling could affect Kittitas Valley Healthcare.

14. Clippings, Articles, Correspondence and Board Meeting Evaluation Form:

The Board members reviewed the various clippings and correspondence items. The Board members completed the Board Meeting Evaluation Summary.

It was announced that Dr. Don Solberg would be retiring with a retirement celebration scheduled for July 26. Bob Davis congratulated Dr. Don Solberg for his years of service as a physician to the community.

President Armstrong recessed the meeting at 7:45 p.m. for ten minutes. At 7:55 p.m., she announced that the meeting would be recessed into executive session for 45 minutes to discuss real estate, personnel, litigation, and quality improvement. RCW 42.30.110(b)(g)(i); RCW 70.44.062(1)(2)

At 8:40 p.m., the executive session was extended for an additional 60 minutes.

At 9:40 p.m., the executive session was extended for an additional 15 minutes.

At 9:55 p.m., the meeting was reconvened into open session.

ACTION: On motion of Pam Wilson and second of Bob Davis, the Board members unanimously approved the initial appointments for Dr. Rajendra Suvarna, Dr. Nikolay Koley, Dr. Dane Sandquist, Megan Power, APC, Dr. Clint Thompson, DO, and Dr. Sheri Finn, DO, and the reappointments for Dr. Kelly Noyes, DO, Dr. Vicky Jones, Dr. Mark Takaki, Dr. Cynthia Oberfelder, Dr. Sindhu Srivatsal, Dr. Eric Lindstrom, Dr. Stuart Cardon, DPM, and Andrews Schock, PA-C as recommended by the Medical Executive Committee. Dr. Stuart Cardon's appointment is for one year only.

ACTION: On motion of Erica Libenow and second of Matt Altman, the Board members approved the expansion of legal services of the law firm of Miller Nash Graham & Dunn to include labor employment. The motion passed with Pam Wilson abstaining.

ACTION: On motion of Matt Altman and second of Bob Davis, the Board members unanimously approved Resolution No. 16-09 regarding the removal of the Superintendent without cause.

ACTION: On motion of Erica Libenow and second of Bob Davis, the Board members unanimously approved the appointment of Julie Petersen as interim Chief Executive Officer effective June 27, 2016, at an annual salary of \$234,000 with the Board members directing legal counsel to ratify the employment agreement for approval by the Board.

With no further action and business, the meeting was adjourned at 10:08 p.m.

CONCLUSIONS:

1. Motion passed to approve the Board agenda as revised.

2. Motion passed to approve the Consent Agenda as revised.
3. Motion passed asking that a policy be developed to require that the flu vaccination is mandatory for KVH employees unless they decline to being vaccinated due to a special reason.
4. Motion passed to approve the capital expenditure request for the purchase of a Siemens chemistry analyzer for Laboratory Services.
5. Motion passed to approve Resolution No. 16-08 for the purchase of real estate.
6. Motion passed to approve the initial appointments and reappointments for medical staff as cited above and recommended by the Medical Executive Committee.
7. Motion passed to approve the expansion of legal services of the law firm of Miller Nash Graham & Dunn to include labor employment.
8. Motion passed to approve Resolution No. 16-09 regarding the removal of the Superintendent without cause.
9. Motion passed to approve the appointment of Julie Petersen as interim Chief Executive Officer effective June 27, 2016, at an annual salary of \$234,000 with the Board members directing legal counsel to ratify the employment agreement for approval by the Board.

Respectfully submitted,

Franki Storlie/Bob Davis
Executive Coordinator/Secretary, Board of Commissioners